

ADMINISTRACIÓN DE SEGUROS DE SALUD DE PUERTO RICO (ASES)

PUERTO RICO HEALTH INSURANCE ADMINISTRATION (PRHIA)



PHARMACY BENEFIT MANAGER (PBM) AND REBATE AGGREGATOR (RA) SERVICES

GOVERNMENT HEALTH PLAN

REQUEST FOR PROPOSALS

RFP # PHARMACY 2022

ISSUE DATE: MARCH 31, 2021

PROPOSAL DUE DATE: JULY 12, 2021 2:00 PM (AST)

AMENDMENT #1 ISSUE DATE: APRIL 5, 2021

AMENDMENT #2 ISSUE DATE: APRIL 13, 2021

AMENDMENT #3 ISSUE DATE: MAY 10, 2021

AMENDMENT #4 ISSUE DATE MAY 27, 2021

AMENDMENT #5 ISSUE DATE JUNE 22, 2021

AMENDMENT #6 ISSUE DATE JUNE 30, 2021

INTRODUCTION

This document constitutes an amendment to the request for competitive proposals (RFP) titled Pharmacy Benefit Manager (PBM) and Rebate Aggregator (RA) Services for the Government Health Plan (RFP #Pharmacy 2022), issued by the Puerto Rico Health Insurance Administration (Administración de Seguros de Salud - ASES) (referred to herein as “Amendment #6”). In view of the three (3) possible MDRP implementation scenarios caused by CMS’ new proposed rule on MDRP, Amendment #6 is being issued on June 30, 2021 to modify the maximum number of pages allowed for the Technical Proposal and the Cost Proposal Template, **now Amended Appendix J - Version 3**, to allow Offerors more space to provide additional narrative about costs.

Changes are included in track changes. Accordingly, deletions to the current RFP language are noted in red and strikethrough and additions are noted in red and underline.

PUBLICATION

Amendment #6 will be available in the secure website by June 30, 2021. Also, the Procurement Contact will send Amendment #6 via e-mail to all Potential Offerors appearing in the procurement distribution list pursuant to Section 3.3.2 of this RFP.

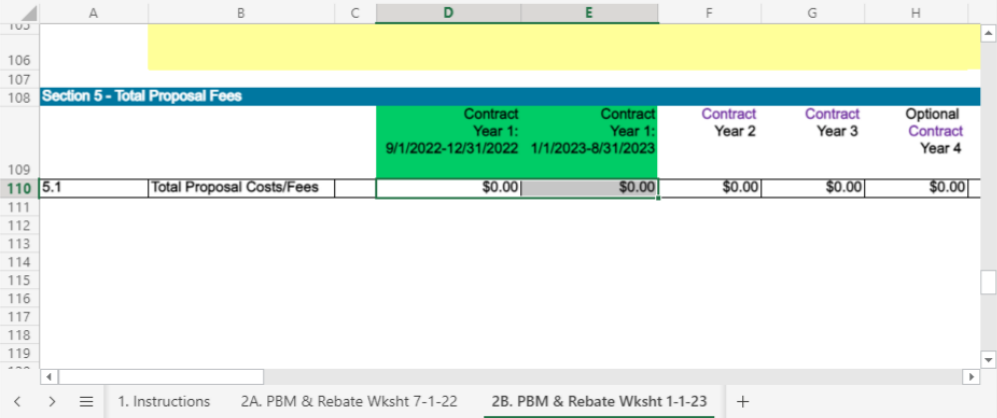
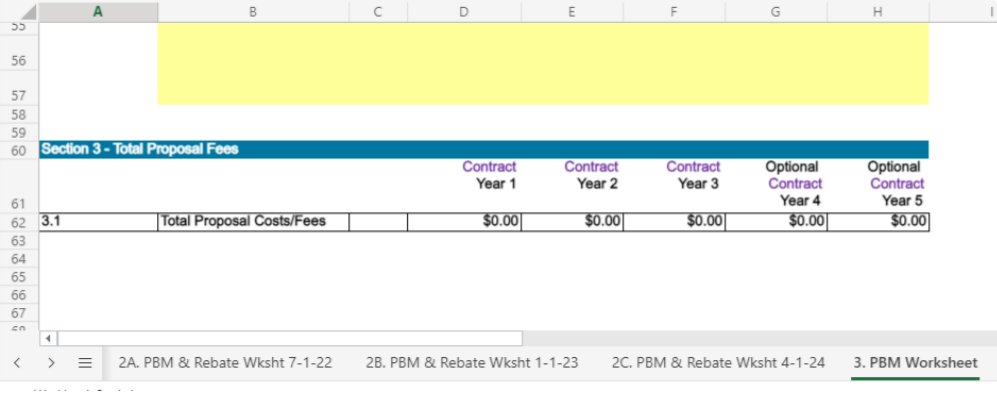
1. Amendment to Table A of Section 3.4.8

Table A of Section 3.4.8 is amended to reflect the new version of the Cost Proposal Template to be used for the submission of the Proposal and calculation of the Proposal Bond.

3.4.8 Proposal Bond

A Proposal Bond in the amount of ten percent (10%) of the total bid for Contract Year 1 is **REQUIRED**. If the Offeror is presenting a Proposal for Combined Services, the amount of the Proposal Bond must be computed on the basis of the total bid for the Combined Services for Contract Year 1 under Scenario B of the Cost Proposal, that is, assuming an MDRP Implementation Date of January 1, 2023. If the Offeror is presenting a Proposal for RA services only, the amount of the Proposal Bond must be computed on the basis of the total bid for the RA services for Contract Year 1 under Scenario B of the Cost Proposal, that is, assuming an MDRP Implementation Date of January 1, 2023. **See Table A.**

Table A:

TYPE OF BID	AMOUNT OF PROPOSAL BOND															
<p>Combined</p>	<p>10% of the total sum of Section 5.1 for Contract Year 1, that is, the total sum of cells D110 and E110 of the Amended Appendix J version 23-Cost Proposal Template, worksheet 2B. PBM & Rebate Worksheet 1-1-23</p>	 <table border="1" data-bbox="576 541 1567 955"> <thead> <tr> <th></th> <th></th> <th>Contract Year 1: 9/1/2022-12/31/2022</th> <th>Contract Year 1: 1/1/2023-8/31/2023</th> <th>Contract Year 2</th> <th>Contract Year 3</th> <th>Optional Contract Year 4</th> </tr> </thead> <tbody> <tr> <td>5.1</td> <td>Total Proposal Costs/Fees</td> <td>\$0.00</td> <td>\$0.00</td> <td>\$0.00</td> <td>\$0.00</td> <td>\$0.00</td> </tr> </tbody> </table>			Contract Year 1: 9/1/2022-12/31/2022	Contract Year 1: 1/1/2023-8/31/2023	Contract Year 2	Contract Year 3	Optional Contract Year 4	5.1	Total Proposal Costs/Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		Contract Year 1: 9/1/2022-12/31/2022	Contract Year 1: 1/1/2023-8/31/2023	Contract Year 2	Contract Year 3	Optional Contract Year 4										
5.1	Total Proposal Costs/Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00										
<p>PBM Only</p>	<p>10 % of the amount of Section 3.1 for Contract Year 1, that is, the amount of cell D62 of the Amended Appendix J version 23-Cost Proposal Template, worksheet 3.</p>	 <table border="1" data-bbox="576 1323 1567 1732"> <thead> <tr> <th></th> <th></th> <th>Contract Year 1</th> <th>Contract Year 2</th> <th>Contract Year 3</th> <th>Optional Contract Year 4</th> <th>Optional Contract Year 5</th> </tr> </thead> <tbody> <tr> <td>3.1</td> <td>Total Proposal Costs/Fees</td> <td>\$0.00</td> <td>\$0.00</td> <td>\$0.00</td> <td>\$0.00</td> <td>\$0.00</td> </tr> </tbody> </table>			Contract Year 1	Contract Year 2	Contract Year 3	Optional Contract Year 4	Optional Contract Year 5	3.1	Total Proposal Costs/Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		Contract Year 1	Contract Year 2	Contract Year 3	Optional Contract Year 4	Optional Contract Year 5										
3.1	Total Proposal Costs/Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00										

	PBM Worksheet.											
RA Only	10% of the total sum of Section 4.1 for Contract Year 1, that is, the total sum of cells D82 and E82 of the Amended Appendix J version 23- Cost Proposal Template, worksheet 4B. Rebate Worksheet 1-1-23	<table border="1"> <thead> <tr> <th></th> <th></th> <th>Contract Year 1: 9/1/2022-12/31/2022</th> <th>Contract Year 1: 1/1/2023-8/31/2023</th> <th>Contract Year 2</th> </tr> </thead> <tbody> <tr> <td>4.1</td> <td>Total Proposal Costs/Fees</td> <td>\$0.00</td> <td>\$0.00</td> <td>\$0.00</td> </tr> </tbody> </table>			Contract Year 1: 9/1/2022-12/31/2022	Contract Year 1: 1/1/2023-8/31/2023	Contract Year 2	4.1	Total Proposal Costs/Fees	\$0.00	\$0.00	\$0.00
		Contract Year 1: 9/1/2022-12/31/2022	Contract Year 1: 1/1/2023-8/31/2023	Contract Year 2								
4.1	Total Proposal Costs/Fees	\$0.00	\$0.00	\$0.00								

The Proposal Bond shall be accompanied with a pledge that the Offeror will enter into a contract with ASES on the terms stated in the Proposal Bond, if awarded the RFP.

The Proposal Bond shall be issued by a surety company duly authorized to do business in Puerto Rico, duly certified by the Insurance Commissioner of Puerto Rico, and accepted by ASES. The Proposal Bond must be valid beginning on the Proposal due date for One Hundred and Eighty (180) Calendar Days. The Proposal Bond will be payable to ASES.

A true and exact copy of the Original Bond must be included with the Proposal on the due date for submission of the Proposal, that is, no later than 2:00 PM (AST) on July 12, 2021. The Original Bond must be delivered either via hand delivery or courier service delivery no later than 4:00 pm (AST) July 14, 2021 to ASES' Finance Office, located at Urb. Caribe Sector El Cinco, #1549 Calle Alda, San Juan, PR. IF THE COPY OF THE PROPOSAL BOND SUBMITTED WITH THE PROPOSAL IS NOT A TRUE AND EXACT COPY OF THE ORIGINAL BOND LATER SUBMITTED, IT WILL BE CONSIDERED THAT THE PROPOSAL BOND WAS NOT TIMELY SUBMITTED. The name of the company to whom the Proposal Bond is issued as a Principal must be the Offeror. **No Letter of Credit and Annual Proposal Bond will be accepted.**

FAILURE TO COMPLY WITH THE TIMELY SUBMISSION OF A PROPOSAL BOND, ISSUED BY A QUALIFIED INSTITUTION AS STATED IN THIS SECTION, IN THE NAME OF ASES AS OBLIGEE, TO COVER THIS PROCUREMENT PROCESS AND IN THE AMOUNT SPECIFIED HEREIN, WILL DISQUALIFY THE OFFEROR.

If the Offeror(s) chosen to receive a Contract withdraws its Proposal after ASES issues the Notice of Intent to Award, does not honor the terms offered in its Proposal, does not sign the Contract within a reasonable period before the implementation review, or fails to comply with an approved Divestiture Action Plan or Conflict Avoidance Plan at the time of signature of the Contract, the Proposal Bond shall be forfeited by the Offeror(s) in favor of and kept by ASES.

The Proposal Bond will be returned to the unsuccessful bidders after One Hundred and Eighty (180) Calendar Days of the submission of the Proposal, unless the Proposal Bond term herein established is otherwise extended per ASES request due to an extension of the schedule of events of this procurement.

2. Amendment to Section 4.5

Section 4.5 is amended to modify the maximum number of pages allowed for the Technical Proposal.

4.5 Technical Proposal

The Offeror's response to the Technical Proposal listed in Section 7 of this RFP must be uploaded to the corresponding folders created and identified accordingly. The table of contents for Section 7 must contain a list of all sections and subsections of the technical requirements and the corresponding page numbers.

For example:

Section 7.2 Pages 75–85

Section 7.2 (a) Pages 75–78

The Table of Contents shall be linked to appropriate sections in the technical requirements document. Preferably, the Table of Contents should contain hyperlinks to facilitate the reviewer to navigate through this RFP using the Table of Contents.

The Offeror is limited to the following technical proposal page limits, excluding appendices, which will not count towards this limit* for the following types of offers:

- 1) Combined Services Offer: One hundred and five (~~100~~105) pages
- 2) PBM Services Only Offer: Seventy (70) pages
- 3) RA Services Only Offer: Thirty-five (~~30~~35) pages

*NOTE: Exhibits may be included as Appendices. Nonetheless, such exhibits must be limited to graphs, images, diagrams, applicable sections of policies, forms or other similar representations and documents. The exhibits should be used sparingly and only when they are necessary to clearly respond to a question. The exhibits are not a substitute for comprehensive narrative responses nor a subterfuge to circumvent the page limits. See Section 4.7 of the RFP (A policy, brochure, manual, or reference to a policy, brochure, manual or website does not constitute an adequate response and will not be considered).

The response to the first question in Section 7 of this RFP shall be labeled as Page 1 with each subsequent page numbered thereafter. The pages in the electronic file technical proposal must be numbered sequentially and include the section type (e.g., Staffing – pg. ____).

Numbering of pages should continue in sequence through each separate section (e.g., if the answers to the questions in Section 7.2 of this RFP begin on page 10 it should be labeled as “Staffing” – pg. 10).

3. Amendment to Section 8.1

Section 8.1 is amended to reflect the new version of the Cost Proposal Template to be used for the submission of the Proposal.

8.1 General Instructions

The Offeror shall also submit a Cost Proposal, using the Cost Proposal Workbook template included in Amended Appendix J, version 23, that addresses all costs associated with meeting the requirements noted above in this RFP and in the Contract. At the discretion of ASES, the Contract may be extended for up to two (2) additional one (1) year contract extension periods, beyond the initial Contract period. See Section 1.6 of this RFP, as amended. Therefore, the Offeror’s Cost Proposal submission must include costs for each year of the possible total five (5) Contract years, but only Contract Years 1 through 3 will be evaluated for Cost Proposal Points. See Section 5.5.2 of the RFP, as amended.

For the PBM Services Only bidding option, the sum of the Total Annual Costs proposed for Contract Years 1 through 3 will be evaluated for the Cost Proposal Evaluation (Offeror’s Total Costs). **The MDRP Implementation Date does not affect the PBM Services.**

For the Combined Services bidding option and the RA Services Only bidding option, ASES is requesting Offerors to provide bids for the following MDRP Implementation Date Scenarios:

Scenario A: September 1, 2022 – Offerors should assume a September 1, 2022 MDRP Implementation Date. Both MDRP and Other Enrollee Rebate Services will be provided during all of Contract Years 1 through 3.

Scenario B: January 1, 2023 - Offerors should assume:

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- Contract Year 1 (September 1, 2022 – December 31, 2022): Offerors will provide current Rebate program services for all populations, including Medicaid/CHIP populations.
- Contract Year 1 (January 1, 2023 – August 31, 2023): Offerors will provide both MDRP Rebate Services and Other Enrollee Rebate Services.
- Contract Years 2 and 3: Offerors will continue providing both MDRP and Other Enrollee Rebate Services.

For the Combined Services bidding option and the RA Services Only bidding option, ASES will add Total Proposal Costs/Fees for Contract Years 1 through 3 for Scenarios A and B combined to determine Cost Proposal Points.

Specifically, for the Combined Services bidding option, ASES will sum cells D100, E100, and F100 from Amended Appendix J version ~~2~~3– Cost Proposal Template, worksheet “2A. PBM & Rebate Wksht 9-1-22” with cells D110, E110, F110 and G110 from worksheet “2B. PBM & Rebate Wksht 1-1-23” to calculate an Offeror’s Total Proposal Costs/Fees for the Cost Evaluation Points determination.

For the RA Services Only bidding option, ASES will sum cells D73, E73 and F73 from Amended Appendix J, version ~~2~~3– Cost Proposal Template, worksheet “4A. Rebate Wksht 9-1-22” with cells D56, E56, F56 and G56 from worksheet “4B. Rebate Wksht 1-1-23” to calculate the Offeror’s Total Proposal Costs/Fees for the Cost Evaluation Points determination.

Scenario C: April 1, 2024 – Offerors should assume:

- Contract Year 1: Offerors will provide current Rebate program services for all populations, including Medicaid/CHIP populations for the entire Contract Year.
- Contract Year 2 (September 1, 2023 – March 31, 2024): Offerors will provide current Rebate program services for all populations, including Medicaid/CHIP populations.
- Contract Year 2 (April 1, 2024 – August 31, 2024): Offerors will provide MDRP Rebate Services and Other Enrollee Rebate Services.
- Contract Year 3: Offerors will continue providing both MDRP and Other Enrollee Rebate Services.

Scenario C will be reviewed but not be included in the Cost Proposal Evaluation calculation for Cost Proposal Points. If ASES chooses and CMS approves an April 1, 2024 MDRP Implementation Date, ASES will renegotiate Contract Years 2 and 3 within plus or minus 10% of the total proposed costs submitted in the Cost Proposal Template, for the time period in which MDRP Services will be provided (April 1, 2024 through August 31, 2025).

For example, for the Combined Services bidding option, Scenario C, ASES will renegotiate within plus or minus 10% of the Total Proposal Costs/Fees submitted in cells F110 and G110 of the “2C. PBM & Rebate Wksht 4-1-24” of Amended Appendix J, version ~~2~~3– Cost Proposal Template. For the RA Services Only bidding option, Scenario C, ASES will renegotiate within plus or minus 10% of the Total Proposal Costs/Fees

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submitted in cells F82 and G82 of the “4C. Rebate Wksht 4-1-24” of Amended Appendix J, version 23– Cost Proposal Template.

ASES will not renegotiate any proposed costs if CMS approves a September 1, 2022 or January 1, 2023 MDRP Implementation Date (Scenarios A or B).

Under all scenarios, the Offeror should provide their best cost estimate for optional years 4 and 5. The Offeror should be aware that optional years 4 and 5 are subject to renegotiation based on prevailing market prices and evaluation of Contractor’s performance. Furthermore, proposed costs for Additional Rebate Aggregator Services (Article 16 of the Contract in Appendix K) also will be reviewed but not included in the Cost Proposal Evaluation calculation for Cost Proposal Points, as these services may be further negotiated upon ASES’s determination to exercise these services.

Offerors are cautioned not to make assumptions when submitting cost proposals. If clarifications are needed, please submit questions during the Q&A period to ensure all assumptions are confirmed or clarified. Costs left out of a proposal based on an assumption will not be negotiated at time of award.

The Offeror MUST BID FOR ALL REQUIRED SERVICES/DELIVERABLES AND SCENARIOS PERTAINING TO THE PBM AND/OR RA SERVICES FOR WHICH THE OFFEROR IS BIDDING. FAILURE TO DO SO WILL CAUSE THE DISQUALIFICATION OF THE OFFEROR. See also Section 4.6 of the RFP.

The submitted Cost Proposal must include a duly signed PDF copy of the cost proposal template with initials and printed name on each page (See Section 4.8 of the RFP) as well as an Excel version. Both must contain the same information and each page must be identified with the name of the Offeror. In case of any inconsistencies between the PDF signed copy and the Excel version of the Offeror’s Cost Proposal, the signed copy will prevail.

4. Amendment to Section 8.2.2

Section 8.2.2 is amended to allow Offerors more space to provide additional narrative about each section of the cost proposal in the narrative response sections.

Section 8.2.2.

The Offeror must complete the worksheets of the Cost Proposal Workbook pertaining to the services for which the Offeror is bidding as selected from the list in cell B10 of the Table of Contents (TOC) worksheet.

If the Offeror is bidding on both the PBM and RA Services, then the Offeror must complete ALL worksheets of the Cost Proposal Workbook: 2A., 2B., 2C., 3., 4A., 4B., and 4C. See Section 1.1 of the RFP.

If the Offeror is bidding on only the PBM Services, then the Offeror must complete only the worksheet labeled “3. PBM Worksheet”.

If the Offeror is bidding on only the RA Services, then the Offeror must complete the worksheets: 4A., 4B., and 4C.

For each worksheet, the Proposal must provide a narrative response explaining the associated costs for the applicable required services. Each narrative response is limited to 250 words. A calculation check is provided for each section to alert the Offeror if the narrative response has exceeded the limit.

5. Amendment to Section 8.2.9

Section 8.2.9 is amended to modify the instructions for the Cost Proposal’s line item for Total Costs to the effect that Offerors may provide some narrative for said line item.

8.2.9 Total Proposal Fees

8.2.9.1 This section of each of the worksheets of the Cost Proposal Workbook captures total cost summary information from the Cost Proposal Template. The Total Costs ~~and~~ does not require entry information from the Offeror. However, the Offeror may provide narrative about its Total Cost proposal in the yellow highlighted row of this section.

6. Amendment to Appendix J – Cost Proposal Template

Appendix J is amended to allow Offerors more space to provide additional narrative about each section of the cost proposal in the narrative response sections. Each narrative response is limited to 250 words. A calculation check is provided for each section to alert the Offeror if the narrative response has exceeded the limit.

COST PROPOSAL TEMPLATE

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Amended Appendix J, version 23, is the Cost Proposal Template. It is not embedded in this document but is included as a separate Excel document entitled Amended Appendix J, Version 23, – Cost Proposal Template. Offeror’s must use the Amended Template, version 23. See, Section 8.3. (See Appendix 1 to the Amendment).