

# Request for Quotations

#PEI011001

For

## **CONSULTANT SERVICES TO PREPARE A REQUEST FOR PROPOSAL (RFP) FOR PEIA PHARMACY BENEFIT MANAGEMENT (PBM) SERVICES AND ASSIST IN THE EVALUATION OF RESPONSES**

The West Virginia Public Employees Insurance Agency (PEIA) is the State agency that provides group health and life insurance for state, county and municipal employees. Coverage is provided for more than 200,000 active and retired members, including Medicare-eligible retired employees and Medicare-eligible dependents of retired employees. Bidders should also note that other State payors (WV Children's Health Insurance Program and AccessWV) will require the services provided under this contract.

The PEIA has determined that it is necessary to bid the contract for all PBM services for the PEIA. The PEIA desires bids for: (1) PBM services for the actively employed members and non-Medicare retired members and their dependents; (2) a Medicare Part D Prescription Drug Plan (PDP) for Medicare-eligible retired employees and Medicare-eligible dependents of retired employees; (3) an exclusive Specialty Pharmacy vendor for all specialty medications covered under both the medical and prescription portions of the Plan.

The successful PBM would assume not only the claims processing for all prescription claims of the above groups, but also a comprehensive list of other services, including, but not limited to: network management, formulary and rebate management, drug utilization review, prior authorization, benefit design, identification cards and member communication, disease management, customer and client support, reporting, provider profiling, and other ancillary functions.

Due to the enormity and complexity of this contract award the PEIA desires to employ a consultant to assist in the development of a request for proposal (RFP) and further provide assistance to the PEIA in the initial evaluation of the responses.

The RFP needs to be issued by July 2011 and a successful bidder selected by December 31, 2011 because if there is a change in vendors the implementation must begin January 2012. The effective date of the contract for the new vendor would be the beginning of Plan Year 2013, July 1, 2012.

The successful vendor should have the appropriate credentials, qualifications, knowledge, and experience in providing the necessary support to the PEIA in the relevant program areas. **All RFO proposals must be delivered to PEIA's office no later than 4:00 p.m. EST on Friday, December 10, 2010. All responses must be clearly marked as "RFO PROPOSAL," with separate technical and cost proposals labeled and delivered as specified.**

All responses should be sent to:

**Felice B. Joseph, Pharmacy Director  
West Virginia PEIA  
601 57<sup>th</sup> Street, SE  
Suite 2  
Charleston, WV 25304-2345**

**Work Phone: (304) 558-7850, x52643  
e-mail: [Felice.B.Joseph@wv.gov](mailto:Felice.B.Joseph@wv.gov)  
Fax: (877)-233-4295**

### **Basic Bidder Qualifications:**

The Bidder should demonstrate its ability to meet the following qualifications in order to submit a quotation. Failure to demonstrate the ability to meet these qualifications will automatically disqualify the Bidder.

- Minimum of five (5) years consulting experience related to health care.
- Minimum of five (5) years consulting experience with health care plans with a minimum of 20,000 covered lives.
- Firms responding to this request must submit in writing a synopsis of experience completing relevant projects of plans with a minimum of 20,000 covered employees of similar scope and nature completed within the last 36 months.
- The Bidder should be completely independent from, and not have any affiliation, partnership, or agreement with, any of the following including, but not limited to: PBM, mail order pharmacy services, drug manufacturing, or distribution services. Bidder must agree not to accept any commissions, service fees, finder fees, or any monetary remuneration from any potential PBM vendor before or after the issuance of the RFP. The Bidder that prepares the RFP will be ineligible to submit a bid for the contract of any of the PBM services arising from this RFP.
- The successful Bidder must be or become a registered vendor in the state of West Virginia to be awarded a contract.

- The Bidder must provide three (3) references from previous customers that have utilized the Bidder to write and then evaluate an RFP which include the client name, address, contact person, email address, and telephone number.
- This bid is not being accomplished through the State Purchasing Division. However, State Purchasing concepts will apply. The Bidder providing the quotes should generally comply with state contracting requirements outlined at <http://www.state.wv.us/admin/purchase/vrc/RFQandC.pdf>. The bidder may disregard items #3 and #9 of the form at this website as well as disregard the “Instructions To Bidders” section.
- The Bidder must complete the forms attached with this RFQ.
- The bid proposal will be awarded on a fixed fee contract basis.

**The Consultant will provide the PEIA an RFP consistent with the requirements listed below:**

- Instructions to PBMs including, but not limited to proposal submission form and style; services to be expected; financial viability; network availability; claims processing procedures; utilization management protocols; disease management services; benefit design, and all other services related to PEIA’s Preferred Provider Benefit Plan.
- Develop the RFP in a manner that would allow the PBMs to bid on separate or all services being requested by the PEIA.
- Detailed questions and tables to be included to determine the proficiency and experience of the PBM in the areas for which the vendor is bidding. The questionnaire will include at a minimum any financial arrangements, system interfaces and technical requirement, prescription claim administration services, general vendor history, legal and liability conditions, references, reporting and performance guarantees.
- Detailed design of a cost proposal that will allow a concise and equitable comparison of all RFP bidders’ services in either part or as a whole service provider.
- Proposal requirements to include administrative reporting and claim management needs specific to PEIA and any additional costs that may be associated with *ad hoc* reporting requirements.
- Measurement criteria that will be used to select the new carrier or finalists.
- Census data.
- Industry expertise.

**The Consultant will also provide the PEIA the following:**

- A list of potential bidders to be developed with the PEIA.
- A written comparison of the evaluations of the RFPs submitted by the bidders with analysis and recommendations, including a comparative analysis of the top three recommendations.

- Availability in the event of an administrative or legal challenge to the PBM contract award to explain the evaluation process.

**PEIA will furnish to the Consultant the following:**

- A list of potential bidders to be developed with the Consultant.
- Background information, data, current challenges, PEIA objectives, and any census type data necessary for inclusion in the RFP.
- A draft RFP developed by PEIA for previous PBM awards, including mandatory criteria/terms.
- Mandatory contract terms for the successful vendor.
- Mandatory forms for inclusion in the RFP.