

REQUEST FOR PROPOSALS

Pharmacy Benefit Management Services



IOWA CITY
COMMUNITY
SCHOOL DISTRICT
Child-Centered : Future-Focused

Iowa City Community School District

Issue Date:

January 2, 2019

Closing date and time:

A complete digital copy of the proposal must be received by
12:00 pm (CT) on Wednesday, January 23, 2019.

Closing location:

All RFP materials must be received in digital form via email.

Contact Person:

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TrueNorth Companies
aviertel@truenorthcompanies.com

PHARMACY BENEFIT MANAGEMENT SERVICES

Request for Proposal

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A. BACKGROUND

The Iowa City Community School District (ICCS) is in the heart of the Midwest, servicing the greater Iowa City area, in the State of Iowa – www.iowacityschools.org. The District has a total enrollment of nearly 14,000 students and has its main office at 1275 North Dodge Street in Iowa City, IA. Currently, the self-funded pharmacy benefit management services (“PBM”) are provided by MedTrakRx LLC through the third-party administrator UMR as part of a non-grandfathered, self-funded health and welfare plan for employees, spouses, and covered dependents. Pre-Medicare age retirees are covered in the plan.

B. INTENT

The reason for this solicitation is to assess the marketplace for pharmacy benefit management services and determine which PBM vendor can best support the needs and interests of ICCSD and its members.

Since April 2018, the plan has averaged just over 2,700 covered lives. From November 1, 2017 through October 31, 2018, reports indicate that just over 31,100 prescription claims were filled. Proposals are requested for comprehensive PBM services beginning on April 1, 2019.

C. RFP INFORMATION

The following table lists the sequence of events and completion due dates for the RFP process.

Activity	Completion Due Date
Release of initial RFP	1-2-19
Submission deadline for questions	1-14-19 (by 5 pm CT)
Respond to bidder questions	1-16-19
Proposals due	1-23-19 (by noon CT)
Finalist meetings (if necessary)	1-29-19
Vendor selection (tentatively)	2-4-19
Board of Education approval	2-12-19

Digital copies of proposals must be received by 12:00 pm CT on the due date. All proposals and any attachments will become the property of the Iowa City Community School District. Digital copies of proposals and all questions should be submitted via e-mail to: aviertel@truenorthcompanies.com

D. GENERAL CONDITIONS

1. Bidders are advised to fill out and return the attached Receipt Confirmation Form, Attachment D. All subsequent information regarding this Request for Proposal, including changes made to this document will be directed only to those Bidders who have returned the form. Subsequent information will be distributed by the method authorized on the Receipt Confirmation Form.
2. The proposal must be signed by a person authorized to sign on behalf of the Bidder and to bind the Bidder to statements made in response to this Request for Proposal.
6. ICCSD reserves the right to reject any or all proposals received without explanation. Note that participating in this RFP process in no way obligates ICCSD to pursue a business contract with any of the vendors participating in the RFP.
7. Proposals should be valid for a period of one hundred twenty (120) days from the due date.
8. ICCSD shall not be liable, under any circumstances, for any expenses incurred by any bidder in connection with the selection process. ICCSD reserves the right, at its sole discretion, to select and negotiate with those vendors it considers qualified, based on its own criteria, and to terminate negotiations without incurring any liability.
9. This RFP is both confidential and proprietary to ICCSD, and ICCSD reserves the right to recall the RFP in its entirety or in part. Vendors cannot, and agree that they will not, duplicate, distribute or otherwise disseminate or make available this document or the information contained in it without the express written consent of ICCSD. Consent shall be granted only if provided in writing or by e-mail by Aaron Viertel on behalf of ICCSD. Notwithstanding the foregoing, vendors may make this document available to those employees who need to know its contents to participate in the preparation of this Proposal.
10. Vendors shall not include or reference this RFP in any publicity without prior written consent from ICCSD, which, if granted, shall be provided only by Aaron Viertel, on behalf of ICCSD. All vendor information submitted to this RFP will be considered confidential. Any additional materials that are to be considered confidential and treated as confidential must be clearly marked "confidential" prior to submission.
11. Notwithstanding the foregoing, neither ICCSD nor vendors shall be required to treat as confidential, information which is: 1) in the public domain through no fault of you or ICCSD, 2) already lawfully in the possession of the receiving party prior to disclosure by the vendor or ICCSD, as the case may be, 3) received from a third party, which the third party is not known to be obligated to a party hereto to keep such information confidential, and 4) information requested by any governmental or regulatory body or an arbitrator having jurisdiction over the party directed to make such disclosures.
12. ICCSD may retain all copies of the proposals submitted.

13. ICCSD may request additional data, discussion or presentation in support of proposals. Additionally, ICCSD may conduct a survey of any vendor under consideration to confirm or clarify any information provided, or to collect more evidence of managerial, financial and technical abilities, including but not limited to, meetings and visits to current customers served by the vendor.
14. Prior to finalizing any agreement, ICCSD may review each vendor's insurance coverage to ensure that it meets the necessary requirements. Depending upon the amount and type of insurance required, certification may need to be furnished.
15. Vendors must accept all the foregoing terms and conditions without exception.
16. ICCSD reserves the right to re-negotiate on a quarterly and/or annual basis throughout the life of the agreement.
17. ICCSD requires a 90-day termination clause within the PBM's services agreement including but not dependent on a PBM "change of control" clause.
18. ICCSD will require a weekly claims file in an approved NCPDP D.0 format to perform monitoring of the plan's performance.
19. All respondents must re-price a claims file per the instructions noted in Attachment C. Failure to re-price the claims file or failure to price the file per the instructions will result in disqualification from the bidding process.
20. The following definitions will be required in the service agreement (contract) for all purposes, including network discounts and rebates: Brand (Medispan multisource code of M, N, and O) and Generic (Medispan multisource code of Y).
21. As a self-funded health and welfare plan, ICCSD owns their claims detail and will receive a daily or weekly detailed claims file (NCPDP, D.0 including all transactions) at no additional cost.
22. All respondents must be fully, data-integrated (eligibility, claims, and accumulation) with UMR at the time of completing this RFP.

E. FINALIST MEETINGS

ICCSD may elect to hold finalist meetings. If so, we anticipate that the meetings will be held, on or around, January 29, 2019 in a location to be determined. The purpose of the meetings will be to provide the following information:

1. To clarify and address any open issues;
2. To supplement information obtained through the proposal questionnaire (e.g., utilization management programs, e-prescribing capabilities, etc.);

3. To enhance the understanding of the services and operations of each finalist;
4. To meet key account management and customer service personnel.

F. GENERAL INSTRUCTIONS

Your responses should be based on current proven capabilities. You should describe your future capabilities only as a supplement to your "current capabilities" response.

G. ICCSD'S SPECIFIC REQUIREMENTS

Respondents are required to duplicate the plan features and level of coverage presently offered to ICCSD's members. Please see plan design information in Attachment A.

Respondents to propose comprehensive PBM services including, but not limited to the following:

- Claims adjudication
- Electronic eligibility maintenance
- Patient and provider education
- Systematic prospective, concurrent and retrospective drug utilization review
- Network pharmacy contracting and management
- Formulary management
- Contracting with manufacturers for rebates
- Data reporting
- Pricing administration
- Member service help desk/call center
- Clinical management programs
- Ad hoc reporting
- Mail order or home delivery services
- Specialty drug pharmacy management program
- Attendance at a minimum of one (1) Board meeting per year
- Quarterly meetings (in-person or via teleconference)

1. ICCSD’S RESPONSIBILITIES

ICCSD shall provide eligibility and enrollment reports and updates, benefit design changes, payment facility for claims and administrative services, and others, as mutually agreed with PBM as being necessary for the operation of the pharmacy benefit program.

2. PBM ACCOUNT TEAM

<i>Please list the individuals that would be assigned to this account.</i>	Name, Title, Telephone, E-mail
Account Executive	
Direct Supervisor of Account Executive	
Clinical Account Executive	

H. CONTRACTUAL REQUIREMENTS

Confirm whether you agree to the following requirements. Please explain or offer an alternative approach for any "no" answers.

1. GENERAL TERMS

Requirement	Agrees to or Meets Yes	Agrees to or Meets No
1.1 These responses become part of the contract if you are the selected PBM.		
1.2 Initial term shall be for three (3) years.		
1.3 Offeror will adhere to a Pass-Through pricing arrangement with no pricing spreads at retail or mail		
1.4 Rebates will be defined as all compensation or remuneration of any kind received from a pharmaceutical manufacturer or wholesaler attributable to the purchase or utilization of covered drugs by eligible ICCSD’s members.		

1.5 The term Brand Drug shall mean: the multisource code field in Medi-Span containing an “M”, “O” or an “N” code, however, if the code is “O” and there is a DAW Code of 3,4,5,6, or 9, the drug shall be considered a generic drug. The parties agree that when a drug is identified as a brand drug, it shall always be considered a brand drug for all purposes and under this Agreement.		
1.6 The term Generic Drug shall mean: the multisource code field in Medi-Span containing a “Y” code. An item shall be considered a generic drug if the multisource code is a “O” and there is a DAW code of 3,4,5,6 or 9. The parties agree that when a drug is identified as a generic drug, it shall always be considered a generic drug for all purposes and under this Agreement.		
1.7 Offeror agrees to use the same MAC list and pricing for invoicing ICCSD as it does for reimbursing the pharmacy.		
1.8 Vendor must agree to provide claims data weekly within one week from the end of the most current period at no cost to ICCSD.		
1.9 Compounds, OTC claims, zero-balance claims, U&C claims, and claims with ancillary charges will be excluded from the guarantee measurements for retail and mail order prescriptions.		
1.10 Non-MAC, MAC, single-source and multiple-source generic products are to be included in the generic guarantee measurement.		
1.11 Compounds, OTC claims, U&C claims, and claims with ancillary charges will be excluded from the network discounts.		

2. NETWORK

2.1 Please list any pharmacy chains not included in your standard or broad network. Please list any network exclusions that apply to the proposed network pricing terms.

Requirement	Agrees to	Agrees to
	or Meets Yes	or Meets No
2.1.1 ICCSD may decide whether to use mandatory mail-service or similar extended days (e.g., 90) supply programs.		
2.1.2 Maintain an online pharmacy directory that includes name, location, telephone number, any non-English languages spoken, hours of operation (particularly 24 hour), available vaccine services and delivery services		
2.1.3 Provide a hard copy of the pharmacy directory to members upon request.		
2.1.4 Offeror can propose both a broad and narrow network option. Is a narrow network available?		

3. PRICING

Requirement	Agrees to or Meets <i>Yes</i>	Agrees to or Meets <i>No</i>
3.1 The AWP for individual claims will not be an average and will not, in any way be calculated, altered, adjusted or assigned an alternate NDC number.		
3.2 The AWP discount is based on Medi-Span NDC-11. If no, please explain.		
3.3 Each distinct pricing guarantee shall be measured and reconciled on a component (e.g., retail brand, retail generic, mail brand, mail generic, specialty) basis only and guaranteed on a dollar-for-dollar basis with 100% of any shortfalls recouped by ICCSD within a set timeframe as outlined in the service agreement. Surpluses in one component may not be used to offset deficits in another component.		
3.4 Mail service pricing is based on the actual package size used to dispense.		
3.5 Apply “lower of” pricing provisions to all drugs, including those with a MAC.		

4. SPECIALTY DRUGS

Requirement	Agrees to or Meets <i>Yes</i>	Agrees to or Meets <i>No</i>
4.1 Provide a guaranteed discount off Medi-Span AWP? If so, what is it?		
4.2 All specialty drug rebates shall be passed through to ICCSD.		
4.3 Does the Offeror provide any means of tracking claims using manufacturers’ patient assistance programs or coupons?		
4.4 Does the Offeror provide any type of patient assistance management or coordination programs? If yes, please explain.		

5. USUAL AND CUSTOMARY PRICING

Requirement	Agrees to or Meets <i>Yes</i>	Agrees to or Meets <i>No</i>
5.1 If the usual & customary (U&C) price is lower than the standard discount price, the member will always pay the “lower of” U&C price.		

5.2 Vendor shall maintain and use retail pharmacy discount program pricing (e.g., \$4 generics) for usual & customary pricing.		
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6. FORMULARY MANAGEMENT

Requirement	Agrees to or Meets Yes	Agrees to or Meets No
6.1 ICCSD retains full control over formulary management decisions including, but not limited to, coverage restrictions, preferred drug list inclusions and benefit designs.		
6.2 ICCSD and/or members notified by Offeror by at least 90 days prior to a formulary change.		

6.3 Please provide an electronic copy (Excel, comma delimited or Access) of the preferred drug list you have quoted for ICCSD.

6.4 Please provide an electronic copy of the market share of medications, by number of Rx's, as a percentage of the total single-source drugs within each of your top five (5) categories (e.g., lipid-lowering, diabetes, antidepressants). Do not include multi-source generic drugs in the calculation.

7. THERAPEUTIC INTERCHANGE

Requirement	Agrees to or Meets Yes	Agrees to or Meets No
7.1 Only initiate therapeutic interchanges on drug pairs approved by ICCSD.		
7.2 Only initiate therapeutic interchanges when switching to drugs with a lower ingredient cost.		

8. DRUG COMPANY & OTHER THIRD-PARTY PAYMENTS

Requirement	Agrees to or Meets Yes	Agrees to or Meets No

8.1 Provide all rebate administration.		
8.2 ICCSD shall receive 100% of rebates as defined in Section 1.4.		
8.3 ICCSD will receive earned rebates within 90 days of drug company payment. If different, please indicate days: _____.		
8.4 Rebate payments will include OTCs, U&C claims, and multisource brands.		
8.5 List any rebate exclusions that apply.		

9. CLINICAL ADJUDICATION & UTILIZATION MANAGEMENT

Requirement	Agrees to	Agrees to
	or Meets Yes	or Meets No
9.1 Include in the base administrative fee all clinical & utilization management programs administered by the claims processing system. For example, include all step therapy and prior authorization edits, except those requiring additional review.		
9.2 Manage prior authorization requests using ICCSD approved criteria.		
9.3 Respond to prior authorization requests within twenty-four (24) hours, 7 days a week.		
9.4 If unable to respond within 24 hours, the claims processing system will automatically allow the pharmacy to dispense up to a seventy-two (72)-hour supply of a product without having to obtain an override.		

9.5 Describe and provide the pricing for any clinical & utilization management programs offered at additional cost; for example; 1) prior authorizations requiring clinical pharmacist review or 2) dose optimization at mail or retail.

9.6 What % of claims typically require prior authorization: Administrative _____ Clinical _____

10. DATA MANAGEMENT

10.1 Provide a sample of a standard reporting package you can provide to ICCSD.

10.2 Please describe the electronic reporting options available to ICCSD, including online decision support, member pricing/shopping tools, etc. and the associated charges.

10.3 Please include a sample annual executive review that includes utilization summaries, plan recommendations, predictive modeling analysis tools, and benchmark comparisons.

11. PLAN DESIGN

Please confirm that you can currently administer these options with no additional charge:

	Able to	
	Yes	No
11.1 Mail order copays that are 2, 2.5 or 3 times higher than retail and based on coinsurance.		
11.2 Value-based formulary (“reverse co-payments”).		
11.3 Exclusion of select medications in mail order.		

12. WEBSITE CAPABILITIES

Complete the following table to describe your website capabilities

Available?	Yes	No
12.1 Preferred drug list listing.		
12.2 A preferred drug listing unique to ICCSD.		
12.3 Patient profiles (for ICCSD care manager use).		
12.4 Brand/generic alternatives.		
12.5 Refill and renew mail-service prescriptions.		
12.6 Interactive health management tools.		
12.7 Submit inquiries to Customer Service Team.		
12.8 General health information for disease management.		
12.9 Do you agree to support single sign-on technology for integration with ICCSD?		

13. QUALITY ASSURANCE AND AUDITS

Confirm that you will agree to the following:

Requirement	Agrees to	Agrees to
	or Meets Yes	or Meets No
13.1 Allow ICCSD, or an independent firm chosen by them, to audit claims and drug company utilization incentives (e.g., pricing and rebates).		
13.2 The base administrative fee includes all audit services.		
13.3 100% of all audit recoveries shall be credited to ICCSD within 90 days of receipt of final audit.		
13.4 Pharmacy audit results shall be reported to ICCSD.		

14. CREDITS OR ALLOWANCES

14.1 Describe any credits or allowances that are included in the offer:

Brief description	Year 1	Year 2	Year 3
Implementation			
Renewal			
Mail-service			
Internet usage			
Other			

14.2 Define conditions for payment of the above.

15. OTHER GENERAL QUESTIONS

15.1 Complete the following table:

Organization Name	
Headquarters Location	
Date Founded	
Organization Structure (Corporation, LLC, etc.)	
Number of Employees	
Number of PBM Lives Under Management	
Contact Person's Name	
Title	

City/State	
Phone	
Email Address	

15.2 Will the Offeror be using any subcontractors to provide services to ICCSD? (e.g., Mail order, Specialty drugs, claims processing, data reporting/analytics, rebate aggregator, clinical programs, etc.) If so, please identify.

15.3 Please confirm the type and limits of professional liability insurance including E&O coverages.

15.4 Please describe your data security protocol and HIPAA-compliance (please limit to one-page)

15.5 What differentiates your organization and capabilities from your competitors?

15.6 Will you agree to hold ICCSD harmless for any claims resulting from dispensing errors from mail-order fulfillment?

15.7 Describe how you identify and monitor pharmacies that may be practicing fraud, waste or abuse?

15.6 What % of Specialty claims that are subject to a Prior Authorization in 2017 were denied?

15.7 Can ICCSD carve-out Specialty drugs or mail after year one, if they believe it is in the best interest of the self-funded plan?

15.8 Please provide three (3) references that would be meaningful to ICCSD. Please include the name of the organization, number of lives, contact person, title, phone number and email address.

EXHIBIT 1 - FINANCIAL OFFER

Please complete the following table to describe your financial offer:

	Guaranteed Offer	Comments
Retail/30		
Network name & type		Describe as broad, select, etc.
	<i>AWP discount</i>	
Generics		Please provide electronic file of current MAC list, with pricing, at the GCN sequence number level.
Multi-source Brand		
Single-source Brand		
Mail-Service	<i>AWP discount</i>	
Generics		Note whether same MAC pricing will be used for retail and mail-service prescriptions.
Multi-source Brand		
Single-source Brand		
Please confirm that mail-order pricing is for any days supply. If not, please detail pricing for less than or equal to 35 days supply at mail.		
	<i>AWP discount</i>	
Specialty Drugs		Please attach description of drugs included in the specialty category.
Please confirm that your specialty drug pricing applies to all pharmacies in the retail network or only at specialty/mail-order pharmacies.		
Dispensing Fees	<i>Guarantee</i>	
<i>Retail</i>		
Generics		Applies to all generics including single-source.
Single-source generics		Primarily applies to new generic introductions during their exclusivity period.
Multi-source Brand		
Single-source Brand		
Other pharmacy fees		Example: claims submission fees.
<i>Mail-Service</i>	<i>Guarantee</i>	
Generics		Applies to all generics including single-source.
Single-source Generics		Primarily applies to new generic introductions during their exclusivity period.
Multi-source Brand		
Single-source Brand		

Retail/90	<i>AWP discount</i>	
Generics		
Multi-source Brand		
Single-source Brand		
Dispensing Fees (retail 90)	<i>Guarantee</i>	
Generics		Applies to all generics including single-source.
Single-source generics		Primarily applies to new generic introductions during their exclusivity period.
Multi-source Brand		
Single-source Brand		
Rebates		
Retail per claim		
% claims rebated		Quote on an every claim basis (e.g., 100%) rather than select claims (e.g., branded, rebated claim).
Mail per claim		
% claims rebated		Quote on an every claim basis (e.g., 100%) rather than select claims (e.g., branded, rebated claim).
Administrative Fees		Please attach pricing for any services you offer not included on this worksheet.
<i>per Rx</i>		Quote on a per member per month basis.
Retail		
Mail		
<i>per eligible per month</i>		
<i>per member per month</i>		Preferred method for paying administrative fees.
Clinical Adjudication Fees		List price for all clinical adjudication services (e.g., on-line DUR, step- therapy, etc.). Please attach pricing for any services you offer not included on this worksheet.
<i>per Rx</i>		Quote on a per member per month basis.
Retail		
Mail		
<i>per eligible per month</i>		
<i>per member per month</i>		Preferred method for paying administrative fees.
Credits	\$ -	
Allowance	\$ -	

EXHBIT 2 - SERVICES INCLUDED IN ADMINISTRATIVE FEES

Check all items that are NOT included in the base administration fee. If not included in fee, provide the actual cost associated with the service per occurrence and an estimated annual expense, as well as an estimated ROI for each program. These services should focus on unique capabilities that ICCSD does not currently provide.

Eligibility	Not Included	Additional Charges
Administration of eligibility submitted via tape or telecommunication in a PBM standard format.	<input type="checkbox"/>	
Eligibility maintenance.	<input type="checkbox"/>	
Hard copy eligibility submission.	<input type="checkbox"/>	

Support	Not Included	Additional Charges
ICCSD is allowed access to PBM's systems to support coverage, eligibility & authorization activities.	<input type="checkbox"/>	
Connectivity charges to customer and provider support system.	<input type="checkbox"/>	

Claim Adjudication	Not Included	Additional Charges
Administration of PBM standard plan designs including tiered (3 and greater) co-payments, coinsurance, maximum limits, out-of-pocket limits, deductibles.	<input type="checkbox"/>	
In-network claims adjudication via on-line claims adjudication system.	<input type="checkbox"/>	
Direct reimbursement/out-of-network claims adjudication (including check and EOB).	<input type="checkbox"/>	
On-line claims history retention more than 12 months.	<input type="checkbox"/>	
Transfer of claims to medical carrier and consultants.	<input type="checkbox"/>	
Retail Pharmacy Network	Not Included	Additional Charges
Establish, maintain, credential and contract an adequate panel of participating network pharmacies.	<input type="checkbox"/>	
Develop & distribute communication materials to participating pharmacies regarding the program.	<input type="checkbox"/>	

Toll-free access to Help Desk for eligibility/claims processing assistance.	<input type="checkbox"/>	
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Toll-free access to PBM pharmacists to obtain DUR assistance.	<input type="checkbox"/>	
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Monitor network pharmacy performance and compliance, including generic substitution rates, formulary program conformance, and DUR intervention conformance through retail network management initiatives and reporting.	<input type="checkbox"/>	
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Standard pharmacy audit program (including desktop, member survey, and onsite pharmacy audits).	<input type="checkbox"/>	
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Enhanced audit program (please describe).	<input type="checkbox"/>	
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Clinical Programs	Not Included	Additional Charges
Point of Sale Edits.	<input type="checkbox"/>	
Dose/Quantity Duration Edits.	<input type="checkbox"/>	
Step Therapy Edits.	<input type="checkbox"/>	
Dispensing Quantity Edits.	<input type="checkbox"/>	
Physician prescribing summaries.	<input type="checkbox"/>	
High utilization management.	<input type="checkbox"/>	
Patient-specific notifications to physicians regarding drug therapy problems (e.g., noncompliance, early discontinuation, suboptimal therapy) based on integrated prescription, medical and laboratory data.	<input type="checkbox"/>	

Reviews and Appeals Management	Not Included	Additional Charges
Initial Determination and First Level Appeals.	<input type="checkbox"/>	
- Administrative.	<input type="checkbox"/>	
- Administrative.	<input type="checkbox"/>	
- Clinical – conditions of coverage reported by physician.	<input type="checkbox"/>	

Reporting	Not Included	Additional Charges
Standard management reports.	<input type="checkbox"/>	
Daily or weekly claims detail file (sent to ICCSD and/or consultants).	<input type="checkbox"/>	
Quarterly or annual claims detail electronic file (sent to ICCSD and/or consultants).	<input type="checkbox"/>	
Web-based online, decision support tool allowing ICCSD access to reports and ad hoc query capabilities.	<input type="checkbox"/>	
Additional ad-hoc/custom report production, reprogramming and testing of non-standard requirements from ICCSD.	<input type="checkbox"/>	
Up to <u>10</u> hours of programming hours to support specialized reporting or benefit.	<input type="checkbox"/>	

Member Services	Not Included	Additional Charges
Toll-free telephone access to customer service for the program for use by plan members, benefits personnel, and physicians.	<input type="checkbox"/>	
Toll-free telephone access to voice response unit for location of network pharmacies in zip code area.	<input type="checkbox"/>	
24-hour access to a PBM pharmacist via toll-free telephone service.	<input type="checkbox"/>	
PBM enrollment package for new members, including announcement letter, descriptive brochure, & mail-service envelope:	<input type="checkbox"/>	
Distribution of customized materials, except as described elsewhere.	<input type="checkbox"/>	
Optional Explanation of Benefits (OEOB) to record monthly describing the application of deductibles and coinsurance.	<input type="checkbox"/>	
Customized, targeted member mailings for supporting formulary initiatives.	<input type="checkbox"/>	

PBM Website	Not Included	Additional Charges
Standard member website capabilities including online prescription ordering & status; coverage & benefit information; health information and assessment resources.	<input type="checkbox"/>	
Online drug cost comparison tool including formulary status and average cost per prescription.	<input type="checkbox"/>	

Account Management	Not Included	Additional Charges
ICCSD clinical and plan consulting, analysis and cost projections.	<input type="checkbox"/>	

Annual analysis of program utilization and impact of plan design and managed care interventions.	<input type="checkbox"/>	
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Mail Pharmacy Services	Not Included	Additional Charges
Processing of prescriptions received via Internet, fax, phone or mail.	<input type="checkbox"/>	
Refill orders received by phone or Internet 24 hours a day, 7 days a week.	<input type="checkbox"/>	
Handling and postage expense of home delivery prescriptions.	<input type="checkbox"/>	
Expedited delivery.	<input type="checkbox"/>	
Braille prescription labels for visually impaired.	<input type="checkbox"/>	
Communication/educational materials included in medication packages including benefit summary statement, drug information leaflet, mail-service envelope, refill forms (as needed).	<input type="checkbox"/>	
General communications regarding utilization of home delivery including brochures, table tent cards, posters, content for general e-mail messaging to members, newsletter content.	<input type="checkbox"/>	

Attach a description and fees for available services not included in the base administrative fee.

EXHIBIT 3 - PERFORMANCE GUARANTEES

1. Vendor shall agree to meet the following performance standards:
 - a. Unless otherwise indicated, performance guarantees will be measured and reported monthly. Penalties will be assessed annually within 90 days of end of calendar year.

	Performance Standard	Measurement Frequency	Yes	No	Guarantee (\$)
I. Implementation					
Implementation meetings	Based on mutually-agreed upon schedule and as requested by ICCSD.	Within 90 days post-implementation			
Implementation plan	PBM shall submit implementation plan to ICCSD for review at least 60 days prior to start date.	Within 90 days post-implementation			
Loading of ICCSD's data	ICCSD's profile will be operational at least 30 days prior to start date.	Within 90 days post-implementation			
Loading of ICCSD's plan designs and coverage rules	PBM must be able to correctly process all retail and mail claims by start date, assuming claims processing rules have been clearly defined by the ICCSD no later than 60 days prior to start date.	Within 90 days post-implementation			
Loading of ICCSD's claims history	PBM shall load initial claims history by start date, assuming initial file provided by previous vendor at least 15 days of start date.	Within 90 days post-implementation			
ICCSD's satisfaction with implementation process	ICCSD will be satisfied with all aspects of implementation team performance and results of implementation process.	Within 90 days post-implementation			
Member communications	Patient specific communications regarding formulary or other benefit design changes shall be mailed to members at least 20 business days of the start date.	Within 90 days post-implementation			

II. Eligibility File Maintenance					
Eligibility file installations	Electronically submitted eligibility shall be processed by PBM within two (2) business days of the start date. Within 24 hours of receipt of a file, PBM will review it for errors and reconcile any errors with ICCSD and/or its designated Third-party administrator.	Quarterly			
Initial ID card distribution	Accurate ID cards will be mailed to participants at least 15 business days prior to the program effective date. (if applicable)	Annually			
III. Retail Claims Processing					
System availability for point-of-sale claims	PBM guarantees 99.5% claims processing systems availability (other than scheduled maintenance time) during normal service hours.	Quarterly			
Paper claim percentage	Less than 1% of claims shall be member submitted.	Quarterly			
IV. Customer Service					
Prior authorization turn-around time	95% of prior authorization determinations shall be completed within 72 hours.	Quarterly			
Average speed to answer	The average speed to answer of the member services toll free number will not exceed thirty (30) seconds in any quarter.	Quarterly			
Abandonment rate	The telephone abandonment rate of the member services toll free telephone line will not exceed 3% during any quarter.	Quarterly			
Member satisfaction	95% of members will be satisfied (3 on a 5-point Likert scale) based on survey instrument mutually developed by your organization and ICCSD. At least 20% shall be extremely or very satisfied.	Quarterly (minimum 50 completed surveys per quarter)			

Physician satisfaction	95% of physicians will be satisfied (3 on a 5-point Likert scale) based on survey instrument mutually developed by your organization and ICCSD. At least 20% shall be extremely or very satisfied.	Quarterly (minimum 50 completed surveys per quarter)			
V. Account Management					
Service	ICCSD is satisfied (3 on a 5-point Likert scale) with the account management services as measured by a survey instrument mutually developed by PBM and ICCSD. At least 20% shall be extremely or very satisfied.	Quarterly (minimum 5 completed surveys per quarter)			
Trend Reporting	PBM will present a trend report focusing on key performance metrics and drug utilization changes within 60 days following the end of the initial contract term and then each subsequent term.	Quarterly			
Annual Year- End Report	PBM will present ICCSDs annual financial summary no later than 90 days following the end of the initial contract term and then each subsequent term.	Annually			
VI. Retail Network					
Retail network access	PBM will maintain a network of Participating Pharmacies to provide services under the Retail Pharmacy Program. At least 95% of Eligible Participants will have at least one Participating Pharmacy within 5 miles of his/her home zip code (the "Retail Pharmacy Access Rate").	Quarterly			
Retail network audit	PBM will identify, recover and return incorrect payments amounting to at least 0.5% of total claims cost.	Annually			
VII. Mail Order Network					
Turnaround time – Total Mail Order Services	The Mail Order Service dispensing turnaround time for each full Contract shall be as specified below: PBM will guarantee: Within 14 days of receipt of viable Rx.				
Turnaround time – Refill Mail Order Services	98.0% if mail order services prescription refills received by PBM in each Contract Year will be processed within 2 business days of receipt of PBM.	Quarterly			

Turnaround time – Refill Mail Order Services	99.5% of mail order services prescription refills received by PBM in each Contract Year will be processed within 5 business days of receipt by PBM.	Quarterly			
Dispensing accuracy	99.999% of prescriptions will be dispensed without clinical error. Error indicators include associate name, drug name, drug strength, directions, quantity, and prescriber name.	Quarterly			

ATTACHMENT "A" - PLAN DESIGN

Iowa City Community School District
 Prescription Benefit Plan - As of April 1, 2018

Prescription out-of-pocket maximum amounts
 track from January 1 through December 31.

	<u>Individual</u>	<u>Family</u>
Deductible	N/A	N/A
Rx Out-of-Pocket Max	\$750	\$2,000

	<u>Generics (Tier 1)</u>	<u>Brands (Tier 2)</u>	<u>Brands (Tier 3)</u>	<u>Specialty (Generic or Brand)</u>
Retail 30	\$5	\$25	\$50	10% with a \$75 max
Retail 90	\$12	\$60	\$120	N/A
Mail 90	\$12	\$60	\$120	N/A
Specialty 30	N/A	N/A	N/A	10% with a \$75 max

Standard co-pays apply when a member chooses a brand over a generic. No DAW penalties are assessed.

Oral chemotherapy 100% plan paid.

No plan changes are anticipated for April 1, 2019.

ATTACHMENT "B" - MAC LIST EXAMPLES

ATTACHMENT "C" – CLAIMS RE-PRICE FILE

Please email Aaron Viertel at aviertel@truenorthcompanies.com to request a file containing Rx claims that were paid January – December 2018. The file will be sent via secure email. The file will not contain any PHI nor will it contain any plan paid, member paid or total paid amounts. All claims should be re-priced based on the date the claim was listed as paid using the applicable pass-through network pricing in place at the time the claim was paid, on a pharmacy-by-pharmacy and NDC-specific basis. Please use the proposed pricing model per the financial terms in Exhibit 1. Please list any claims that could not be re-priced and the rationale. Claims re-price file must be returned as a .csv or .txt delimited format and sent to aviertel@truenorthcompanies.com via secure email.

ATTACHMENT "D" – RECEIPT CONFIRMATION FORM

Request for Proposals: Pharmacy Benefit Management Services

Proposal Due: 12:00 pm Central Time on January 23, 2019.

To receive any further information about this Request for Proposal, please return this form.

Company: _____

Contact Person: _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Mailing Address if Different:

Street Address: _____

City: _____ State: _____ Zip Code: _____

Phone Number: _____ Fax Number: _____

Email Address: _____