

MONTGOMERY COUNTY



**Request for Proposal (RFP)# 17-06  
for  
Prescription Drug Claims Administration for  
Montgomery County and Montgomery County Public Schools**

**CONTRACT PERIOD:** The term of this contract is for one year (10/1/16-9/31/17) or as negotiated. There will be an option for four (4) one-year renewals or as negotiated.

Issue Date: May 27, 2016  
Proposal Due Date and Hour: June 14, 2016 3:00 p.m.

Montgomery County Purchasing Department  
755 Roanoke Street, Suite 2C  
Christiansburg, VA 24073-3179

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**Request For Proposal Number 17-06**

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COUNTY OF MONTGOMERY, VIRGINIA  
RFP # 17-06  
ISSUE DATE: MAY 27, 2016  
(TO BE COMPLETED AND RETURNED)  
**GENERAL INFORMATION FORM**

**QUESTIONS:** All inquiries for information regarding this solicitation should be directed to: Heather M. Hall, C.P.M., Procurement Manager, Phone: (540) 382-5784; faxed to (540) 382-5783, or e-mail: [hallhm@montgomerycountyva.gov](mailto:hallhm@montgomerycountyva.gov)

**DUE DATE:** Sealed Proposals will be received until **June 14, 2016**, up to and including **3:00PM**. Failure to submit proposals to the correct location by the designated date and hour will result in disqualification.

**ADDRESS:** Proposals should be mailed or hand delivered to: **Montgomery County Purchasing Department, 755 Roanoke Street, Suite 2C, Christiansburg, Virginia 24073-3179**. Reference the Due Date and Hour, and RFP number in the lower left corner of the return envelope or package.

**COMPANY INFORMATION/SIGNATURE:** In compliance with this Request For Proposal and to all conditions imposed herein and hereby incorporated by reference, the undersigned offers and agrees to furnish the services and goods in accordance with the attached signed proposal or as mutually agreed upon by subsequent negotiation.

Full Legal Name (print)		Federal Taxpayer Number (ID#)	Contractor's Registration
Business Name / DBA Name / TA Name and Address		Payment Address	Purchase Order Address
Contact Name/Title		Signature (ink)	Date
Telephone Number	Fax Number	Toll Free Number	E-mail Address

**COUNTY OF MONTGOMERY**  
**RFP# 17-06**  
**Prescription Drug Claims Administration**

**I PURPOSE:** The intent and purpose of this Request for Proposal (RFP) is to establish a contract through competitive negotiation for prescription drug claims administration for the County of Montgomery and Montgomery County Schools, Virginia herein after referred to as “County.”

**II BACKGROUND:**

Montgomery County is located in the southwestern part of Virginia in the region known as the New River Valley. This region takes its name from the New River, the nation's oldest and the world's second oldest river, and includes the counties of Floyd, Giles, Montgomery, Pulaski, and the City of Radford. The County has a land area of 393 square miles and lies in the broad picturesque area between the Appalachian Plateau and the Blue Ridge Mountains. Topography varies from gently rolling to steep mountainous terrain, with elevations varying from 1,300 to 3,700 feet above sea level. The majority of the County is at an elevation of 2,000 feet.

Today the Towns of [Blacksburg](#) and [Christiansburg](#), the County seat, are the population centers of the County and are located approximately 35 miles southwest of the City of Roanoke. Blacksburg is home to [Virginia Polytechnic Institute and State University](#) (Virginia Tech). Founded in 1872 as a land-grant college, Virginia Tech is the largest university in Virginia and one of the country's leading research institutions. The County had a 2015 population of 98,121. (This includes two incorporated towns, Blacksburg and Christiansburg, with a combined population of approximately 63,661).

The County is governed by an elected seven member Board of Supervisors who appoints a County Administrator.

Current Contract Arrangement and Desired Proposal Specifications:

The County and Schools are covered under one self-insured contract (maintained by the County) for medical and prescription drug claims administration under Anthem. Please quote the current plan designs of the County and Schools. Any deviations to the plan designs must be included in your proposal.

**III STATEMENT OF NEED:**

The County needs the services of a Contractor that can provide Prescription Drug Claims Administration

1. **Please note that is the intent to award the contract by 7/15/16. The PBM will need to begin implementation immediately. Open enrollment is scheduled for 7/25-8/12/16. Plan effective date is 10/1/16.**
2. Offeror will maintain a network(s) of Participating Pharmacies and will make available an updated list of Participating Pharmacies on-line. Offeror will also provide a Mail Service Pharmacy, and, if necessary, a specialty prescription drug company.
3. Provide firm renewal and supporting materials for the upcoming October 1 plan year, by February 1 of each year.
4. Offeror will perform claims processing services for Covered Drugs dispensed by Participating Pharmacies, Mail Service and the specialty pharmacy.
5. Offeror will perform a standard concurrent drug utilization review (“DUR”) analysis of each prescription submitted for processing on-line by a Pharmacy in order to assist the dispensing pharmacist and prescribing physician in identifying potential drug interactions, incorrect prescriptions or dosages, and certain other circumstances that may be indicative of inappropriate prescription drug usage.
6. Montgomery County or its third party designee (as applicable) will have the final responsibility for all decisions with respect to coverage of a Prescription Drug Claim and the benefits allowable under the Plan, including determining whether any rejected or disputed claim will be allowed.
7. Prior Authorization. Offeror will provide prior authorization (“PA”) services as specified and directed by Montgomery.

8. Claims for Benefits. Offeror will process initial “claims for benefits” for Member Submitted Claims and PA requests consistent with the ERISA claims rules set forth in 29 CFR Part 2560 (or applicable state law if a non-ERISA plan). Offeror will not conduct any appeals of denied “claims for benefits,” however, shall identify third party companies authorized to determine appeals decisions, at the request of the client.
9. Call Center. Offeror will provide 24-hours a day, 7-days a week toll-free telephone and Internet support to assist Montgomery County and Schools’ agents and members with member eligibility and benefits verification, location of pharmacies or other related member concerns.
10. Formulary Adherence and Clinical Programs. Offeror may provide clinical, safety, adherence and other like programs. Offeror will not implement any such program for which Montgomery County may incur an additional fee without Montgomery County’s prior written approval and election of such program.
11. Rebate Program. Offeror will pay to Montgomery County the amounts set forth in the final contract.
12. Reporting.
  - Monthly - Offeror will provide monthly accounting reports in excel format of claims paid, eligibility, and enrollment.
  - Annually - Offeror will provide a year-end report, outlining the following:
    - a) claims discounts versus the average wholesale price for brand, generic on both a retail and mail order basis
    - b) amount of dispensing fees paid during the year
    - c) account of manufacturer rebates for prescriptions taken by Montgomery County and Schools’ members
    - d) generic utilization rate and amount of savings available for drugs filled as brand name when a generic drug was available.
  - Ad hoc - Offeror will provide three ad hoc reports each year at Montgomery County’s request for no additional fee.
13. Carrier should be available to meet quarterly with Montgomery County and Schools to review claims utilization and lead strategy discussions.
14. Claims Data to Offerors. At no additional charge, Offeror will provide regular prescription claims data in their own standard format(s) to Montgomery County and Schools’ other Offerors (medical, stop loss, disease management, flexible savings account and other “payment,” “treatment” and “healthcare operations” purposes (as defined under HIPAA).
15. Audits. Montgomery County and Schools may, upon written request, audit the prescription management services on an annual basis (unless additional audits are warranted). Sponsor may use an independent third party auditor, so long as such Auditor does not have a conflict of interest with Offeror.
16. Plan Documents. Offeror will draft such initial documents as Client may request such as the summary plan description, Identification Cards, Enrollment Kits, Covered Individual Reimbursement Forms and Certificates of Creditable Coverage as required under HIPAA. The Client shall notify Offeror in writing of its approval of these documents. Offeror is not a fiduciary with respect to the design of the Plan. Offeror will distribute the above mentioned, necessary documents directly to the homes of Plan members and beneficiaries, when requested.
17. Government Regulation. Offeror shall assist Montgomery County and Schools in complying with the requirements of any applicable state or federal statute, ordinance, law, rule, regulation, or order of any governmental or regulatory body having jurisdiction over the Plan.
18. Eligibility. Offeror will monitor plan eligibility for dependents, retirees, and retiree dependents; automatically terminate members who are no longer eligible for coverage; and notify members and Montgomery County and Schools of such terminations.
19. Enrollment. Offeror will accept enrollment data via paper/facsimile transmission outside of open enrollment. Offeror will accept enrollment data during the annual open enrollment period via the carrier’s EDI file exchange

protocol.

20. Provide specific performance guarantees which include financial penalties for non-performance, including successful open enrollment data loading and timely problem resolutions.
21. Enrollment meetings. Offeror will be available for in-person enrollment meetings as requested by Montgomery County and Schools, providing all appropriate hardcopy enrollment materials.
22. Carrier to provide on-line tools before open enrollment and at open enrollment for employees to research cost of drugs, in order to evaluate their decision to enroll in the high deductible health plan.
23. Offer is willing and able to coordinate and exchange data with an independent medical administrator, FSA, and HSA vendors, on an automated basis if separate contracts are awarded. Offeror must state the cost of implementation/set-up separately
24. Provide Montgomery County and Schools with disease management program strategies which have proven effective in terms of improving member compliance. Carrier should confirm ability to administer disease management program benefit strategies requested by Montgomery County and Schools (i.e., no cost prescriptions, etc.). Carrier to provide monitoring of such programs and reporting for Montgomery County and Schools.
25. Provide online account management for Montgomery County and Schools Human Resources department, including ability to view current enrollment, pay bills, change employee information, print ID cards and download census from website based on desired criteria.

#### **IV PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS:**

##### **A. GENERAL REQUIREMENTS:**

RFP Response: In order to be considered for selection, Offerors must submit a complete response to this RFP. Please provide 1 original hardcopy, 8 additional hardcopies, and 2 CDs to:

Heather M. Hall, C.P.M., Procurement Manager  
Montgomery County Purchasing Department  
755 Roanoke Street, Suite 2C  
Christiansburg, VA 24073-3179

Identify on outside of envelope: **Sealed RFP # 17-06**  
RFP Due date/Opening date and hour: **June 14, 2016, 3:00 P.M.**

The Offeror shall make no other distribution of the proposal.

##### **2. Proposal Preparations:**

- a. Proposal shall be signed by an authorized representative of the Offeror. All information requested should be submitted. The Procurement Manager will review all proposals to ensure required information is included. Failure to submit all information requested may result in a request to submit the missing information. Proposals which are substantially incomplete or lack key information may be rejected as incomplete. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.
- b. Proposals will be reviewed and evaluated by a Committee as designated by the County.
- c. Proposal should be prepared simply and economically, providing a straight forward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
- d. Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of

the corresponding section of the RFP. It is also helpful to cite the paragraph number, subletter, and repeat the text of the requirements as it appears in the RFP. If a response covers more than one page. The proposal should contain a table of contents which cross references the RFP requirements. Information which the offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.

- e. Each copy of the proposal should be bound or contained in a single volume where practical. All documentation submitted with the proposal should be contained in that single volume.
- f. Ownership of all data, materials and documentation originated and prepared for the County pursuant to the RFP shall belong exclusively to the County and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the Offeror must invoke the protections of Section 2.2-4342D of the Code of Virginia, in writing, either before or at the time the data or other materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire proposal document, line item prices and/or total proposal prices as proprietary or trade secrets is not acceptable and will result in rejection of the proposal.

**B. SPECIFIC REQUIREMENTS:**

Proposals should be as thorough and as detailed as possible so that the County may properly evaluate your capabilities to provide the required services. Offerors are required to submit the following information/items as a complete proposal:

- 1. The return of the RFP general information form and addenda, if any, signed and completed as required.
- 2. Please provide four (4) recent references, similar to Montgomery County and Schools, for whom you have provided the type of services described herein. Include the date(s) services were furnished, the client name, address and the name, phone number and email address of the individual Montgomery County has your permission to contact.
- 3. Respond to each item in Section III, Statement of Need and your ability to meet the mandatory requirements.
- 4. Submission of Attachment D, both excel file and word document.
- 5. Financial Response.

**V. EVALUATION AND AWARD OF CONTRACT:**

**A. Award of Contract:** Selection shall be made of two or more offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposal, including price, if so stated in the Request for proposal. Negotiations shall be conducted with the offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each offeror so selected, Montgomery County shall select the offeror which, in its opinion, has made the best proposal, and shall award the contract to that offeror. Montgomery County may cancel the Request for Proposal or reject proposals at any time prior to an award, and is not required to furnish a statement of the reason why a particular proposal was not deemed to be the most advantageous. (Section 2.2-4359D, Code of Virginia.) Should Montgomery County determine in writing and in its sole discretion that only one offeror is fully qualified, or that one offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that offeror. The award document will be a contract incorporating by reference all the requirements, terms, and conditions of the solicitation and the contractor's proposal as negotiated. See Attachment B for sample contract form.

**B. Evaluation Criteria:** Proposals shall be evaluated by the County using the following criteria:

<u>EVALUATION CRITERIA</u>	<u>WEIGHT IN POINTS</u>
1. General Mandatory Requirements	20
2. Financial Requirements	25
3. Qualitative Responses	25
4. Financial Response	30

**VI RESERVATION OF RIGHTS:**

Montgomery County reserves the right to award in part or in whole, to one or more vendors, or to reject any or all proposals, whichever is deemed to be in its best interest.

**VII CONTRACT ADMINISTRATION:**

Name, Title, or his/her designee, shall be identified as the Contract Administrator and shall use all powers under the contract to enforce its faithful performance. The Contract Administrator, or his/her designee, shall determine the amount, quantity, acceptability, fitness of all aspects of the services and shall decide all other questions in connection with the services. The Contract Administrator, or his/her designee, shall not have the authority to approve changes in the services which alter the concept or which call for an extension of time for this contract. Any modifications made must be authorized by the Montgomery County Purchasing Department through a written amendment to the contract.

**VIII PAYMENT PROCEDURES:**

The County will authorize payment to the Contractor after receipt of Contractor's correct invoice for services rendered. Invoices shall be sent to:

Montgomery County Finance Department  
Attn: Karen Poff  
755 Roanoke Street, Suite 2C  
Christiansburg, VA 24073-3179

**ATTACHMENT A  
TERMS AND CONDITIONS**

**GENERAL TERMS AND CONDITIONS**

[http://www.montgomerycountyva.gov/filestorage/16277/16344/16633/16661/RFP\\_terms\\_and\\_conditions.pdf](http://www.montgomerycountyva.gov/filestorage/16277/16344/16633/16661/RFP_terms_and_conditions.pdf)

**SPECIAL TERMS AND CONDITIONS**

1. **ADVERTISING:** In the event a contract is awarded for supplies, equipment, or services resulting from this solicitation, no indication of such sales or services to Montgomery County will be used in product literature or advertising. The Contractor shall not state in any of the advertising or product literature that the Commonwealth of Virginia or any agency or institution of the Commonwealth has purchased or uses its products or services.
2. **AUDIT:** The Contractor hereby agrees to retain all books, records, and other documents relative to this contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. Montgomery County, its authorized agents, and/or State auditors shall have full access to and the right to examine any of said materials during said period.
3. **CANCELLATION OF CONTRACT:** Montgomery County reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 60 days written notice to the Contractor. In the event the initial contract period is for more than 12 months, the resulting contract may be terminated by either party, without penalty, after the initial 12 months of the contract period upon 60 days written notice to the other party. Any contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.
4. **IDENTIFICATION OF PROPOSAL ENVELOPE:** The signed proposal should be returned in a separate envelope or package, sealed and addressed as follows:  
Montgomery County  
Purchasing Department  
755 Roanoke Street, Suite 2C  
Christiansburg, VA 24073-3179  
Reference the opening date and hour, and RFP Number in the lower left corner of the envelope or package. If a proposal not contained in the special envelope is mailed, the Offeror takes the risk that the envelope, even if marked as described above, may be inadvertently opened and the information compromised which may cause the proposal to be disqualified. No other correspondence or other proposals should be placed in the envelope. Proposals may be hand delivered to the Montgomery County Purchasing Department.
5. **MINORITY BUSINESS, WOMEN-OWNED BUSINESSES SUBCONTRACTING AND REPORTING:** Where it is practicable for any portion of the awarded contract to be subcontracted to other suppliers, the contractor is encouraged to offer such business to minority and/or women-owned businesses. Names of firms may be available from the buyer and/or from the Division of Purchases and Supply. When such business has been subcontracted to these firms and upon completion of the contract, the contractor agrees to furnish the purchasing office the following information: name of firm, phone number, total dollar amount subcontracted and type of product/service provided.
6. **PROPOSAL ACCEPTANCE PERIOD:** Any proposal received in response to this solicitation shall be valid for (180) days. At the end of the (180) days the proposal may be withdrawn at the written request of the Offeror. If the proposal is not withdrawn at that time it remains in effect until an award is made or the solicitation is cancelled.
7. **AUTHORIZED USERS:** Additional State agencies, institutions and/or other public bodies may be added or deleted to receive the goods or services resulting from this solicitation. The addition or deletion of authorized users shall be made only by written modification to the contract. Such modification shall name the specific agency added or deleted and the effective date.
8. **SEVERAL LIABILITY:** Montgomery County will be severally liable to the extent of its purchases made against any contract resulting from this solicitation. Applicable departments, institutions, agencies and Public Bodies of the Commonwealth of Virginia will be severally liable to the extent of their purchases made against any contract resulting from this solicitation.

**ATTACHMENT B  
COUNTY OF MONTGOMERY  
STANDARD CONTRACT**

**Contract Number:**

This contract entered into this \_\_\_ day of, 201\_\_, by \_\_\_\_\_ hereinafter called the “Contractor” and the County of Montgomery, called the “County”.

**WITNESSETH** that the Contractor and the County, in consideration of mutual covenants, promises and agreements herein contained, agree as follows:

**SCOPE OF SERVICES:** The Contractor shall provide the services to the County as set forth in the Contract Documents.

**CONTRACT PERIOD:** The initial contract period is \_\_\_\_\_ through \_\_\_\_\_.

**COMPENSATION AND METHOD OF PAYMENT:** The Contractor shall be paid in accordance with the Contract Documents.

**CONTRACT DOCUMENTS:** The Contract Documents shall consist of signed Contract, the statement of need, general terms and conditions, special terms and conditions, specifications, and other data contained in this Request For Proposal Number, dated \_\_\_\_\_, together with all written modifications thereof, the proposal submitted by the Contractor dated and the Contractor’s letter dated \_\_\_\_\_, all of which contract documents are incorporated herein.

In **WITNESS WHEREOF**, the parties have caused this Contract to be duly executed intending to be bound thereby.

**CONTRACTOR:**

**COUNTY OF MONTGOMERY:**

By: \_\_\_\_\_ By:

Title: \_\_\_\_\_ Title: