

October 24, 2013

Pharmacy Benefit Management Request for Proposal Missouri Highways and Transportation Commission

On behalf of The Missouri Highways and Transportation Commission (MHTC), the contracting authority for the Missouri Department of Transportation and Highway Patrol Medical and Life Insurance Plan (MoDOT/MSHP), IPC/EvergreenRx is soliciting proposals for pharmacy benefit management services. MoDOT/MSHP is seeking a PBM to provide services for its active and non-Medicare Retirees in addition to a direct contract Employee Group Waiver Plan (EGWP) that includes an enhanced benefit. Due to the Medicare EGWP submission requirements, the contract is expected to be awarded in February 2014 with an effective date of January 1, 2015.

Included in this posting are:

- General Information (beginning on page 2 of this document)
- MoDOT and MSHP RFP Questionnaire (Excel Spreadsheet)
- RFP Timeline (Included in Questionnaire)
- 2014 Plan Design Information (Additional coverage information can be located on the MoDOT Benefits website at <http://www.modot.org/newsandinfo/benefits.htm>)

General information related to this Plan begins on page two below. Additional information, including a signed Non-Disclosure Agreement IPC/EvergreenRx, de-identified claims and Medicare Part D Formulary will be provided to all bidders returning notice of intent to bid located on page 3 of this document.

Please direct all questions to Gwen McNeil at rfp@ipc-inc.com. Responses to inquiries directed to MHTC or MoDOT/MSHP personnel may be delayed due to transfer to IPC/EvergreenRx for response through the RFP email address.

| <u>KEY DEADLINES</u> | <u>DATE</u> |
|--|--------------------|
| Notice of Intent to Bid & Non-Disclosure Agreement Execution | October 31, 2013 |
| Bidder Questions Due | November 14, 2013 |
| Bidder Conference | November 21, 2013 |
| Proposal Due Date | November 30, 2013 |

Gwen McNeil, Account Executive

 
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GENERAL INFORMATION

MODOT/MSHP has offered a carved out prescription benefit to its participants since 1997. It has also been a direct contract Employer Group Waiver Plan (EGWP) since 2006. Currently, there are approximately 27,380 eligible participants including active employees, pre-65 retirees, their dependents and Medicare eligible retirees. MODOT/MSHP offers an active employee/Non-Medicare retiree prescription benefit and a Medicare Direct Contract EGWP Part D Prescription Drug Plan (PDP). MODOT/MSHP offers a consumer friendly prescription drug benefit based on percent (%) coinsurance for all channels of service. Both benefits are currently administered by Catamaran.

The prescription drug claims statistics for the Calendar Year 2012 are as follows:

| | Active/Non-Medicare Retirees | Medicare Eligible Retirees |
|---------------------------|------------------------------|----------------------------|
| Number of Claims | 233,415 | 223,773 |
| Percent Mail Claims | 1.4% | 3.0% |
| Generic Dispensing Rate | 77.9% | 81.2% |
| Total Claim Cost | \$14,729,523 | \$13,760,483 |
| Average Persons Per Month | 21,722 | 5,661 |

MODOT/MSHP is contracted with several companies to provide health benefit administration and other health management services. These benefit contractor companies, who have active rolls in both benefit administration and member care, include software, actuarial and consulting firms, medical carriers, large case management groups, disease management groups, mental healthcare providers and vendor managers. The successful pharmacy benefit administrator must be willing and able to actively cooperate with MODOT/MSHP's benefit contractors.

MODOT/MSHP expects high standards of quality and performance in the administration of its prescription benefit programs. The selected PBM will be expected to engage in a partnership with MODOT/MSHP and its prescription benefits consultant which will center on a commitment toward continuous evaluation and improvement efforts to enhance the quality and efficiency of service delivery resulting in cost management and improved health outcomes for covered members.

The contract resulting from this procurement will require the PBM to fully disclose all costs and revenue sources with 100% pass through of their contracted costs and related revenue to MODOT/MSHP, including discounts, usual and customary (U&C) pricing, network agreements, MAC lists, rebates, incentives, dispensing fees and other revenue from which the PBM benefits related to the products and services described in that agreement. The PBM contracted administrative fee is intended to be the sole source of margin to the PBM under the resulting agreement.

MODOT/MSHP reserves the right to reject any and all proposals, to request additional proposals, or to waive any minor deficiency, technical variance, or immaterial technicality. All information provided to the bidders is strictly confidential and will not be released to any other organization unless required to do so under state or federal law.

NOTICE OF INTENT TO BID

PHARMACY BENEFIT MANAGEMENT REQUEST FOR PROPOSAL

Missouri Highways and Transportation Commission

Please complete and return this form to rfp@ipc-inc.com by October 31, 2013

This will confirm that our organization has reviewed the Pharmacy Benefit Management Request for Proposal (RFP) issued by the Missouri Highways and Transportation Commission.

_____ **We intend to submit a proposal**

_____ **We have reviewed the RFP and decline to bid at this time**

SIGNATURE OF PLAN REPRESENTATIVE

NAME OF ORGANIZATION

NAME/TITLE OF PLAN REPRESENTATIVE

DATE