

Request for Proposal for  
**Specialty Management Services**



Release Date: November 24, 2015

Intent to Bid & Written Questions Due: December 7, 2015 4:00PM Eastern Time

Mandatory Bidders' Call: December 15, 2015 12:30PM Eastern Time

Proposal Due Date: January 14, 2016 4:00PM Eastern Time

West Virginia Public Employees Insurance Agency  
601 57th Street, SE, Suite 2  
Charleston, West Virginia 25304-2345

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# 1. INTRODUCTION

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## 1.1 Objective of Request for Proposal

The objective of this Request for Proposal (RFP) is to solicit proposals for Specialty Management services for the West Virginia Public Employees Insurance Agency (PEIA). PEIA currently provides specialty prescription drug coverage for approximately 220,000 members.

PEIA is seeking bids for the following services:

- 1) Specialty management services for the actively employed members, non-Medicare retirees, and some Medicare retirees and their dependents under pharmacy benefit and medical benefit;
- 2) Negotiations of specialty pricing on a drug-by-drug basis annually;
- 3) Re-adjudication of claims on a monthly basis to confirm appropriate discounts were applied;
- 4) Rebate aggregation across pharmacy and medical benefit;
- 5) Dedicated utilization management and clinical support for specialty patient management;
- 6) Site-of-care determination for specialty medications;
- 7) Customer service support for patients; and
- 8) Adjustment of specialty member cost share on a drug-by-drug basis to maximize the value of manufacturer provided patient assistance programs.

It is preferable for one vendor to provide all the services requested, however it is **not** a requirement for proposal submission. PEIA will award services to separate entities upon their discretion. While services may be awarded to separate vendors, each individual service will be awarded to only one vendor.

PEIA is seeking an initial three-year contract with possible annual renewals thereafter for each of the services listed above. In addition, the selected Bidder will be required to provide implementation and transition support beginning 90 days prior to contract effective date.

## 1.2 Background

PEIA was established under the Public Employees Insurance Act of 1971, to provide hospital, surgical, group major medical, prescription drug, group life, and accidental death and dismemberment insurance coverage to eligible employees; and to establish and promulgate rules for the administration of these plans.

Benefits are made available to all active employees of the State of West Virginia and various related State agencies and local governments. Participants may elect health insurance coverage through a self-insured preferred provider benefit plan (PPB) or through an external managed care organization (MCO). Additionally, all participants may elect to purchase additional life insurance under the optional life insurance policy. For revenue, PEIA relies almost solely on the premiums paid directly by its participating employers and employees.

## 1.3 Current Specialty Drug Coverage

PEIA provides specialty drug benefits for its employees and their covered dependents, and also administers the benefit plan on behalf of the West Virginia Retiree Health Benefits Trust Fund for non-Medicare eligible retirees, some Medicare eligible retirees and their covered dependents. The covered populations include state employees, county and municipal employees as well as school and university

faculty, teachers and other employees. The majority of Medicare eligible retirees are covered under a Medicare Advantage Prescription Drug Plan (MAPD) and are therefore not included in this proposal. However non-Medicare retirees that “age-in” to Medicare eligible status throughout the year will remain covered under the plan until the start of the MAPD plan in January of each year, when they will transition out of the plan.

Currently all specialty medications require precertification, or prior authorization. Specialty drugs covered under pharmacy benefits are processed through the PBM claims system. The current third party administrator (TPA) performs the prior authorization review using the TPA’s clinical criteria but has access to the PBM system to enter the prior authorization. Members are not allowed to fill specialty medications via a retail network. The TPA reviews specialty medications under the pharmacy benefit and medical benefit, manages the coordination of various patient assistance programs, provides ongoing patient support via customer service support for receiving calls from patients and physicians, and negotiates pricing for all specialty drugs dispensed through the medical and pharmacy benefit on an annual basis.

PEIA’s desire is to maintain a lowest-cost channel specialty pharmacy arrangement where the winning vendor will place each drug out to market annually and allow specialty pharmacies to provide proposed discounts for each specialty medication.

PEIA has a two-step appeals process. The TPA currently handles the first level of appeals and prior authorizations. The second level of appeals is handled by PEIA. As part of its proposal response, the Bidder must describe, in detail, its appeals process and the internal decision-making system to handle member appeals.

Bidders should note services provided under this contract will be made available to other West Virginia State agencies including, but not limited to, West Virginia Children’s Health Insurance Program (CHIP). It is PEIA’s expectation that the calculation of volume-related discounts and cost savings include covered lives, claims volume and other purchased services from all State agencies utilizing this contract. Note that each agency has separate management teams, plan designs, and requirements. Separate billing, rebate payment, and reporting is required for each agency.

Please refer to PEIA 2016 Summary Plan Descriptions (SPD) for a description of the current specialty benefit plan at [www.peia.wv.gov](http://www.peia.wv.gov). Plan descriptions for CHIP are available on their website: [www.chip.wv.gov](http://www.chip.wv.gov).

#### **1.4 Clarification of Procurement Offering**

The contract is scheduled to be awarded no later than March 31, 2016 with the contract to become effective 90 days after award of contract. The benefit Plan Year will be July 1 to June 30 each year for actively employed and non-Medicare eligible participants and January 1 to December 31 for Medicare participants. **Subcontracting portions of the Bidder’s key functions will be permitted (and is encouraged) by PEIA as long as the contract is in place at the time of the proposal submission. It would be PEIA’s preference for one entity to manage the entire specialty services, but PEIA will award it to separate entities upon their discretion.** The winning Bidder will be solely responsible for all subcontractors. Subcontractors have no appeal rights under this RFP.

In addition, PEIA requires the successful Bidder to identify fully all of its revenue sources. PEIA intends to contract with the successful Bidder on a per member per month (PMPM) administrative fee basis.

Recognizing the complexities of specialty benefit management, PEIA intends to work closely with the successful Bidder to assure the best possible results. Therefore, Bidders will be evaluated as to their flexibility, creativity, and capacity. The successful Bidder must demonstrate its ability and willingness to work with specialty pharmacies, the medical TPA, the pharmacy PBM, and drug manufacturers to find the most effective ways to control specialty costs. These efforts must include appropriate therapeutic controls and careful monitoring of performance and pricing.

Bidders should also note that PEIA requires reporting and rebate payment to be provided separately for active State employees, non-State agency employees, non-Medicare, and Medicare retirees. Bidders are expected to examine carefully all documentation, schedules and requirements stipulated in this RFP and respond to each requirement in the prescribed format. The successful Bidder must provide all staffing, systems and procedures required to perform the services described herein.

In addition to the provisions of this RFP, information provided during any finalist's presentations and the successful proposal will be incorporated by reference in the contract. Any additional clauses or provisions required by federal or state law or regulation in effect at the time of execution of the contract will also be included.

PEIA reserves the right to make a contract award without any further discussion with potential Bidders regarding the proposals received. Therefore, proposals should be submitted initially on the most favorable terms available to PEIA from a price and technical standpoint. PEIA reserves the right to conduct discussions with all responsible parties who submit proposals that pass the Mandatory Minimum Requirements described in this RFP. At PEIA's discretion, PEIA may also contact some or all of the Bidders to request additional information or clarification. All materials submitted by Bidders pursuant to such requests will be considered to be part of their proposals. PEIA also reserves the right to cancel this RFP at any time.

## 2. GENERAL INFORMATION

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### 2.1 PEIA Representative

PEIA is issuing this RFP with assistance from Buck Consultants (Buck). All communication regarding this RFP should be directed to PEIA's representative at Buck:

Mark Runge  
Buck Consultants  
1201 Louisiana Street  
Suite 750  
Houston, TX 77002  
Telephone: (713) 658-3431  
Email: [mark.runge2@xerox.com](mailto:mark.runge2@xerox.com)

The above person is the point of contact from the date of release of the RFP, until the selection of the successful Bidder. See Section 3.12 of this RFP regarding restrictions on communications with State and other personnel.

### 2.2 Key Proposal Dates

The following dates will apply during the proposal and implementation process. PEIA reserves the right to waive or modify specific terms and conditions contained in this RFP, and to waive, modify or extend deadlines specified herein.

Activity	Date/Time
Issue of RFP	Tuesday, November 24, 2015
Deadline for Submitting Intent to Bid Form & Written Questions	Monday, December 7, 2015 4:00PM ET
Mandatory Bidders' Call	Tuesday, December 15, 2015 12:30PM – 3:30PM ET
Deadline for Written Question Post Bidders' Call	Thursday, December 17, 2015 4:00PM ET
Release Final Q&A Document	Wednesday, December 23, 2015
Deadline for Proposal Submission	Thursday, January 14, 2016 4:00PM ET
Finalist Interviews (if applicable)	TBD
Implementation (if applicable)	TBD
Effective date of Specialty Management Contract	TBD

### 2.3 Intent to Bid Form

Bidders must submit, in writing, notification of the intent to bid on any or all of the services outlined in this RFP. Intent to Bid forms should be submitted via email to PEIA's representative named in Section 2.1 and should be received no later than the date and time shown in Section 2.2. Submission of the Intent to Bid form does not create an obligation to respond to this RFP and is a prerequisite for submitting a response. It is necessary to ensure receipt of any amendments or other notices and communications relating to this RFP.

## 2.4 Written Questions

Bidders may submit, in writing, any questions or clarifications prior to submitting a proposal to PEIA's representative named above in Section 2.1. Written questions received later than the dates and times shown in Section 2.2, shall not be answered. All questions with responses will be provided to all potential Bidders who are known by the PEIA Representative on the date and time shown in Section 2.2. The questions should be submitted via email; however, PEIA assumes no liability for email transmission/receipt and will not acknowledge receipt except by addressing the question.

## 2.5 Mandatory Bidders' Call

PEIA will conduct a pre-proposal Bidders' Call for all interested organizations to become more familiar with the requested services. Bidders will have the opportunity to ask clarifying questions during the Bidders' Call and PEIA will make a reasonable attempt to answer all questions presented. Answers to questions raised during the call will be sent to all potential Bidders who attended the call. Oral answers will not be binding on PEIA. Attendance of the Bidders' Call is mandatory and required for bidders to submit a proposal.

Bidders' Call will be held on Tuesday, December 15<sup>th</sup>, from 12:30PM – 3:30PM Eastern Time at:

Dial-in Number: 1-866-206-0240

Passcode: 367013

## 2.6 Confidential Information

In order to obtain Attachment D: Confidential Information, which contains confidential data that is necessary to complete a Proposal in response to this RFP, each Bidder must print, complete and return the Limited Data Use Agreement, which is included as Appendix C of this RFP. The Limited Data Use Agreement must be sent to the PEIA Representative identified in Section 2.1 and must be in the form outlined in Appendix C. A scanned copy with the appropriate signature, transmitted by e-mail to the email address listed in Section 2.1, is preferred.

The information contained in Attachment D: Confidential Information includes the following:

- 1. Current Enrollment** – This file includes demographic data showing the date of birth, gender, state, ZIP Code and plan information for 84,000 currently covered active employees and retirees, as of July 1, 2015. Dependent information has not been included in this file.  
  
This file also includes the date of birth, gender, state and ZIP Code information for 19,533 currently covered CHIP participants.
- 2. PY 2015 Claims History** – This file includes de-identified claims data for each claim incurred from July 1, 2014 through June 30, 2015 and paid through July 16, 2015. The file contains payor (PEIA or CHIP), patient ID, pharmacy ID, prescriber ID, dispense date, NDC Code, days of therapy, metric quantity, DAW, number of refills, drug type, pharmacy type, claim type (i.e. original or reversal) and AWP.

(The SPDs for PY2015 can be found at [www.peia.wv.gov/forms-and-downloads/summary\\_plan\\_description](http://www.peia.wv.gov/forms-and-downloads/summary_plan_description).)

- 3. PY 2015 Enrollment History** – This file includes the enrollment data for participants covered by the Plan between July 1, 2014 and June 30, 2015 and should be used in conjunction with the PY 2015 Claims History file. The enrollment file will include the following fields: payor (PEIA or CHIP), patient ID, patient date of birth, patient gender, Medicare status, plan name, begin date and end date.

Only those organizations who plan to respond to this RFP should submit the Limited Data Use Agreement. PEIA reserves the right, in its sole determination, to withhold Attachment D: Confidential Information from any requestor who cannot demonstrate its ability to meet the minimum requirements and/or provide the required services.

Upon receipt and approval of the Limited Data Use Agreement, Bidders will be provided with instructions on how to supply their organization's PGP key for data encryption and compression. Upon receipt of the PGP key, Bidders will be supplied login credentials for a secure FTP server. All data will be supplied to Bidders via the FTP server. Attachment D: Confidential Information will not be e-mailed to Bidders.

Note: Failure to complete all fields on the Limited Data Use Agreement may slow the processing of the request for Attachment D or may cause the request to be rejected. In such instances, PEIA will attempt to contact the submitter to resolve the deficiencies.

### 3. PROCUREMENT PROCESS

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The following subsections provide information on the process to be followed for this procurement:

#### 3.1 Legal Basis

The procurement process for this RFP will be conducted in accordance with the procurement policies and procedures established by PEIA. Pursuant to W. Va. Code §5-16-9(e); this purchase is not governed by the West Virginia Division of Purchasing.

#### 3.2 RFP Issuance and Amendments

The Officials within PEIA have reviewed this RFP. The contents represent the best statement of the requirements and needs of PEIA. Final approval of the Contract rests with PEIA once all individual requirements have been met.

#### 3.3 Order of Responses

Responses shall be made in the same order as provided in the specifications. Any organization seeking to provide administrative services must respond to appropriate sections of these specifications. Unless a variation from the specifications of the RFP is specifically noted in a response, the Bidder is agreeing to meet all specifications stated in this RFP.

#### 3.4 Certification

An authorized officer of each Bidder submitting a proposal must certify that the Bidder complies with the RFP specifications by signing and returning the Signature Page included in this RFP. Failure to sign and return the Signature Page may result in disqualification of the submitted proposal.

#### 3.5 Proposal Submission Requirements

Bidder's proposals shall be received via mail by PEIA representative at the address stated in Section 2.1 and via email by the following PEIA Representatives, **no later than the submission deadline outlined in Section 2.2.** (Note: Emails larger than 15 MB will need to be split into multiple emails.)

Responses shall be mailed or delivered to:

Buck Consultants 1201 Louisiana Street Suite 750 Houston, TX 77002 Attn: Mark Runge
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Responses shall also be emailed to:

Mark Runge  
Email: [mark.runge2@xerox.com](mailto:mark.runge2@xerox.com)

AND

Gail Levenson  
Email: [Gail.Levenson@xerox.com](mailto:Gail.Levenson@xerox.com)

Delivery of the proposals shall be at the Bidder's expense and all proposals for PEIA shall be sent to the PEIA Representative. When submitting a proposal by regular mail, certified mail, or express mail, or delivery service, it is incumbent upon the Bidder to allow for sufficient time to permit delivery by the U.S. Postal Service or any other delivery service or agent. Bidders shall be solely responsible for ensuring their proposal is delivered to the address above prior to or at the stated delivery date and time. The time of receipt at the designated office is the time-date stamp on the proposal wrapper or other documentation of receipt maintained by the PEIA representative. PEIA accepts no responsibility for mislabeled mail. Any and all damage that may occur due to shipping shall be the Bidder's responsibility. Late submissions shall not be accepted. Proposals that arrive late will not be accepted and will be returned to the sender unopened.

One (1) original and eight (8) identical copies of the proposal must be received by the PEIA Representative on or before the deadline outlined in Section 2.2. If supplemental materials are included with the proposal, each copy of the proposal must include such supplemental materials. The original copy shall bear an original signature of a legally authorized representative in blue ink and shall be marked as the "Original". Colors must reproduce in a legible manner on a black-and-white copier. One (1) complete copy of the "Original" proposal shall also be submitted on electronic media (e.g., USB Drive, CD-ROM, or DVD-ROM) in a Microsoft Office Word or Excel (version 2007 or 2010) format, with the exception of supplemental materials may be submitted in an Adobe .PDF format. Exhibits must be submitted in Microsoft Excel format. Print margins within the proposal response documents should be adjusted to ensure printed copies are legible.

Each Technical Proposal and each Cost Proposal shall be enclosed in a separately sealed envelope or package.

- The face of the package containing the original and copies, whether mailed or hand-delivered, shall bear the following legend, "PEIA PROPOSAL – CONFIDENTIAL"
- The original, eight (8) bound copies (three-ring binders are acceptable), one (1) unbound copy, and one electronic copy in a disk format (using Microsoft Word) of the Technical Proposal must be submitted under sealed cover and labeled on the outside as follows:
  - "PEIA Specialty Management"
  - "Technical Proposal"
- The original, eight (8) bound copies (three-ring binders are acceptable), one (1) unbound copy, and one electronic copy in a disk format (using Microsoft Word and Excel) of the Cost Proposal must be submitted under separate sealed cover and labeled on the outside as follows:
  - "PEIA Specialty Management"
  - "Cost Proposal"

The Technical Proposal must not contain any mention of the pricing guarantees, fees, or other information contained in the Cost Proposal. However, information such as labor hours and categories, materials, subcontracts, and so forth, shall be contained in the Technical Proposal so that the Bidder's understanding of the scope of the work may be evaluated. The Technical Proposal shall disclose the Bidder's technical approach in as much detail as possible, including, but not limited to, the information required by the Technical Proposal instructions.

The format and content requirements for the Technical and Cost Proposals must adhere to the instructions contained in this RFP. Failure to respond to a specific requirement may be used as a basis for rejection of the proposal from further consideration, or result in a score of "zero" or a "fail" for a particular item. Emphasis should be placed on conformance to the RFP instructions, responsiveness to requirements and completeness and clarity of content. Elaborate proposals are neither necessary nor desired. If the proposal is presented in a fashion that makes evaluation difficult or overly time consuming, it is likely that points will be lost in the evaluation process. Bidders shall not include any personal use items with the proposal.

All proposals must be delivered no later than the date shown in Section 2.2 of this RFP and only to the PEIA representative at the address listed in Section 2.1.

### **3.6 Proposal Withdrawal**

Prior to the proposal due date, a Bidder may withdraw their proposal by submitting an email and written request for its withdrawal signed by the Bidder's authorized agent. The written withdrawal request will be directed to the PEIA Representative at the address listed in Section 2.1.

### **3.7 Acceptance of Proposals**

PEIA will accept all proposals submitted according to the requirements and deadlines specified in this RFP. Each Bidder may submit only one proposal. PEIA reserves the right to reject any or all proposals received. It is understood that all proposals, whether rejected or not, will become the property of PEIA. After receipt of proposals, PEIA reserves the right to sign a contract, without negotiation, based on the terms, conditions, and premises of this RFP and the proposal of the selected Bidder(s) or to negotiate with a finalist or finalists. Any concerns with proposed contract terms should be outlined in Bidders' Call and proposal response.

All proposals must be responsive to all requirements in the RFP in order to be considered for Contract award.

After the opening of proposals, PEIA may ask any Bidder for written clarification of their proposal. In the event this clarification is requested, submission of the clarification shall be considered part of the original proposal. PEIA reserves the right to waive any or all minor irregularities in proposals, providing such action is in the best interest of PEIA. Where PEIA may waive minor irregularities, such waiver shall in no way modify the RFP requirements or excuse the Bidder from full compliance with RFP specifications and other Contract requirements if the Bidder is awarded the Contract. PEIA also reserves the right to reject any and all proposals received, or cancel this RFP, according to the best interest of PEIA.

Proposals must be valid for 180 days following the close date of this RFP. This period may be extended by written mutual agreement between the Bidder and PEIA.

### **3.8 Oral Presentations**

At the option of PEIA, oral presentations by selected Bidders may be required. Bidders will be notified if an oral presentation is required. Any cost incidental to an oral presentation shall be borne entirely by the Bidder and PEIA shall not compensate the Bidder. The Bidders should present complete, comprehensive proposals without relying on oral presentations, because PEIA reserves the right to award a contract without further discussions or an oral presentation. The Bidders may be requested to provide demonstrations of their proposed systems as part of their presentations. Presentations may be recorded and any representations made during the oral presentation will become part of the Bidder's proposal and are binding if a contract is awarded.

### **3.9 Site Visits**

PEIA may request a site visit to review the Bidder's facilities or its subcontractors' facilities. This may include, but not be limited to, a review of policies and procedures, and any other area of operation that directly or indirectly affects the provisions of the RFP, Contract or the delivery of health care services.

Any cost incidental to the site visit by the Bidder shall be borne by the Bidder. PEIA will be responsible for its own travel and accommodations.

A readiness review may also be conducted on-site at the selected Bidder's facilities following execution of the Contract and before implementation of the Specialty Drug Management services.

### **3.10 Contract Award Notice**

The notice of the intended contract award shall be sent by certified mail or overnight mail to all Bidders who submitted a proposal. A contract award is contingent on approval by the PEIA Director.

### **3.11 Protest of Intended Award**

Bidders that have submitted a ligation bond may protest the award in accordance with the following procedure. Protests based on the contract award must be submitted in writing to the Director of the West Virginia PEIA within five (5) working days from the date of Contract Award Notice. Protest should be sent to:

**Ted Cheatham, Director**  
**West Virginia Public Employees Insurance Agency**  
**601 57th Street, SE**  
**Suite 2**  
**Charleston, West Virginia 25304-2345**  
**Telephone: (304) 558-7850, ext. 52634**

**Protests may be submitted by FAX at (304) 558-2470.**

All protests must contain:

1. The name and address of the protesting proposer
2. A statement of the grounds of the protest (See Legal Standard below)
3. Supporting documentation (if available)
4. The resolution or relief sought

Failure to submit all of this information shall be grounds for rejection of the protest by the Director of PEIA.

PEIA may refuse to review any protests when the matter involved is the subject of litigation before a court of competent jurisdiction; if the merits have previously been decided by a court of competent jurisdiction; or if it has been decided in a previous protest by the Director of PEIA. Subcontractors under a proposer's proposal do not have standing to file a protest.

The Director will respond to the protest within five (5) business days of receipt of the written notice at the offices of PEIA.

Proposers in disagreement with the response of the Director may ask for further review of the protest by the Cabinet Secretary of the West Virginia Department of Administration. The request for further review should be sent to the address below within five (5) days of the Director's response:

**Jason Pizatella, Acting Cabinet Secretary  
West Virginia Department of Administration  
State Capitol Complex, Building 1, Room E-119  
1900 Kanawha Boulevard East  
Charleston, WV 25305**

**Appeals may be submitted by FAX at (304) 558-2999.**

If the protesting vendor believes that due to the nature of the contract award an expedited determination is required, a request that the matter be directed immediately to the Department of Administration Cabinet Secretary should be in the original protest submitted to the Director of PEIA. If the Director is in agreement with the reasons for the expedited request, the Director will forward the protest to the Department of Administration Cabinet Secretary and inform the requesting proposer of his/her actions.

Decisions by the Department of Administration Cabinet Secretary shall be considered to be the final level of administrative relief. Any further appeal of the administrative decision of the Department of Administration Cabinet Secretary must be directed to the Circuit Court of Kanawha County, Charleston, West Virginia.

### **Legal Standard**

A protesting vendor should be advised, that the legal standard for a successful challenge has been established by the W. Va. Supreme Court as follows:

*“A State agency which awards a public contract upon criteria other than price is clothed with a heavy presumption that the contracting agency has properly discharged its duties and exercised discretionary powers in a proper and lawful manner; accordingly, the burden of proof in any action challenging the award of a contract by an unsuccessful Bidder or taxpayer is upon the challenger who must show fraud, collusion, or such an abuse of discretion that it is shocking to the conscience.” Syl. Pt.3 State ex rel. E.D.S. Federal Corp. v. Ginsberg, 163 W.Va. 647, 259S.E.2d (1979).*

### **3.12 Restrictions on Communications with State and Other Personnel**

From the issue date of this RFP, shown in Section 2.2, until a Bidder is selected and announced, Bidders are prohibited from communicating with any PEIA representatives regarding this procurement, except for the contact listed in Section 2.1. This provision is not intended to restrict current Contractors from communicating with PEIA staff regarding ongoing operational matters. All communications related to this RFP are restricted to written communications except as set forth below. Bidders may not engage in attempting to influence, or lobbying activity, to influence the selection process via any unauthorized contact with any employee or officer of PEIA or the state of WV. Violation of this requirement shall disqualify the Bidder from further consideration. Any Bidder, by submitting its proposal, acknowledges that it will refrain from lobbying with, or otherwise contacting any of the above referenced individuals to try to influence the outcome of the selection process.

- The only exceptions to these restrictions are: PEIA staff and/or Bidder staff present at the Bidders' Call for the purpose of addressing questions; or
- PEIA personnel involved in Oral Presentations by the Bidder

As described in this RFP, any clarification regarding the RFP will be issued in writing by the PEIA representative listed in Section 2.1.

No statements, clarifications, or opinions regarding this RFP are valid or binding except those issued in writing by the PEIA representative listed in Section 2.1. Under no circumstances will questions be entertained except in writing or at the Bidders' Call.

### **3.13 Evaluation Methodology**

A point evaluation system has been designed. A total score of 100 points is possible for the technical and cost proposals combined. The technical proposal will represent 50 points (50%) of the total evaluation score while the cost proposal will represent 50 points (50%). Bidders shall submit their Proposals in accordance with the requirements set forth in Section 5. Finalist presentations and site visits may be used to validate the information presented in the proposal. As such, information obtained during oral presentations and/or site visits may be used to adjust the technical scores.

Proposing entities must meet minimum acceptable score of 70% for the technical proposal in order for their cost proposal to be considered for the service(s) they propose. The minimum acceptable score for each technical proposal will be set at 35 points, equal to 70% of the total technical score.

## **4. CONTRACTUAL SERVICES TERMS AND CONDITIONS**

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### **4.1 Term of Contract**

Specialty management services are being requested from one or more vendors, depending on scope of services each vendor bids on, for an initial thirty-six (36) month period with possible annual renewals thereafter.

### **4.2 Contract Administrator**

Upon approval of a Contract, and following execution of said Contract, PEIA shall direct the Bidder to administer the Contract on a day-to-day basis during the term of the Contract. However, administration of any Contract resulting from this Request implies no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions, and specifications of such Contract. That authority is retained by PEIA and other authorized representatives and these appointees are subject to change.

### **4.3 Cost Liability**

PEIA assumes no responsibility or liability for costs incurred by any Bidder prior to the signing of any Contract resulting from this RFP. PEIA's responsibility and liability is limited to the terms and conditions of any Contract resulting from this RFP.

### **4.4 Bidder Responsibilities**

The Bidder shall be required to assume responsibility for all contractual activities offered in this proposal whether or not that Bidder performs them. Further, PEIA shall consider the Primary Bidder to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated Contract. If any part of the work is to be subcontracted, responses to this RFP should include *a list of subcontractors, including firm name and address, contact person, complete description of work to be subcontracted, and descriptive information concerning subcontractor's organizational abilities*. PEIA reserves the right to approve subcontractors for this project and to require the Primary Bidder to replace subcontractors found to be unacceptable. The Bidder is totally responsible for adherence by the subcontractors to all provisions of the Contract.

The Bidder and any subcontractors must commit to the entire contract period stated within this RFP, unless PEIA specifically agrees to a change of subcontractors. The Agreement between the Bidder and PEIA will not be assignable to another party without prior written permission from PEIA. The Bidder shall provide advance notice to PEIA on any intended sale of the contracting entity. PEIA will have the option of terminating the Contract with the Bidder upon the sale of the contracting entity.

### **4.5 News Releases**

From the time the RFP is released and until a successful Bidder is announced, news releases pertaining to this document or the services, study, data, or project to which it relates, shall not be made without prior written PEIA approval, and then only in accordance with the explicit written instructions from PEIA. No results of the program are to be released without prior written approval of PEIA and then only to persons designated.

#### **4.6 Freedom of Information/Disclosure**

**All documents in this RFP process are subject to West Virginia's Freedom of Information Act (FOIA) and may be disclosed upon request.** The Bidder must clearly identify which data are considered proprietary. If PEIA receives a FOIA request for data, labeled by the Bidder as proprietary, PEIA will notify the Bidder, in writing, of the request to allow the Bidder time to obtain the appropriate court order to prevent the release of the information. Otherwise, PEIA will be compelled by state law to release such information.

#### **4.7 HIPAA Compliance**

The Bidder must agree to become a business associate of the PEIA, it must have policies and procedures in place consistent with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) standards for privacy and security of protected health information (45 CFR Parts 160 and 164) and any other applicable state or Federal law related to the privacy or security of information. The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the attorney General, and available online at the Purchasing Division's website (<http://www.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of the agreement resulting from this RFP.

#### **4.8 Gratuities or Kickbacks**

By submission of a proposal, the Bidder represents that it has not retained any person, agency, or entity to solicit or secure a State contract upon an agreement or understanding for a commission or a percentage, brokerage, or contingent fee. The State will not pay any brokerage fees for securing or executing any of the services outlined in this RFP. Therefore, all proposed fees must be net of commissions and percentage, contingent, brokerage, service, or finder's fees.

#### **4.9 Appropriations**

If the contract extends into more than one fiscal year (July 1 to June 30), and if appropriations are insufficient to support the contract, PEIA may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority.

#### **4.10 Litigation Bond**

Each Bidder responding to this RFP is required to submit a litigation bond in the amount of 5% of submitted bid, made payable to the West Virginia Public Employees Insurance Agency. A surety company licensed to do business in the State of West Virginia with the West Virginia Insurance Commission, on a form acceptable to the State, and countersigned by a West Virginia Resident Agent must issue this bond. The only acceptable alternate forms of the bond are (1) company certified check (not an individual) and (2) a cashier's check.

The purpose of the litigation bond is to discourage unwarranted or frivolous lawsuits pertaining to the award of a contract from this RFP. Secondly, the bond provides a mechanism for the State of West Virginia, the Agency, and its officers, employees, or agents thereof to recover damages, including (but not limited to) attorney fees, loss of revenue, loss of grants or portions thereof, penalties imposed by the federal government and travel expenses which may result from any such litigation. A claim against the bond will be made if the Bidder contests the award in a court of competent jurisdiction and the

grounds are found to be unwarranted or frivolous based on the facts of the award or applicable law as determined by the court.

The bond or alternate form must remain in effect for two years from the proposal submission date. After six (6) months, each Bidder may request, and the State anticipates granting, a release of the litigation bond or alternate form. However, the Bidder will be required to provide a release (signed and notarized in a form that is acceptable to the State) prior to release of the bond which states that the Bidder will not sue.

Failure to submit an appropriate bond or Litigation Waiver Form (Appendix F) with the proposal at the time of bid opening will result in automatic disqualification of the Bidder's proposal and the proposal will be considered non-responsive.

#### **4.11 Miscellaneous Provisions**

The following provisions will be incorporated into any agreement entered into between PEIA and the successful Bidder. The successful Bidder will be asked to sign a form accepting the provisions described below.

##### **4.11.1 Dispute Resolution**

If a dispute arises out of this Agreement, or any modifications made to the Agreement, the parties agree to meet and attempt to resolve the dispute by negotiations. If negotiations are not successful, the parties shall attempt to resolve the dispute and may consider non-binding mediation using the American Arbitration Association as the mediator, or such other firm or association as agreed upon by the parties. The parties agree to make a good faith attempt to resolve the dispute prior to litigation.

##### **4.11.2 Arbitration**

Any references to arbitration contained in the agreement are hereby deleted. Claims against PEIA or the State of West Virginia arising out of the agreement shall be presented to the West Virginia Court of Claims.

##### **4.11.3 Hold Harmless**

Any clause requiring the Agency to indemnify or hold harmless any party is hereby deleted in its entirety. The successful Bidder must indemnify and hold harmless the State of West Virginia and PEIA for its acts or omissions arising out of the contract.

##### **4.11.4 Governing Law**

The agreement shall be governed by the laws of the State of West Virginia. This provision replaces any references to any other State's governing law.

##### **4.11.5 Taxes**

Provisions in the agreement requiring the Agency to pay taxes are deleted. As a State entity, the Agency is exempt from Federal, State, and local taxes and will not pay taxes for any Vendor including individuals, nor will the Agency file any tax returns or reports on behalf of Vendor or any other party.

#### **4.11.6 Payment**

Any references to prepayment are deleted. Payment will be in arrears. As per West Virginia State Law, PEIA will pay all uncontested invoices within sixty (60) days of receipt at PEIA offices.

#### **4.11.7 Interest**

Should the agreement include a provision for interest on late payments, the Agency agrees to pay the maximum legal rate under West Virginia law. All other references to interest or late charges are deleted.

#### **4.11.8 Recoupment**

Any language in the agreement waiving the Agency's right to set-off, counterclaim, recoupment, or other defense is hereby deleted.

#### **4.11.9 Fiscal Year Funding**

Services performed under the agreement may be continued in succeeding fiscal years for the term of the agreement, contingent upon funds being appropriated by the Legislature or otherwise being available for this service. In the event funds are not appropriated or otherwise available for this service, the agreement shall terminate without penalty on June 30. After that date, the agreement becomes of no effect and is null and void. However, the Agency agrees to use its best efforts to have the amounts contemplated under the agreement included in its budget. Non-appropriation or non-funding shall not be considered an event of default.

#### **4.11.10 Statute of Limitation**

Any clauses limiting the time in which the Agency may bring suit against the Vendor, lessor, individual, or any other party are deleted.

#### **4.11.11 Similar Services**

Any provisions limiting the Agency's right to obtain similar services or equipment in the event of default or non-funding during the term of the agreement are hereby deleted.

#### **4.11.12 Attorney Fees**

The Agency recognizes an obligation to pay attorney's fees or costs only when assessed by a court of competent jurisdiction. Any other provision is invalid and considered null and void.

#### **4.11.13 Assignment**

Notwithstanding any clause to the contrary, the Agency reserves the right to assign the agreement to another State of West Virginia agency, board or commission upon thirty (30) days written notice to the Vendor and Vendor shall obtain the written consent of Agency prior to assigning the agreement.

#### **4.11.14 Limitation of Liability**

The Agency, as a State entity, cannot agree to assume the potential liability of a Vendor. Accordingly, any provision limiting the Vendor's liability for direct damages or limiting the Vendor's liability under a warranty to a certain dollar amount or to the amount of the agreement is hereby deleted. In addition, any limitation is null and void to the extent that it precludes any action for injury to persons or for damages to personal property.

#### **4.11.15 Right to Terminate**

Agency shall have the right to terminate the agreement upon ninety (90) days written notice to Vendor.

#### **4.11.16 Termination Charges**

Any provision requiring the Agency to pay a fixed amount or liquidated damages upon termination of the agreement is hereby deleted. The Agency may only agree to reimburse a Vendor for actual costs incurred or losses sustained during the current fiscal year due to wrongful termination by the Agency prior to the end of any current agreement term. Upon termination of this agreement, or any extension thereto, the Bidder has the duty to continue to provide any reports required by the agreement or any law or regulation.

#### **4.11.17 Cooperation Upon Termination**

In the event the agency elects to terminate the agreement, the vendor will cooperate in the transition to the new vendor, will process all claims in run-off, and will provide to agency in a timely manner a transfer of all necessary claim data in a format agreeable to agency.

#### **4.11.18 Renewal**

Following the initial thirty-six (36) month contract, the agreement may be renewed annually at the option of the Agency.

#### **4.11.19 Insurance**

Any provision requiring the Agency to insure equipment or property of any kind and name the Vendor as beneficiary or as an additional insured is hereby deleted.

#### **4.11.20 Right to Notice**

Any provision for repossession of equipment without notice is hereby deleted. However, the Agency does recognize a right of repossession with notice.

#### **4.11.21 Acceleration**

Any reference to acceleration of payments in the event of default or non-funding is hereby deleted.

#### **4.11.22 Amendments**

All amendments, modifications, alterations or changes to the agreement shall be in writing and signed by both parties.

#### **4.11.23 Data Sales**

Bidder must agree to exclude all PEIA claims data, whether identifiable or de-identified, from any data sales agreements. De-identified claims data may be used internally by the Bidder for research purposes.

## **5. PROPOSAL RESPONSE FORMAT**

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Bidders shall submit their Proposals in accordance with the requirements set forth below. Regarding the Proposal, Bidders are hereby advised of the following:

Each Proposal shall be prepared simply and economically, providing a straightforward, concise description of the Bidder's ability to meet the requirements of this RFP. Emphasis should be on completeness, clarity of content, responsiveness to the requirements and an understanding of PEIA's needs. **It is PEIA's intent to receive proposals that provide substantive content to address the specific information requested in this RFP and not pre-prepared marketing materials.**

Proposals that are qualified with conditional clauses, alterations, items not called for in the RFP documents, or irregularities of any kind are subject to disqualification by PEIA, at its option.

Representations made within the Proposal will be binding on the Bidders. PEIA will not be bound to act by any previous communication or Proposal submitted by the Bidder other than this RFP and any Proposal submitted in response to this RFP.

**Any pages or information which the Bidder wishes to claim as confidential shall be clearly marked within the Proposal. Additionally, the Bidder shall provide a brief summary page after the Table of Contents explaining the confidential nature of the marked pages.**

The Proposal shall include the following sections in the order in which they appear below. Each of the Attachments described in this section must be completed in the MS Excel format in which it is provided.

### **5.1 Technical Proposal**

#### **5.1.1 Transmittal Letter**

A transmittal letter shall be provided with the Bidder's Proposal. The letter should bear the name and address of the Bidder and the name and number of this RFP. The purpose of this letter is to transmit the Proposal(s) and acknowledge the receipt of any addenda. The letter must include a statement that the RFP terms are accepted. Additionally, Bidders must include a statement in the letter certifying the price was arrived at independently and without any conflict of interest. The transmittal letter should be brief and signed in blue ink by an individual who is authorized to commit the Bidder to the services and requirements as stated in this RFP.

#### **5.1.2 Table of Contents**

The Proposal shall include a Table of Contents that lists page number references. The Table of Contents should be in sufficient detail to facilitate easy reference to the sections of the Proposal and separate attachments (which shall be included in the main Table of Contents). If supplemental materials are included with the Proposal, each copy of the Proposal must include such supplemental materials. Supplemental information (i.e., information not required) and attachments included by the Bidder should be clearly identified in the Table of Contents and provided as a separate section.

### 5.1.3 Confidential Information

Information which is claimed to be confidential is to be identified on a separate sheet(s) after the Table of Contents in the Bidder's Proposal. Such indication shall include the section(s) and page number(s) and a brief explanation for each claim of confidentiality.

### 5.1.4 Completed Forms

The following forms shall be completed and attached here. Each Form shall be filled out in its entirety and shall include the signature of the Bidder's authorized agent. Failure to complete, sign, and/or return all specified Forms may result in disqualification of the Bidder's Proposal.

- Appendix C: Limited Data Use Agreement
- Appendix D: Purchasing Affidavit
- Appendix E: Business Associate Agreement

The following forms are not mandatory, but may apply to the Bidder. If applicable, these complete forms should be included with the Bidder's proposal.

- Appendix F: Bidder's Litigation Waiver Form
- Appendix G: Vendor Preference Certificate

### 5.1.5 Attachment A: Technical Proposal

*The following exhibits are located in the MS Excel (version 2007) documents labeled Attachment A: Technical Proposal Response and Attachment D: Confidential Information.*

**Attachment A: Technical Proposal Response** will be made publically available. **Attachment D: Confidential Information** will be sent only to those Bidders who submit an executed Limited Data Use Agreement (Appendix C) to the PEIA Representative listed in Section 2.1.

Bidders shall complete each of the tabs in Attachment A according to the instructions included at the top of each worksheet.

***Microsoft Excel will only print the first 1,024 characters in each cell. Therefore, please limit the length of your response to 1,024 characters. Responses requiring additional space may be submitted using Attachments from vendor labeled as "Technical – Requirement Letter and Number" (i.e. Technical – B7).***

## 5.2 Attachment B: Financial Proposal

PEIA is interested in evaluating the pricing offers for all specialty medications across the pharmacy and medical benefits. The Bidder shall provide guarantees for pricing (as a percent off of AWP), dispensing fees (as a dollar amount per script) and rebates (as a dollar amount per brand script). In addition, the Bidder shall propose fully loaded Administrative Fees on a per member per month (PMPM) basis for the services being bid on.

To assist each Bidder in preparing its financial proposals, PEIA will provide the Bidder with a de-identified claims file as part of Attachment D: Confidential Information. The claims included in this data set will be for those drugs dispensed during Plan Year 2015 (July 1, 2014 through June 30, 2015).

**This file will be sent to only those Bidders who submit a Limited Data Use Agreement to PEIA's Representative listed in Section 2.1 (See Appendix C) and a Letter of Intent.**

The Financial Proposal shall be submitted in a sealed envelope labeled as "Attachment B: Financial Proposal".

# APPENDICES

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- A. Claim Data Requirements
- B. Eligibility File Layout
- C. Limited Data Use Agreement
- D. Purchasing Affidavit
- E. Business Associate Agreement
- F. Bidder's Litigation Waiver Form
- G. Vendor Preference Certificate
- H. Intent to Bid

## APPENDIX A: CLAIM DATA REQUIREMENTS

1. SSN of the Employee
2. First Name of the Employee
3. SSN of the Patient
4. First Name of the Patient
5. Middle Initial of the Patient
6. Patient's Gender
7. Patient's Date of Birth
8. Patient's ZIP Code
9. Patient's Relationship to the Insured
10. Metric Quantity
11. Days of Therapy
12. Package Size
13. Refill Number
14. Strength
15. Submitted Charges
16. AWP Amount
17. Not Covered Amount
18. Not Covered Reason(s)
19. Discount Amount
20. Ingredient Cost
21. Dispensing Fee
22. Covered Charge
23. Copay
24. Deductible
25. Amount Paid by the Plan
26. Type of Claim (Original, Positive Adjustment, Negative Adjustment)
27. Claim Number; Unique Claim Identification
28. Dispense Date
29. Paid Date
30. Received Date
31. Adjustment Date
32. Adjustment Reason
33. DUR Indicator
34. Drug Type (Single-Source, Multi-Source, Generic)
35. DAW code
36. Formulary Indicator
37. Maintenance Indicator
38. NDC Code
39. Drug Name
40. Therapeutic Classification(s)
41. NABP
42. DEA ID of the Prescriber
43. Pharmacy Type (i.e. Mail Order, Retail)
44. Electronic / Paper Claim Indicator

## APPENDIX B: ELIGIBILITY FILE LAYOUT

Below is a sample of the eligibility file that will be provided by PEIA:

1. Record Type
2. Client Identifier
3. Participant ID
4. Alternate Participant ID #1
5. Participant Effective Date
6. Participant First Name
7. Participant Last Name
8. Participant Middle Initial
9. Address Line 1
10. Address Line 2
11. Address Line 3
12. Address Line 4
13. City
14. State
15. Zip Code
16. Zip Reserve
17. Date of Birth
18. Gender Code
19. Contract/Family ID
20. Dependent ID
21. Relationship Code
22. Client Group ID
23. PCP ID
24. Transaction Date
25. Participant Expiration Date
26. Dollar Amount of Deductibles Accrued - Prior Year
27. Dollar Amount of Deductibles Accrued - Current Year
28. Plan Stop Loss Dollars - Prior Year
29. Plan Stop Loss Dollars - Current Year
30. Medicare ID
31. Lifetime Claim Accrual
32. Copay Waiver Flag
33. Coverage Code Status
34. Print ID Card Flag
35. Admin Hold Eff Date
36. Admin Hold Exp Date
37. Primary Carrier Flag
38. Plan Stop Loss Amount Code
39. Member Level Address Type
40. Contract Type
41. Member SSN
42. Medicare Flag
43. Phone Number
44. Demographic Level 1
45. Demographic Level 2
46. Demographic Level 3
47. Demographic Level 4
48. Demographic Level 5
49. Demographic Level 6
50. Alternate Participant ID # 2
51. Alternate Participant ID # 3
52. County Code
53. Diabetes Program Indicator
54. Transplant Program Indicator
55. Tobacco Program Indicator

## APPENDIX C: LIMITED DATA USE AGREEMENT

A limited data set is a set of records containing protected health information (PHI), from which direct identifiers have been removed, but in which certain potentially identifying information remains. The use or disclosure of a limited data set is limited to research, public health, and health care operations purposes only.

Name of data recipient: \_\_\_\_\_

Description of data: De-identified PEIA Paid Prescription Drug Claim Data for its population.

Purpose of use: PEIA will be disclosing a limited data set to specialty management vendors that will be submitting bids in response to this RFP as part of its health care operations. The data will be used by bidding specialty management vendor to prepare the cost estimate portion of its proposal.

### By signing this agreement the recipient agrees:

- Not to further use or disclose any of the information, outside the purpose listed above, without prior written permission from PEIA or as otherwise required by law;
- That any further information requested by Recipient, or its Affiliates, regarding these reports must be made in writing to PEIA.
- Use appropriate safeguards to prevent use or disclosure of the information other than as provided for by the data use agreement;
- Report to PEIA any use or disclosure of the information not provided for by its data use agreement, of which it becomes aware;
- Ensure that any agent, including any affiliates, to whom it provides the limited data set agrees to the same restrictions and conditions that apply to the limited data set recipient with respect to such information; and
- Not to identify the information or to contact the individuals to whom the information pertains, if applicable.
- Properly and completely dispose of all data provided by PEIA upon completion of the project described above in "Purpose of use."
- That any selling of PEIA data is strictly prohibited.

PEIA may terminate the agreement if it notifies the recipient of a pattern of activity or practice that constitutes a material breach or violation of the data use agreement, or law, unless the recipient cures the breach or ends the violation within a reasonable time, as determined by PEIA. PEIA will take reasonable steps to cure the breach or end the violation and if such steps are unsuccessful PEIA will discontinue disclosure and report the violation to the appropriate authorities.

\_\_\_\_\_  
Signature of Recipient Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of PEIA Representative

\_\_\_\_\_  
Date

STATE OF WEST VIRGINIA  
Purchasing Division

# PURCHASING AFFIDAVIT

**MANDATE:** Under W. Va. Code §5A-3-10a, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed is an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

**EXCEPTION:** The prohibition listed above does not apply where a vendor has contested any tax administered pursuant to chapter eleven of the W. Va. Code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

**DEFINITIONS:**

**"Debt"** means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

**"Employer default"** means having an outstanding balance or liability to the old fund or to the uninsured employers' fund or being in policy default, as defined in W. Va. Code § 23-2c-2, failure to maintain mandatory workers' compensation coverage, or failure to fully meet its obligations as a workers' compensation self-insured employer. An employer is not in employer default if it has entered into a repayment agreement with the Insurance Commissioner and remains in compliance with the obligations under the repayment agreement.

**"Related party"** means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

**AFFIRMATION:** By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (*W. Va. Code §61-5-3*) that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

**WITNESS THE FOLLOWING SIGNATURE:**

Vendor's Name: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

State of \_\_\_\_\_

County of \_\_\_\_\_, to-wit:

Taken, subscribed, and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

My Commission expires \_\_\_\_\_, 20\_\_\_\_.

**AFFIX SEAL HERE**

**NOTARY PUBLIC** \_\_\_\_\_

# APPENDIX E: BUSINESS ASSOCIATE AGREEMENT



West Virginia PEIA - West Virginia PEIA -  
Business Associate A Appendix A of Busine

# APPENDIX F: BIDDER'S LITIGATION WAIVER FORM

\_\_\_\_\_, hereinafter "Bidder," wishes to submit a Proposal in response to the Request For Proposals for the Specialty Management Services (the RFP) issued on November 24, 2015 by the Public Employees Insurance Agency for the State of West Virginia (PEIA). The Bidder acknowledges that a mandatory requirement of the RFP is that the Bidder submit a litigation bond with its proposal.

In consideration of the waiver of said litigation bond requirement by the PEIA, and in lieu of such bond, the Bidder agrees:

That the Bidder completely waives and foregoes any and all legal right or ability it may now have, or in the future acquire, to initiate any sort of challenge to or against the selection of a Bidder and/or the ultimate award of a contract or contracts pursuant to the RFP. This Waiver is entered voluntarily by a representative authorized to legally bind the Bidder and shall be binding on the Bidder, its successors, assigns, heirs and any others claiming under the legal rights of the Bidder. This Waiver shall apply to any and all types of action, in challenge to or seeking to attack, in any way, the RFP selection process, or the subsequent award of contract(s) to the successful Bidder, including but not limited to, administrative, judicial, or collateral actions.

\_\_\_\_\_  
Legal Name of Bidder

**By:**

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

**Title:**

\_\_\_\_\_  
Title of Authorized Signature

**Approved:**

Public Employees Insurance Agency for the State of West Virginia

**By:**

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

# State of West Virginia **VENDOR PREFERENCE CERTIFICATE**

Certification and application\* is hereby made for Preference in accordance with **West Virginia Code**, §5A-3-37. (Does not apply to construction contracts). **West Virginia Code**, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the **West Virginia Code**. This certificate for application is to be used to request such preference. The Purchasing Division will make the determination of the Vendor Preference, if applicable.

**1. Application is made for 2.5% vendor preference for the reason checked:**

- Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,
- Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,
- Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; **or**,

**2. Application is made for 2.5% vendor preference for the reason checked:**

- Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,

**3. Application is made for 2.5% vendor preference for the reason checked:**

- Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,

**4. Application is made for 5% vendor preference for the reason checked:**

- Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; **or**,

**5. Application is made for 3.5% vendor preference who is a veteran for the reason checked:**

- Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; **or**,

**6. Application is made for 3.5% vendor preference who is a veteran for the reason checked:**

- Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.

Bidder understands if the Secretary of Revenue determines that a Bidder receiving preference has failed to continue to meet the requirements for such preference, the Secretary may order the Director of Purchasing to: (a) reject the bid; or (b) assess a penalty against such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency or deducted from any unpaid balance on the contract or purchase order.

By submission of this certificate, Bidder agrees to disclose any reasonably requested information to the Purchasing Division and authorizes the Department of Revenue to disclose to the Director of Purchasing appropriate information verifying that Bidder has paid the required business taxes, provided that such information does not contain the amounts of taxes paid nor any other information deemed by the Tax Commissioner to be confidential.

**Under penalty of law for false swearing (West Virginia Code, §61-5-3), Bidder hereby certifies that this certificate is true and accurate in all respects; and that if a contract is issued to Bidder and if anything contained within this certificate changes during the term of the contract, Bidder will notify the Purchasing Division in writing immediately.**

**Bidder:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

**Signed:** \_\_\_\_\_  
**Title:** \_\_\_\_\_

# APPENDIX H: INTENT TO BID FORM

Form Due Date: December 7, 2015

Mark Runge  
Buck Consultants  
1201 Louisiana Street  
Suite 750  
Houston, TX 77002  
Telephone: (713) 658-3431  
Email: mark.runge2@xerox.com

**ATTN:** Mark Runge

**RE:** West Virginia PEIA Specialty Management Services RFP

This is to advise that we are in receipt of the above referenced RFP. We also wish to advise that we will be quoting the following services:

Services	Yes	No	Reason For Decline
Specialty Management Services			

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Company

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Email Address