

REQUEST FOR PROPOSALS

RFP NUMBER: 0A05017
DATE ISSUED: March 22, 2005

The state of Ohio, through the Office of Information Technology, Investment and Governance Division, for the Department of Job and Family Services is requesting proposals for:

JFS - Pharmacy Services

INQUIRY PERIOD BEGINS: March 22, 2005
INQUIRY PERIOD ENDS: May 20, 2005
OPENING DATE: May 24, 2005
OPENING TIME: 11:00 A.M.
OPENING LOCATION: Office of Information Technology
Investment and Governance Division Bid Room
30 East Broad Street, 40th Floor
Columbus, Ohio 43215

CONFERENCE DATE: April 6, 2005 at 10:00 A.M.

This RFP consists of five (5) Parts and ten (10) Attachments, totaling 119 consecutively numbered pages. Supplements may be attached to the RFP with a beginning header page and an ending trailer page. Please verify that you have a complete copy.

PART ONE: EXECUTIVE SUMMARY

Purpose. This is a Request for Competitive Sealed Proposals (RFP) under Section 125.071 of the Ohio Revised Code (the Code) and Section 123:5-1-8 of the Ohio Administrative Code (the Administrative Code) and subparagraph (2)(b)(vii) of Executive Order 2004 – 02 T. The Department of Job and Family Services (JFS) has asked the Office of Information Technology (OIT) to solicit competitive sealed proposals (Proposals) for Pharmacy Services project (the Work), and this RFP is in response to that request. If a suitable offer is made in response to this RFP, the state of Ohio (State), through OIT, may enter into a contract (the Contract) to have the selected offeror (the Contractor) perform all or part of the Work. This RFP provides details on what is required to submit a Proposal for the Work, how the State will evaluate the Proposals, and what will be required of the Contractor in performing the Work.

This RFP also gives the estimated dates for the various events in the submission process, selection process, and performance of the Work. While these dates are subject to change, prospective offerors must be prepared to meet them as they currently stand.

Once awarded, the term of the Contract will be from the award date through June 30, 2007. The State may renew this Contract for the next two (2) biennia, subject to and contingent upon the discretionary decision of the Ohio General Assembly to appropriate funds for this Contract in each new biennium. The State may renew all or part of this Contract subject to the satisfactory performance of the Contractor and the needs of JFS. The maximum duration of this Contract will be until June 30, 2011.

Any failure to meet a deadline in the submission or evaluation phases and any objection to the dates for performance in the Work phase may result in the State refusing to consider the Proposal of the offeror.

Background. JFS (Office of Ohio Health Plans) is the single state agency that administers the Medicaid Program for low-income people under Title XIX of the Social Security Act and the State Child Health Insurance Program under Title XXI of the Social Security Act. These programs are financed by federal and State funds and State-administered according to federal guidelines. Both programs include coverage of pharmaceutical products and services for clients enrolled in fee-for-service programs.

JFS also administers a Disability Assistance (DA) Program for low-income individuals who do not qualify for Medicaid. DA provides benefits similar to the Medicaid program but is funded by State dollars with no federal financial participation.

Historically, Ohio Medicaid has played a fundamental role in the provision of pharmacy services to the low-income population including low-income elderly and disabled enrollees who depend upon prescription drugs to maintain or improve their health status. Pharmaceuticals are an increasingly important part of medical care and health care costs and the fastest growing component of health care spending. Medicaid programs face the challenge of managing pharmacy expenditures in a difficult economic environment while maintaining beneficiary access to appropriate care. Pharmacy costs are one of the top Medicaid cost drivers.

The Bureau of Health Plan Policy is responsible for strategic planning and policy development for most aspects of the Ohio Medicaid Program. The Bureau promulgates administrative rules that govern the types of covered services as well as reimbursement methodologies. The Bureau is responsible for production of Medicaid handbooks, manuals of policies and procedures distributed to health care providers and the Medicaid State Plan. Staff negotiates and maintains contracts pertaining to the operation of the Medicaid program. They manage several large utilization review programs to ensure the appropriateness of health care and develop cost containment and managed care strategies. Staff conducts on-going analysis and evaluation of existing programs and new initiatives. The Bureau establishes coverage and reimbursement policies related to the provision of pharmacy services to both Medicaid and DA consumers. A single drug list and pricing methodology currently apply to both programs. The Bureau also has responsibility for the Drug Rebate program for both Federal and supplemental rebate programs.

Within the Bureau of Health Plan Policy, a pharmacist acts as the pharmacy program manager. One responsibility is the federal drug rebate program which entails working with staff from Management Information Systems (MIS) and the Office of Fiscal Services (OFS) to generate invoices, collect rebates, and resolve disputes between drug manufacturers and JFS.

The pharmacist/program manager also works with First Data Bank (FDB) and MIS to assure that reimbursement information is updated and appropriate. FDB updates the prices of drugs that are not generic but are covered by Medicaid. After the update has run, the pharmacist/program manager reviews new drugs identified by systems staff and makes any necessary file changes by creating transcripts that are acted upon by MIS file maintenance personnel. The vendor takes all file information from JFS and incorporates it into their system for editing and adjudication purposes.

The pharmacist/program manager chairs the Ohio Medicaid Pharmacy and Therapeutics (P&T) Committee. This volunteer committee acts in an advisory role, offering clinical recommendations to the department on drug coverage and clinical review criteria. This Committee actively reviews Preferred Drug List (PDL) recommendations.

Another aspect of managing the pharmacy program is communicating with pharmacy providers. On a quarterly basis, participating pharmacy providers are notified of changes to the listing of drugs that may be dispensed without prior authorization (PA). Drugs not included on this rule-filed document (Ohio administrative code 5101:3-9-12) must have prior authorization by the Contractor's staff, based on criteria developed and/or approved by the Bureau of Health Plan Policy. If changes in coverage occur between the quarterly updates, participating pharmacy providers are informed through remittance advice newsletters that are included with their weekly payment or through Medical Assistance Letters that are produced by the Bureau of Health Plan Policy.

The pharmacist/program manager is also responsible for making drug coverage decisions to determine drugs that require prior authorization. Drugs which may not be authorized include: any drug for obesity, any drug for fertility, any DESI drug (drugs approved by the Food and Drug Administration (FDA) solely on the basis of their safety prior to 1962 and drugs identical, related and similar to them), or any drug used for a non-FDA approved indication. In 1990, Omnibus Budget Reconciliation Act (OBRA90) mandated that prior authorization requests must have a response within twenty-four hours. Individual states are allowed to choose the manner of submission and the mechanism for response.

In August of 1998, DAS released an RFP on behalf of the Department of Human Services (now JFS), to acquire the services of a Contractor that would provide an existing Pharmacy Point-of-Sale (POS) system that would be customized to meet the needs of the Ohio-POS project. The agreement resulting from that RFP was awarded to First Health Services Corporation (FHSC) in March of 1999 and was to continue for six years.

The Ohio POS contract provides services including system design, development, customization, implementation and operation of the POS System for the Ohio Medicaid program. FHSC provides a system that automates pharmacy claims processing and adjudication and includes pharmacy prior authorization services. FHSC operates both a twenty-four hour system Help Desk and a prior authorization Help Desk available Monday through Friday from 7:00 AM to 7:00 PM Eastern Time. Additionally, FHSC provides a pharmacist to support the Ohio Drug Utilization Review (DUR) Board. The entire cost of this agreement is based on cost per adjudicated claim.

The Ohio-POS system has resulted in improved provider relations, and improved health outcomes for the populations covered by the Ohio Medicaid pharmacy program. The project has produced administrative and program cost savings as pharmacy inflation continues. However, it was determined that further strategies were needed to manage escalating pharmacy costs, and the 124th General Assembly directed JFS to implement a supplemental drug rebate program, including the implementation of a Preferred Drug List (PDL).

The Director of JFS, in accordance with section 5111.02 of the Code, established and implemented a PDL and supplemental drug rebate program. In November of 2002, the State executed an Amendment to the existing Pharmacy POS contract to add services for developing, maintaining, and providing compliance management services for a PDL, negotiating supplemental drug rebates and collecting the resulting rebates on behalf of the State, and providing educational outreach services. The federal government approved the Amendment with the condition that the Amendment would be effective for only one year. In November 2003, an amendment to the existing pharmacy POS contract was executed to change the contractor's fee structure to allow for an increased volume of prior authorizations resulting from the implementation of a PDL.

In December 2003, an RFP was released requesting a contractor to continue the services for maintaining, reanalyzing, and updating the existing PDL, negotiating supplemental drug rebates and collecting the resulting rebates on behalf of the State, providing educational outreach services and supporting the Ohio Medicaid Pharmacy and Therapeutics (P&T) Committee. This RFP was awarded in March of 2004 to First Health Services Corporation.

A PDL is designed to maximize the prescribing and dispensing of the most cost-effective, safe, and clinically effective drugs within each therapeutic class. A PDL assures that more costly drugs, which do not have any significant clinical or therapeutic advantage over others in their class, are used only when medically necessary.

When a drug is denied, the consumer/recipient is entitled to a State hearing. Currently the following procedure is in place:

The Contractor compiles a written summary of why the request was denied, which is mailed to the consumer. For example, if the request was denied because the recipient was not eligible at the time the drug was dispensed; the written summary would include the eligibility span of the recipient. A telephone hearing would take place and include the State hearing officer, the recipient and any representative they might have to support his or her case, and a representative from the Contractor.

If the State hearing officer rules in the department's favor, the denial is upheld. If the hearing officer rules in favor of the consumer, the department must comply with the decision and cover the service that was in question. In 2003 approximately 10 hearings were held each month.

The Bureau of Plan Operations is responsible for utilization review, quality assurance, and client medical management programs. JFS established the Primary Alternative Care and Treatment (PACT) program in 1983 to curb the over utilization of certain Medicaid services and to provide better continuity of care. Recipients who are enrolled in PACT must obtain all non-emergency physician and pharmacy services from the designated provider selected or payment for the services will be denied. Clients are enrolled in the program for a minimum of eighteen (18) months after which their utilization patterns are reviewed and, if JFS determines that maximum benefit has been achieved, the recipient may be released from the program. Medicaid consumers enrolled in managed care plans do not participate in PACT.

Drug utilization review criteria and guidelines are developed and adopted by the Ohio DUR Board based on OBRA90, OBRA93, and/or subsequent requirements. Criteria suggested by the DUR Board are considered by the Department for inclusion in the Ohio DUR program.

The State of Ohio Medicaid pharmacy program expenditures were over \$1.6 billion in state fiscal year 2003. Approximately 2.69 million pharmacy claims are processed each month. There is an expectation that the total claim volume will decrease upon the implementation of Medicare Part D; however the percentage decrease is not known at this time. Approximately 47% of pharmacy claims were paid for dual eligible recipients in 2003; this number includes drug claims that would not be covered by Medicare Part D. In the fourth quarter of federal fiscal year 2003, a total of 52,249 prior authorized claims were paid to 3530 providers. About 1000 different drug codes were prior authorized during this period.

It is estimated that approximately 27% of the total claims will come from nursing home providers. These, plus a small amount of claims from non-pharmacy sources such as physician offices, will be batch electronic submitted using electronic batch process.

Currently the pharmacy program impacts a monthly average of 1.12 million fee for service Medicaid and Disability Assistance clients and 2,545 pharmacies. Approximately 422,000 eligible clients are enrolled in managed care plans and do not receive their pharmacy benefit through the fee for service program. There are approximately 2.69 million pharmacy claims submitted per month. Of these, approximately 2.65 million are adjudicated as paid and 11,000 require prior authorization.

Effective on January 1, 2004, a co-payment was implemented for drugs requiring prior authorization for a limited subset of the Medicaid population. In the first three months of this program there were approximately 26,000 claims requiring a co-payment.

The State has been proactive in its third-party cost avoidance since the original Ohio POS system was implemented. Using information supplied on the recipient file, in Federal Fiscal Year 02 JFS was able to save in excess of \$32.6 million by requiring pharmacies to process claims to primary payers prior to submitting to Medicaid for payment. An additional \$13.9 million also has been saved by JFS through the coordination of benefits with Medicare for drugs that are covered through this federally funded program.

Once the JFS pharmacy point of sale (POS) system is successfully implemented, the Ohio Department of Health (with JFS input), may choose to meet with the successful Contractor to discuss the feasibility of using the developed JFS POS system for Title V use as well. If the discussions result in a feasibility study or system modification, any resulting contract would be entirely separate from the JFS POS contract. A response from the contractor regarding this statement is not expected at this time.

Objectives. The State has the following objectives that it wants this Work to fulfill, and it will be the Contractor's obligation to ensure that the people the Contractor provides are qualified to perform their portions of the Work.

Contractor-provided pharmacy claims prior authorization, adjudication capabilities, PDL development and supplemental and federal rebate administration will enable JFS to achieve the following objectives:

- Ensure Medicaid fee-for-service clients receive high quality, appropriate and cost effective pharmacy services.
- Enhance the quality of care to recipients through Prospective Drug Utilization Review (Pro-DUR) edits prior to their receiving prescribed drugs. Pro-DUR leads to improved drug therapy and quality of care and is expected to reduce unnecessary and/or inappropriate use of drugs, identify possible inappropriate drug therapy patterns prior to the drugs being dispensed, develop criteria to reduce the incidence of drug therapy failure and drug-induced illness, and lower medical costs associated with avoidable drug therapy complications.
- Provide cost savings through an effective and highly efficient operation that takes advantage of technology; reduces the administrative burden on providers, pharmacists, and clients; and provides flexible operations that allow the State to react to program changes in a timely manner.
- Ensure that the PDL is fully integrated with existing Medicaid operations.
- Ensure that the maximum rebate amounts are negotiated and collected for the sole benefit of the State.

Overview of the Work's Scope. The scope of the Work is provided in an attachment to this RFP. This section only gives a summary of the Work. If there is any inconsistency between this summary and the attachment's description of the Work, the attachment will govern.

The Contractor will provide an existing point-of-sale system for customization and implementation (conversion, testing, training, and documentation). Customizations to the Contractor's existing system will allow it to interface with the Medicaid Management Information System (MMIS) and with the existing networks that will connect the pharmacy providers with the Contractor's system.

The Contractor will provide processing of both manual and automated JFS pharmacy claims including full adjudication of Point-of-Sale and batch pharmacy claims.

The Contractor will provide ProDur services. Consulting pharmacists provided by the Contractor will attend meetings of the Ohio DUR Board and will serve as advisors to the Board.

The Contractor will provide services to include development, customization implementation and operation for the Ohio Medicaid program. The system will provide automated pharmacy claims processing and adjudication and prior authorization services. The Contractor will also operate a system help desk, available twenty-four hours a day, seven days a week. The Contractor must also provide a prior authorization help desk available Monday through Friday from 7:00 AM to 7:00 PM eastern time consisting of a pharmacist(s) to support the Ohio DUR.

The Contractor will provide PDL services through the analysis and maintenance of the PDL, by supporting the Ohio Medicaid P&T Committee and providing educational services for the PDL.

The Contractor will provide drug rebate administration. This will include the administration of supplemental drug rebates, including negotiation strategies, the maintenance of rebate agreements, and the maintenance of the supplemental and federal rebate invoicing (including J-Codes) and collection and dispute resolution.

The Contractor will provide educational services. These educational services will be primarily directed to physician and pharmacy providers, state associations and others with an interest in the program. The goal of this educational service is to help providers understand the pharmacy program, including the prior authorization and PDL programs, and to encourage cost-effective prescribing behaviors.

Calendar of Events. The schedule for the Project is given below. The State may change this schedule at anytime. If the State changes the schedule before the Proposal due date, it will do so through an announcement on the State Procurement Web site question and answer area for this RFP. The Web site announcement will be followed by an amendment to this RFP, also available through the State Procurement Web site. After the Proposal due date and before the award of the Contract, the State will make schedule changes through the RFP amendment process. The State will make changes in the Project schedule after the Contract award through the change order provisions in the general terms and conditions of the Contract. It is each prospective offeror's responsibility to check the Web site question and answer area for this RFP for current information regarding this RFP and its Calendar of Events through award of the Contract.

Dates:

Firm Dates

RFP Issued:	March 22, 2005
Inquiry Period Begins:	March 22, 2005
Pre-Proposal Conference:	April 6, 2005
Inquiry Period Ends:	May 20, 2005
Proposal Due Date:	May 24, 2005 at 11:00 a.m. Eastern Time

There are references in this RFP to the Proposal due date. Prospective offerors must assume, unless it is clearly stated to the contrary, that any such reference means the date and time that the Proposals are due and not just the date.

PART TWO: STRUCTURE OF THIS RFP

Organization. This RFP is organized into five (5) parts, ten (10) attachments, and three (3) supplements. The parts, attachments and supplement are listed below:

Parts:

Part 1	Executive Summary
Part 2	Structure of this RFP
Part 3	General Instructions
Part 4	Evaluation of Proposals
Part 5	Contract Award

Attachments:

Attachment 1	Project Requirements and Special Provisions
Attachment 2	Requirements for Proposals
Attachment 3	General Terms & Conditions
Attachment 4	Sample Contract
Attachment 5	Offeror Mandatory Requirement Profile Forms
Attachment 6	Offeror or Subcontractor Requirement Forms
Attachment 7	Personnel Profile Forms
Attachment 8	Cost Summary
Attachment 9	HIPAA Business Partner Agreement
Attachment 10	Contract Performance

Supplements:

Supplement 1	W-9 Form
Supplement 2	Drug Utilization Review (DUR) Board meeting minutes
Supplement 3	Sample Denial Letter

Additional Information.

PDL website: http://jfs.ohio.gov/ohp/bhpp/OH_PDLQuick_PrefOnly.PDF

Ohio Administrative Rules (including Prior Authorization information) Website:
http://emanuals.odjfs.state.oh.us/emanuals/medicaid/Drug/@Generic_BookView;cs=default;ts=default

Pharmacy Billing Instructions Website: <http://jfs.ohio.gov/ohp/bhpp/omdp/pdf/ohprovodjfs.pdf>

PART THREE: GENERAL INSTRUCTIONS

The following sections provide details on how to get more information about this RFP and how to respond to this RFP. All responses must be complete and in the prescribed format.

Contacts. The following person will represent the State during the RFP process:

Margaret Owens, Acquisition Analyst
30 E. Broad Street, 39th Floor
Columbus, Ohio 43215

During the performance of the Work, a State representative (the "Work Representative") will represent the State and be the primary contact for matters relating to the Work. The Work Representative will be designated in writing after the Contract award.

Internet Inquiries. Offerors may make inquiries regarding this RFP any time during the inquiry period listed in the Calendar of Events. To make an inquiry, offerors must use the following process:

- Access the State Procurement Web site at <http://www.ohio.gov/procure>;
- From the Navigation Bar on the left, select "Find It Fast";
- Select "Doc/Bid/Schedule #" as the Type;
- Enter the RFP Number found on Page 1 of the document (RFP Numbers begin with zero followed by the letter "A");
- Click the "Find It Fast" button;
- On the document information page, click the "Submit Inquiry" button;
- On the document inquiry page, complete the required "Personal Information" section by providing:
 - First and last name of the prospective offeror's representative who is responsible for the inquiry,
 - Name of the prospective offeror,
 - Representative's business phone number, and
 - Representative's e-mail address;
- Type the inquiry in the space provided including:
 - A reference to the relevant part of this RFP,
 - The heading for the provision under question, and
 - The page number of the RFP where the provision can be found; and
- Click the "Submit" button.

Offerors submitting inquiries will receive an immediate acknowledgement that their inquiry has been received as well as an e-mail acknowledging receipt. Offerors will not receive a personalized e-mail response to their question nor will they receive notification when the question has been answered.

Offerors may view inquiries using the following process:

- Access the State Procurement Web site at <http://www.ohio.gov/procure>;
- From the Navigation Bar on the left, select "Find It Fast";
- Select "Doc/Bid/Schedule #" as the Type;
- Enter the RFP Number found on Page 1 of the document (RFP Numbers begin with zero followed by the letter "A");
- Click the "Find It Fast" button;
- On the document information page, click the "View Q & A" button to display all inquiries with responses submitted to date.

Amendments to the RFP. If the State decides to revise this RFP before the Proposal due date, amendments will be announced on the State Procurement Web site.

Offerors may view amendments using the following process:

- Access the State Procurement Web site at <http://www.ohio.gov/procure>;
- From the Navigation Bar on the left, select "Find It Fast";
- Select "Doc/Bid/Schedule #" as the Type;
- Enter the RFP Number found on Page 1 of the document (RFP Numbers begin with zero followed by the letter "A");
- Click the "Find It Fast" button;
- On the document information page, click on the amendment number to display the amendment.

When an amendment to this RFP is necessary, the State may extend the Proposal due date through an announcement on Acquisition Management's Web site question and answer area for this RFP. Amendment announcements may be provided any time before 5:00 p.m. eastern time on the day before the proposal is due. It is the responsibility of each prospective offeror to check for announcements and other current information regarding this RFP.

The State will try to respond to all inquiries within 48 hours, excluding weekends and State holidays. But the State will not respond to any inquiries received after 8:00 a.m. eastern time on the inquiry end date.

After the submission of Proposals, amendments will be distributed only to those offerors whose submissions are under active consideration. When the State makes an amendment to the RFP after Proposals have been submitted, the State will permit offerors to withdraw their Proposals within ten business days after the amendment is issued. This withdrawal option will allow any offeror to remove its Proposal from active consideration should the offeror feel that the amendment changes the nature of the transaction so much that the offeror's Proposal is no longer in its interests. Alternatively, the State may allow offerors that have Proposals under active consideration to modify their Proposals in response to the amendment, as described below.

Whenever the State makes an amendment after the Proposal due date, the State will tell all offerors whose Proposals are under active consideration whether they have the option to modify their Proposals in response to the amendment. Any time the State amends the RFP after the Proposal due date, an offeror will have the option to withdraw its Proposal even if the State permits modifications to the Proposals. If the offerors are allowed to modify their Proposals, the State may limit the nature and scope of the modifications. Unless otherwise stated in the State's notice, modifications and withdrawals must be made in writing and must be submitted within ten (10) business days after the amendment is issued. If this RFP provides for a negotiation phase, this procedure will not apply to changes negotiated during that phase. Withdrawals and modifications must be made in writing and submitted to the State at the address and in the same manner required for the submission of the original Proposals. Any modification that is broader in scope than the State has authorized may be rejected and treated as a withdrawal of the offeror's Proposal.

Pre-Proposal Conference. A pre-proposal conference will be held at 10:00 a.m. eastern time on April 6, 2005 in the State Office Tower, Lobby Hearing Room at 30 E. Broad Street, Columbus, Ohio 43215. The purpose of this conference is to discuss the RFP and the Project with prospective offerors and to allow them to ask questions arising from their initial review of this RFP. Attendance at the pre-proposal conference is not a prerequisite to submitting a Proposal.

Proposal Submittal. Each offeror must submit both a technical proposal and a cost proposal as part of its Proposal, and the technical and cost proposals must be submitted in separate, opaque envelopes. Each offeror must submit six (6) complete, sealed, and signed copies of its technical proposal, and each technical proposal must be clearly marked "Pharmacy Services RFP -- Technical Proposal" on the outside of its envelope. Included in the sealed envelope, the offeror must also submit a copy of the proposal on CD-ROM in Microsoft® Word 2000, Microsoft® Excel 2000, Microsoft® Project 2000 format, and PDF as appropriate. In the event that there is a discrepancy between the hard copy and the electronic copy, the hard copy will be the official Proposal.

Each offeror must also submit three (3) complete, sealed, and signed copies of its cost proposal, and each cost proposal must be clearly marked "Pharmacy Services RFP -- Cost Proposal" on the outside of its envelope.

Offerors can designate portions of their response as trade secrets by providing a legal analysis from the offeror's legal counsel demonstrating that the information is a trade secret pursuant to Ohio Revised Code Section 1333.61. The State will review the analysis and, if reasonable, will redact the information pursuant to any public records request. If a mandamus action is filed to access those records under the public records law, the State will notify the offeror so that the offeror can move to intervene and protect that information. If the State does not agree with the analysis, the State will notify the offeror of its determination that the information is considered to be public.

Offerors should submit the portions of their proposals that they wish to designate as trade secrets in a separate package separate from the rest of their proposal and include those portions on separate CD-ROM copies. The trade secret proposal package should be clearly marked "JFS Pharmacy Services RFP – Trade Secrets".

Proposals are due no later than the proposal due date, at 11:00 a.m., Eastern Time. Proposals must be submitted to:

Office of Information Technology
Investment and Governance Division
Contract Management Bid Room
30 East Broad Street, 40th Floor
Columbus, Ohio 43215

The State may reject any Proposals or unsolicited modifications that it receives after the deadline. An offeror that mails its Proposal must allow for adequate mailing time to ensure its timely receipt. Additionally, offerors must allow for potential delays due to increased security. The Ohio Building Authority plans on stationing x-ray equipment on the Rhodes Tower loading dock in March 2005 and using it to x-ray in-coming deliveries and mail. As of March 1, 2005 loading dock hours will be from 7:00 am to 5:00 pm, Monday through Friday, excluding State holidays. No deliveries will be accepted before or after these hours without prior arrangements. Further, once the x-ray equipment is operational, all deliveries to Rhodes Tower must be made through the loading dock, where they will be scanned and tagged. Moreover, any visitors attempting to bring packages through the Rhodes Tower lobby entrance that cannot be opened for inspection will be redirected to the loading dock to have their packages scanned and tagged. Offerors must allow sufficient time for this additional security process, since the State may reject late Proposals regardless of the cause for the delay.

Each offeror must carefully review the requirements of this RFP and the contents of its Proposal. Once opened, Proposals cannot be altered, except as allowed by this RFP.

By submitting a Proposal, the offeror acknowledges that it has read this RFP, understands it, and agrees to be bound by its requirements.

The State is not responsible for the accuracy of any information regarding this RFP that was gathered through a source different from the inquiry process described in this RFP.

Revised Code Section 9.24 prohibits the State from awarding a Contract to any offeror(s) against whom the Auditor of State has issued a finding for recovery if the finding for recovery is "unresolved" at the time of award. By submitting a proposal, the offeror warrants that it is not now, and will not become subject to an "unresolved" finding for recovery under Section 9.24, prior to the award of a Contract arising out of this RFP, without notifying DAS of such finding.

The State may reject any Proposal if the offeror takes exception to the terms and conditions of this RFP, fails to comply with the procedure for participating in the RFP process, or the offeror's

Proposal fails to meet any requirement of this RFP. The State may also reject any Proposal that it believes is not in its interests to accept and may decide not to do business with any of the offerors responding to this RFP.

All Proposals and other material submitted will become the property of the State and may be returned only at the State's option. If proprietary information is included in a Proposal or supporting materials it must be submitted in a separate binder in order to protect the confidentiality of its contents. Additionally, all non-proprietary portions of the Proposals will be open to the public after the Contract has been awarded.

The State will retain all Proposals, or a copy of them, as part of the contract file for at least three years. After the retention period, the State may return, destroy, or otherwise dispose of the Proposals or the copies.

Waiver of Defects. The State has the right to waive any defects in any Proposal or in the submission process followed by an offeror. But the State will only do so if it believes that is in the State's interests and will not cause any material unfairness to other offerors.

Multiple or Alternate Proposals. The State welcomes multiple Proposals from a single offeror, but the State requires each such Proposal to be submitted separately from every other Proposal the offeror makes. Additionally, the offeror must treat every Proposal submitted as a separate and distinct submission and include in each Proposal all materials, information, documentation and other items this RFP requires for a Proposal to be complete and acceptable. No alternate Proposal may incorporate materials from another Proposal made by the offeror or refer to another Proposal. The State will judge each alternate Proposal on its own merits.

Amendments to Proposals. Amendments or withdrawals of Proposals will be allowed only if the amendment or withdrawal is received before the Proposal due date. No amendment or withdrawals will be permitted after the due date, except as expressly authorized by this RFP.

Proposal Instructions. Each Proposal must be organized in an indexed binder ordered in the same manner as the response items are ordered in the applicable attachment(s) to this RFP.

The State wants clear and concise Proposals. Offerors should take care to completely answer questions and meet the RFP's requirements.

The requirements for the Proposal's contents and formatting are contained in a Attachment 2 to this RFP.

The State will not be liable for any costs incurred by any offeror in responding to this RFP, even if the State does not award a Contract through this process. The State may decide not to award a Contract for the Work. It may also cancel this RFP and contract for the Work through some other process or by issuing another RFP.

Protests. Any prospective or actual offeror may file a protest of the award of the Contract, or any other matter relating to the process of soliciting the proposals.

A protest based on alleged improprieties in the process of soliciting proposals or in the issuance of the RFP or any other event which occurs before the due date for proposals, which is apparent or should be apparent prior to the proposal due date, must be filed no later than five business days after the proposal due date.

A protest based upon the evaluation committee's recommendations for the award of the Contract must be filed no later than ten business days after the award date of the Contract.

Protest must be in writing and contain the following information:

- a) The name, address and telephone number of the protestor;

- b) The name and number of the RFP being protested;
- c) A detailed statement of the legal and factual grounds for the protest, including copies of any relevant documents;
- d) A statement as to the form of relief requested from OIT; and
- e) Any other information the protestor believes to be essential to the determination of the factual and legal questions at issue.

OIT may elect to consider an untimely protest. An untimely protest is one received by the Contract Management Bid Room after the time periods set above. In addition to the information requested above, untimely protests must include an explanation of why the protest was not made within the required time frame.

All protests must be filed at the following location:

Office of Information Technology
Investment and Governance Division
Contract Management Bid Room
30 E. Broad Street, 40th Floor
Columbus, OH 43215.

PART FOUR: EVALUATION OF PROPOSALS

Disclosure of Proposal Contents. The State will seek to open the Proposals in a manner that avoids disclosing their contents. Additionally, the State will seek to keep the contents of all Proposals confidential until the Contract is awarded. But the State will prepare a registry of Proposals containing the name and address of each offeror. That registry will be open for public inspection after the Proposals are opened.

Rejection of Proposals. The State may reject any Proposal that is not in the required format, does not address all the requirements of this RFP, or that the State believes is excessive in price or otherwise not in its interests to consider or to accept. In addition, the State may cancel this RFP, reject all the Proposals, and seek to do the Project through a new RFP or other means.

Evaluation of Proposals Generally. The evaluation process may consist of up to four distinct phases:

1. The Acquisition Management procurement representative's initial review of all Proposals for defects;
2. The State's evaluation of the Proposals;
3. Request for more information (interviews, presentations, and/or demonstrations); and
4. Negotiations.

The State may decide whether phases three and four are necessary. But the State has the right to eliminate or add phases three or four at any time in the evaluation process. The State also may add or remove sub-phases to phases 2 through 4 at anytime if the State believes doing so will improve the evaluation process.

Clarifications & Corrections. During the evaluation process, the State may request clarifications from any offeror under active consideration and may give any offeror the opportunity to correct defects in its Proposal if the State believes doing so does not result in an unfair advantage for the offeror and it is in the State's interests. Any clarification response that is broader in scope than what the State has requested may result in the offeror's proposal being disqualified.

Reference Checks. The state may conduct reference checks to verify and validate the offeror's or proposed candidates' past performance. Reference checks indicating poor or failed performance by the offeror or proposed candidate may be cause for rejection of the proposal. In addition, failure to provide requested reference contact information may result in the State not including the reference experience in the evaluation process.

The reference evaluation will measure the criteria contained in this part of the RFP as it relates to the offeror's previous contract performance including but not limited to its performance with other local, state and federal entities. The State reserves the right to check references other than those provided in the offeror's Proposal. The State may obtain information relevant to criteria in this part of the RFP, which is deemed critical to not only the successful operation and management of the Project, but also the working relationship between the State and the offeror.

To maintain fairness in the evaluation process, all information sought by the State will be obtained in a manner such that no offeror is provided an unfair competitive advantage.

Initial Review. The Acquisition Management procurement representative will review all Proposals for their format and completeness. The Acquisition Management procurement representative normally rejects any incomplete or incorrectly formatted Proposal, though he or she may waive any defects or allow an offeror to submit a correction.

If the Auditor of State does not certify a proposal due to lateness, the Acquisition Management procurement representative will not open it or evaluate it for format or completeness.

The Acquisition Management procurement representative will forward all timely, complete, and properly formatted Proposals to an evaluation committee, which the Acquisition Management procurement representative will chair.

State Review of the Proposals. The State will evaluate each Proposal that the Acquisition Management procurement representative has determined is timely, complete and properly formatted. The evaluation will be according to the criteria contained in this Part of the RFP. An attachment to this RFP may further refine these criteria, and the State has a right to break these criteria into components and weight any components of a criterion according to their perceived importance.

The State may also have the Proposals or portions of them reviewed and evaluated by independent third parties or various State personnel with technical or professional experience that relates to the Work or to a criterion in the evaluation process. The State may also seek reviews of end users of the Work or the advice or evaluations of various State committees that have subject matter expertise or an interest in the Work. The State may adopt or reject any recommendations it receives from such reviews and evaluations.

The evaluation will result in a final adjusted score being calculated for each Proposal. At the sole discretion of the State, any Proposal in which the offeror received a significant number of zeros for sections in the technical portions of the evaluation may be rejected. Those offerors submitting the highest-rated Proposals may be scheduled for the next phase. The number of Proposals forwarded to the next phase will be within the State’s discretion, but regardless of the number of Proposals selected for the next phase, they will always be the highest rated Proposal(s) from this phase.

At any time during this phase, the State may ask an offeror to correct, revise, or clarify any portions of its Proposal.

The State will document all major decisions in writing and make these a part of the Contract file along with the evaluation results for each Proposal considered.

Proposal Evaluation Criteria. In the Proposal evaluation phase, the State will rate the Proposals submitted in response to this RFP based on the following criteria and weight assigned to each criterion:

Criteria	PERCENT	POINTS
Offeror Requirements	25	250
Personnel and Staffing Requirements	15	150
Plans, Approach and Solution	40	400
Cost	20	200
Total:	100	1000

The maximum weighted composite scores that can be earned in each section are:

- 567 Offeror Requirements
- 553 Personnel and Staffing Requirements
- 1344 Plans, Approach and Solution
- 616 Cost

In order to achieve the scoring ratio of 25:15:40:20, the weighted composite scores will be adjusted as follows based on the weighted exceeds points:

Section:	Weighted Composite Score	Adjustment Factor
Offeror Requirements:	567	.4409
Personnel and Staffing Requirements:	553	.2712
Plans, Approach and Solution:	1344	.2976
Cost	616	.3247

Cost will be calculated using the following formula:

$$\text{Cost} = (\text{Lowest TEC} / \text{Offerors' TEC}) \times C$$

Where TEC is the Total Evaluation Cost.

C is a number equal to 20% for the total weighted evaluation points available or 616.

Total points score is calculated using the following formula:

$$\text{Total Point Score} = \text{Offeror Requirement Score} + \text{Personnel and Staffing Requirements Score} + \text{Plans, Approach and Solution Score} + \text{Cost Score.}$$

The following table contains mandatory requirements that will be evaluated on a pass / fail basis.

Offeror Mandatory Requirements Offerors must meet each of the following criteria to continue in the evaluation.	Pass	Fail
Minimum three (3) pharmacy claims point of sale projects of similar size and scope that included customization, implementation and operation of the point of sale system. The projects referenced must include all aspects of this requirement (i.e. customization, implementation and operation) but not all must have been provided in the same project. At least one of the projects used as a reference to meet this requirement must currently be managed and operated by the Offeror.		
Minimum of two (2) projects of similar size where an information technology system has a two way interface with an external system (eg. POS interface to a Medicaid Management Information System).		
The proposed POS system must process and adjudicate claims using NCPDP transaction standard version 5.1 in a HIPAA compliant manner.		
Minimum sixty (60) months experience in pharmacy claims processing and adjudication. To meet the requirement the offeror must describe their experience assessing the claims, ensuring that the drugs are covered for eligible recipients and adjudicating and / or paying the claim.		
Minimum sixty (60) months experience interacting electronically with at least three (3) pharmacy switch service providers that are currently submitting pharmacy claims electronically		
Operational Project Manager Mandatory Qualifications Candidate must meet each of the following criterion to continue in the evaluation.	Pass	Fail
Minimum of thirty-six (36) months managing health care delivery services that covered a minimum of 100,000 lives for a state Medicaid, private health or HMO program		
Within the last sixty (60) months, minimum 12 months operational management experience for a pharmacy point of sale claims processing system including such functions as data entry, electronic media claims processing, and help desk operations.		
Implementation Project Manager Mandatory Requirements Candidate must meet each of the following criterion to continue in the evaluation.	Pass	Fail
Minimum of one (1) project where the candidate was the implementation manager / lead for the design, customization and implementation of the proposed baseline POS system for use by another entity (state or private) of similar size and scope.		

Criteria	Weight	Does Not Meet	Meets	Exceeds	Greatly Exceeds
Offeror Mandatory Requirements					
Minimum three (3) pharmacy claims point of sale projects of similar size and scope that included customization, implementation and operation of the point of sale system. The projects referenced must include all aspects of this requirement (i.e. customization, implementation and operation) but not all must have been provided in the same project. At least one of the projects used as a reference to meet this requirement must currently be managed and operated by the Offeror.	9	Failed	5	7	9
Minimum of two (2) projects of similar size and scope where an information technology system has a two way interface with an external system (eg. POS Medicaid Management Information System).	8	Failed	5	7	9
The proposed POS system must process and adjudicate claims using NCPDP transaction standard version 5.1 in a HIPAA compliant manner.	7	Failed	5	7	9
Minimum sixty (60) months experience in pharmacy claims processing and adjudication. To meet the requirement the offeror must describe their experience assessing the claims, ensuring that the drugs are covered for eligible recipients and adjudicating and / or paying the claim.	9	Failed	5	7	9
Minimum sixty (60) months experience interacting electronically with at least three (3) pharmacy switch service providers that are currently submitting pharmacy claims electronically	8	Failed	5	7	9
Offeror or at least one of the Proposed Subcontractor Requirements					
Minimum of sixty (60) months experience with the use of OBRA90 compliant drug utilization protocols.	4	0	5	7	9
Minimum of sixty (60) months experience providing on-line, real time pharmacy claims processing and prior authorization services in a project where the volume of claims was at least 25,000 per day.	6	0	5	7	9

Minimum of sixty (60) months experience providing help desk services where the help desk personnel are required to respond to pharmacy claims and prior authorization inquiries.	5	0	5	7	9
Minimum of sixty (60) months experience providing system-related help desk services.	5	0	5	7	9
The offeror or a proposed subcontractor must have drug rebate experience invoicing, collecting, and resolving invoicing disputes on behalf of a public or private entity for a minimum of 1 project involving a minimum of 100 manufacturers.	6	0	5	7	9
Minimum of 1 project where the offeror or a proposed subcontractor successfully negotiated drug rebates for a public or private entity. The project must have included negotiations with a minimum of 15 drug companies.	5	0	5	7	9
Minimum of 2 projects where the offeror or a proposed subcontractor successfully evaluated and implemented a preferred drug list which required reviewing drugs in a minimum of 15 therapeutic drug classes.	5	0	5	7	9
Development and Support Capabilities (as defined in Attachment 2)	4	0	5	7	9
Offeror or at least one of the proposed Subcontractors Desirable Requirements		Does not Meet	Meets		
Minimum of thirty-six (36) months experience with Medicaid claims processing and adjudication.		0	10		
Key Staff Requirements					
Operational Project Manager Mandatory Requirements	Weight	Does not Meet	Meets	Exceeds	Greatly Exceeds
Minimum of thirty-six (36) months managing health care delivery services that covered a minimum of 100,000 lives for a state Medicaid, private health or HMO program.	8	Failed	5	7	9
Within the last sixty (60) months, minimum 12 months operational management experience for a pharmacy point of sale claims processing system including such functions as data entry, electronic media claims processing, and help desk operations.	9	Failed	5	7	9

Operational Project Manager Desirable Requirements:		Does not Meet	Meets		
Minimum six (6) months experience with operational responsibility for the proposed baseline pharmacy claims processing operating system proposed for the Ohio-POS.		0	10		
Minimum twelve (12) months experience with projects that required familiarity with prior authorization and Pro-DUR activities.		0	10		
Clinical Manager Requirements	Weight	Does not Meet	Meets	Exceeds	Greatly Exceeds
The team member proposed to perform the duties of Clinical Manager must be a licensed pharmacist in good standing and have a minimum of thirty-six (36) months experience providing clinical pharmacy management services for a public or private entity.	6	0	5	7	9
Clinical Manager Desirable Requirements		Does not Meet	Meets		
Minimum twelve (12) months experience with familiarity with PDL development and maintenance		0	10		
Minimum twelve (12) months experience with familiarity with rebate agreement invoicing, collection and dispute resolution		0	10		
Minimum twelve (12) months experience with Contractor's decision support system.		0	10		
Implementation Project Manager Mandatory Requirements	Weight	Does not Meet	Meets	Exceeds	Greatly Exceeds
Minimum of one (1) project where the candidate directly managed or supervised the adaptation of the proposed baseline POS system for use by another entity (state or private) including participating in the design, development and implementation of the system.	9	Failed	5	7	9
Implementation Analyst(s) Requirements	Weight	Does not Meet	Meets	Exceeds	Greatly Exceeds
Multiple Implementation Analysts may be proposed but they must collectively meet following requirements. At least one member of the team must meet a requirement.					
Minimum of thirty-six (36) months systems analyst experience in developing and implementing large scale, on-line, real time systems.	5	0	5	7	9

Minimum of twelve (12) months systems analyst experience with the proposed base POS pharmacy claim processing system including NCPDP version 5.1.	6	0	5	7	9
Experience working with both technical and non-technical staff to define project requirements	5	0	5	7	9
Minimum of one (1) project implementing technical interfaces with another entity's information system	5	0	5	7	9
Minimum of twelve (12) months experience evaluating hardware capacity for a large information technology system.	5	0	5	7	9
Implementation Analyst(s) Desirable Requirements		Does not Meet	Meets		
Knowledge of the state of Ohio's Medicaid program and policies		0	10		
Experience with Medicaid pharmacy POS claims processing		0	10		
Experience with automated Prior Authorization systems		0	10		
Experience with automated Pro-DUR Systems		0	10		
Support Personnel Requirements					
The support personnel must collectively meet following requirements. At least one member of the support personnel must meet a requirement.	Weight	Does not Meet	Meets	Exceeds	Greatly Exceeds
Minimum of thirty-six (36) months experience supporting physicians, pharmacists or other healthcare professionals in the administration of a public or private healthcare program.	4	0	5	7	9
Minimum of thirty-six (36) months experience presenting healthcare program information to healthcare professionals.	5	0	5	7	9
Minimum of twelve (12) months experience analyzing, negotiating, and evaluating the financial impact of drug rebate agreements.	6	0	5	7	9
Staffing Plan (as defined in Attachment 2)	6	0	5	7	9

Proposed System Solution	Weight	Does not Meet	Meets	Exceeds	Greatly Exceeds
Ohio-POS Operations Technical Requirements					
MMIS Interface	6	0	5	7	9
POS Network Interfaces	5	0	5	7	9
Ohio-POS System Availability Requirements	6	0	5	7	9
System Security	6	0	5	7	9
Disaster Preparedness and Recovery at the Automated Claims Processing Site	6	0	5	7	9
Ohio – POS Operations Functional Requirements					
Claim Adjudication Services – General Requirements including Coordination of Benefits and Third Party Liability	6	0	5	7	9
Claims Receipt and Management	5	0	5	7	9
Data Validation Edits and Audits	6	0	5	7	9
State Auditing	5	0	5	7	9
Claim Pricing	5	0	5	7	9
Reversals and Adjustments	5	0	5	7	9
State/Federal Policy Compliance	6	0	5	7	9
Multiple Programs	6	0	5	7	9
Pro-DUR including Identify Potential Drug Problems, Cancel or Override Pro-DUR Messages, Comment on Pro-DUR Messages, Disease/Drug Therapy, and Support Patient Counseling	5	0	5	7	9
Maintain a set of Flexible Parameters for Generation of Pro-DUR Messages	5	0	5	7	9
Maintain Pro-DUR Enrollee Profile Records	5	0	5	7	9
DUR Clinical Support	6	0	5	7	9
Prior Authorization of Non-Covered Drugs including Initial Approvals and Refills	5				
Denied Prior Authorization Requests including Overrides	6	0	5	7	9
Prior Authorization Request Tracking	5	0	5	7	9
Reporting	7	0	5	7	9

Work Plans					
Ohio Point of Sale (POS) Customization and Implementation	Weight	Does not Meet	Meets	Exceeds	Greatly Exceeds
Project Initiation & Requirements Definition Phase	6	0	5	7	9
System Analysis / General Design Phase	6	0	5	7	9
Technical Design Phase	6	0	5	7	9
Customization and Testing Phase	6	0	5	7	9
Implementation/Operations Phase	6	0	5	7	9
Help Desk for System Support	6	0	5	7	9
Help Desk for Prior Authorization Operations	6	0	5	7	9
Preferred Drug List (PDL) Program	Weight	Does not Meet	Meets	Exceeds	Greatly Exceeds
Maintain, Reanalyze and Update Existing PDL	6	0	5	7	9
Support the Ohio Medicaid Pharmacy and Therapeutics (P&T) Committee	5	0	5	7	9
Provide Educational Services for the Preferred Drug List and Implementation	6	0	5	7	9
Drug Rebates	Weight	Does not Meet	Meets	Exceeds	Greatly Exceeds
Negotiate and Maintain Supplemental Rebates	5	0	5	7	9
Management of Supplemental and Federal Rebate Programs including J-Codes	6	0	5	7	9
Project Management Methodology	6	0	5	7	9

It is within the State's discretion to wait to factor in a Proposal's cost until after any interviews, presentations and discussions. Also, before evaluating the technical merits of the Proposals, the State may do an initial review of costs to determine if any Proposals should be rejected because of excessive cost. And the State may reconsider the excessiveness of any Proposal's cost at any time in the evaluation process.

One or more of the Proposals will then be selected for further consideration in the next phase of the evaluation process. The Proposal(s) selected to be considered in the next phase always will be the highest-ranking Proposal(s) based on this analysis. That is, the State may not move a lower-ranking Proposal to the next phase unless all Proposals that rank above it are also moved to the next phase, excluding any Proposals that the State disqualifies because of excessive cost or other irregularities. Alternatively, if there are to be no more phases because the State feels they are unnecessary or inappropriate, the highest-ranking Proposal will be awarded the Contract.

If the State finds that one or more Proposals should be given further consideration, the State may select one or more of the highest-ranking Proposals to move to the next phase. The State may alternatively choose to bypass any or all subsequent phases and make an award based solely on the evaluation phase.

This RFP asks for responses and submissions from offerors, most of which represent components of the above criteria. While each criterion represents only a part of the total basis for a decision to award the Contract to an offeror, a failure by an offeror to make a required submission or meet a mandatory requirement will normally result in a rejection of that offeror's Proposal. The value assigned above to

each criterion is only a value used to determine which Proposal is the most advantageous to the State in relation to the other Proposals that the State received. It is not a basis for determining the importance of meeting any requirement to participate in the Proposal process.

If the State does not receive any Proposal that meets all the mandatory requirements, the State may cancel this RFP. Alternatively, if the State believes it is in the State's interest, the State may continue to consider the highest-ranking Proposals despite their failure to meet all the mandatory requirements. In doing this, the State may consider one or more of the highest-ranking Proposals. But the State may not consider any lower-ranking Proposals unless all Proposals ranked above it are also considered, except as provided below.

In any case where no Proposal meets all the mandatory requirements, it may be that an upper ranking Proposal contains a failure to meet a mandatory requirement that the State believes is critical to the success of the RFP's objectives. When this is so, the State may reject that Proposal and consider lower ranking Proposals. But before doing so, the State must notify the offeror of the situation and give the offeror an opportunity to cure the critical mandatory requirement.

If the offeror cures its failure to meet a critical mandatory requirement, its Proposal will continue to be considered. But if the offeror is unwilling or unable to cure the failure, its Proposal may be rejected. The State then may continue to consider the other remaining Proposals, including, if the State so chooses, proposals that ranked lower than the rejected Proposal.

Financial Ability. Part of the Proposal evaluation criteria is the qualifications of the offeror, which includes as a component the offeror's financial ability to perform the Contract. This RFP may expressly require the submission of audited financial statements from all offerors in the Proposal contents attachment. But if the Proposal contents attachment does not make this an express requirement, the State may still insist that an offeror submit audited financial statements for up to the past three years if the State is concerned that an offeror may not have the financial ability to carry out the Contract.

In evaluating an offeror's financial ability, the weight the State assigns, if any, to that financial ability will depend on whether the offeror's financial position is adequate or inadequate. That is, if the offeror's financial ability is adequate, the value assigned to the offeror's relative financial ability in relation to other offerors may or may not be significant, depending on the nature of the Work. But if the State believes the offeror's financial ability is not adequate, that decision will be a fatal one for the offeror's Proposal, and the State may reject the Proposal despite its other merits.

Interviews, Demonstrations, and Presentations. The State may require some offerors to interview, make a presentation about their Proposal, or demonstrate their products or services. Such presentations, demonstrations, and interviews provide an offeror with an opportunity to:

- Clarify its Proposal and to ensure a mutual understanding of the Proposal's content;
- Show the features and functions of its proposed hardware, software or solution; or
- Test or probe the professionalism, qualifications, skills, and work knowledge of the proposed candidates.

The presentations, demonstrations, and interviews will be scheduled at the convenience and discretion of the State. The State may record any presentations, demonstrations, and interviews.

The State normally will not rank interviews, demonstrations, and presentations. Rather, the State may decide to revise its existing proposal evaluations based on the interviews, demonstrations, and/or presentations.

Determination of Responsibility. The State may review the highest-ranking offerors or its key team members to ensure that the offeror is responsible. The Contract may not be awarded to an offeror that is

determined to be not responsible. The State's determination of an offeror's responsibility may include the following factors: the offeror's and its key team members' experience, past conduct on previous Contracts, past performance on previous Contracts, ability to execute this contract properly and management skill. The State will make such determination of responsibility based on the offeror's proposal, reference evaluations and any other information the State requests or determines to be relevant.

Contract Negotiations. The final phase of the evaluation process may be contract negotiations. Negotiations will be scheduled at the convenience of the State. The selected offeror(s) must negotiate in good faith.

Negotiations may be conducted with any offeror who submits a competitive Proposal, but the State may limit discussions to specific aspects of the RFP. Any clarifications, corrections, or negotiated revisions that may occur during the negotiations phase will be reduced to writing and incorporated in the RFP or the offeror's Proposal, as appropriate. Should the evaluation process have resulted in a top-ranked Proposal, the State may limit negotiations to only that offeror and not hold negotiations with any lower-ranking offeror. If negotiations are unsuccessful with the top-ranked offeror, the State may then go down the line of remaining offerors, according to rank, and negotiate with the next highest-ranking offeror. Lower-ranking offerors do not have a right to participate in negotiations conducted in such a manner.

If the State decides to negotiate with all the remaining offerors, or decides that negotiations with the top-ranked offeror are not satisfactory and negotiates with one or more of the lower-ranking offerors, the State will then determine if an adjustment in the ranking of the remaining offerors is appropriate based on the negotiations. The Contract award, if any, will then be based on the final ranking of offerors, as adjusted.

Auction techniques that reveal one offeror's price to another or disclose any other material information derived from competing Proposals are prohibited. Any oral modification of a Proposal will be reduced to writing by the offeror as described below.

Following negotiations, the State may set a date and time for the submission of best and final Proposals by the remaining offeror(s) with which the State conducted negotiations. If negotiations were limited and all changes were reduced to signed writings during negotiations, the State need not require the submissions of best and final Proposals.

If best and final Proposals are required, they may be submitted only once; unless the State makes a written determination that it is in the State's interest to conduct additional negotiations. In such cases, the State may require another submission of best and final Proposals. Otherwise, discussion of or changes in the best and final Proposals will not be allowed. If an offeror does not submit a best and final Proposal, the offeror's previous Proposal will be considered the offeror's best and final Proposal.

It is entirely within the discretion of the State whether to permit negotiations. An offeror must not submit a Proposal assuming that there will be an opportunity to negotiate any aspect of the Proposal. The State is free to limit negotiations to particular aspects of any Proposal, to limit the offerors with whom the State wants to negotiate, and to dispense with negotiations entirely.

The State generally will not rank negotiations. The negotiations will normally be held to correct deficiencies in the preferred offeror's Proposal. If negotiations fail with the preferred offeror, the State may negotiate with the next offeror in ranking. Alternatively, the State may decide that it is in the interests of the State to negotiate with all the remaining offerors to determine if negotiations lead to an adjustment in the ranking of the remaining offerors.

From the opening of the Proposals to the award of the Contract, everyone working on behalf of the State to evaluate the Proposals will seek to limit access to information contained in the Proposals solely to those people with a need to know the information. They will also seek to keep this information away from

other offerors, and the evaluation committee will not be allowed to tell one offeror about the contents of another offeror's Proposal in order to gain a negotiating advantage.

Before the award of the Contract or cancellation of the RFP, any offeror that seeks to gain access to the contents of another offeror's Proposal may be disqualified from further consideration.

Negotiated changes will be reduced to writing and become a part of the Contract file open to inspection to the public. The written changes will be drafted and signed by the Contractor and submitted to the State within five business days. If the State accepts the change, the State will give the offeror written notice of the State's acceptance. The negotiated changes to the successful offer will become a part of the Contract.

Failure to Negotiate. If an offeror fails to provide the necessary information for negotiations in a timely manner, or fails to negotiate in good faith, the State may terminate negotiations with that offeror and collect on the offeror's bid bond, if a bid bond was required in order to respond to this RFP.

PART FIVE: AWARD OF THE CONTRACT

Contract Award. The State plans to award the Contract based on the schedule in the RFP, if the State decides the Project is in its best interests and has not changed the award date.

Included with this RFP, as Attachment Four, is the sample contract for the RFP. In awarding the Contract, the State will issue an award letter to the selected Contractor. The Contract will not be binding on the State until the State's duly authorized representative signs all copies and returns one to the Contractor, the State issues a purchase order, and all other prerequisites identified in the Contract have occurred.

The State expects the Contractor to commence work within five (5) working days after the State issues a purchase order under the Contract. If the State awards a Contract pursuant to this RFP and the Contractor is unable or unwilling to commence the work within a reasonable amount of time after Contract award, the State reserves the right to cancel the Contract and return to the original RFP process and evaluate any remaining offeror Proposals reasonably susceptible of being selected for award of the Contract. The evaluation process will resume with the next highest ranking, viable Proposal.

If the State awards a Contract pursuant to this RFP and the Contractor is unable or unwilling to either execute the Contract or perform the services required thereunder pursuant to the project, the State reserves the right to cancel the Contract and begin negotiations with the next highest ranking offeror.

Also, in the event that any action, including merger or bankruptcy, occurs with the Contractor prior to, or during the performance of the Contract, which, in the sole option of the State, would negatively impact the Project, the State reserves the right to cancel the Contract and commence negotiations as stated immediately above until a successful contract is negotiated and performed.

Contract. If this RFP results in a Contract award, the Contract will consist of this RFP including all attachments, written amendments to this RFP, the Contractor's accepted Proposal, and written, authorized amendments to the Contractor's Proposal. It will also include any materials incorporated by reference in the above documents and change orders issued under the Contract. The form of the Contract is attached as a one-page attachment to this RFP, but it incorporates all the documents identified above. The general terms and conditions for the Contract are contained in Attachment Three of this RFP. If there are conflicting provisions between the documents that make up the Contract, the order of precedence for the documents is as follows:

1. This RFP, as amended;
2. The documents and materials incorporated by reference in the RFP;
3. The Contractor's proposal, as amended, clarified, and accepted by the State; and
4. The documents and materials incorporated by reference in the Contractor's Proposal.

Notwithstanding the order listed above, change orders and amendments issued after the Contract is executed may expressly change the provisions of the Contract. If they do so expressly, then the most recent of them will take precedence over anything else that is part of the Contract.

ATTACHMENT ONE: WORK REQUIREMENTS AND SPECIAL PROVISIONS

PART ONE: WORK REQUIREMENTS

This section describes the Project and what the Contractor must do to get the job done. It also describes what the Contractor must deliver as part of the completed Project (the "Deliverables"). It gives a detailed description of the Projects schedule.

Scope of Work.

Ohio-POS Customization and Implementation.

During this phase the Contractor will implement the systems required to process Ohio Medicaid pharmacy claims and provide supplemental services. The Contractor will work with JFS to ensure that the Ohio-POS processing system satisfies the functional and informational requirements of Ohio's Medicaid pharmacy program. The system must be thoroughly tested prior to implementation. JFS is currently in the beginning stages of planning the replacement of its MMIS system. The Contractor will be required to cooperate with any future contractor selected to implement the MMIS replacement.

System Customization and Implementation is divided into the following Phases:

- Project Initiation and Requirements Definition;
- Systems Analysis/General Design;
- Technical Design Phase;
- Customization and Testing;
- Implementation/Operations;
- Help Desk for System Support; and
- Help Desk for Prior Authorization.

Project Initiation and Requirements Definition Phase.

JFS will conduct a project kick-off meeting for which the Contractor will have prepared a revised Project Work Plan reflecting any changes to the project schedule. All key Contractor project staff must attend. JFS project staff will provide access and orientation to the Medicaid Pharmacy Program and system documentation.

JFS technical staff will provide an overview of the existing Ohio MMIS data exchange and history files including reference files and payment processes. The Contractor will work with the existing contractor regarding claims processing and business rules used in claims adjudication.

During this phase, the Contractor will develop the following documentation:

- Functional and Technical Requirements Document. This document will include detailed requirements for both internal and external interfaces and all Ohio-POS functionality required by this RFP and contained in the Contractor's proposal. This will be accomplished through review of current documentation and JFS Subject Matter Experts.

System Analysis/General Design Phase.

After approval of the documentation required in the Project Initiation and Requirements Definition Phase, the Contractor will develop the General System Design Document. The General System Design Document will include the following information:

- An Operational Impact Analysis that details the procedures and infrastructure required to enable an interface to MMIS, the Contractor's system, and the "switch" systems used by pharmacy providers to work effectively together.

- Data Dictionary. For each data field this will indicate content, size, values, structure, edit criteria and purpose.
- Data mapping. This will consist of a cross-reference map of required MMIS data and Ohio-POS data elements and data structures. A separate data structure map will be required for each transaction and interface. A data conversion which includes both automated and manual activities, will be provided for each data structure map in a mutually agreeable format. JFS will make data formats available to the Contractor.

The Contractor may request modifications to the Ohio MMIS data formats if necessary to allow for successful interface between the two systems. Any data format modifications approved by JFS will be the responsibility of JFS.

- A Detailed Conversion Plan that details plans for conversion of twenty-four (24) months of claims history, provider, recipient, drug list, drug pricing and prior authorization data.
- A Software Release Plan for implementation into production and throughout the life of the Project. This document will explain procedures for coordinating system changes that will have an operational or information impact on Ohio-POS operations. It will detail how software releases for Ohio-POS and/or MMIS are tested and coordinated. The plan will include both initial implementation of the Ohio-POS system and coordination of software releases between MMIS and Ohio-POS.

This document must explain the procedures for coordinating initial implementation. Additionally, the plan must explain a plan for implementing any software changes that may affect operational or informational impact on Ohio – POS operations. It must detail how the software is tested prior to implementation and during any software modifications.

During the life of the Contract it is likely that the MMIS data formats will be modified, the Contractor must be able to adapt to any changes in MMIS system layout (PDD, claim storage, etc) at no additional cost to the State.

Technical Design Phase.

During this phase, detailed specifications will be developed for conversion and for the interface(s) between the MMIS and the Contractor's system. In addition, the Contractor will develop detailed plans that address back-up and recovery, information security and system testing.

The Contractor will develop the System Interface Design Overview Document. This document will be completed after the Contractor has conducted a review of all previous design documents. These will then be consolidated into the System Interface Design Overview.

In addition to the System Interface Design Overview, the Contractor will provide the following system plan documents:

- System design that addresses the functional requirements that will include customization to meet Ohio POS business needs;
- Unit Test Plan to include test data, testing process, and expected results;
- Back-up and Recovery Plan to include processes for daily backup and recovery and the final disaster recovery plan;

- Information Security Plan to include how the Contractor will maintain confidentiality of Ohio Medicaid data. This document will include a comprehensive Risk Analysis; and
- System, Integration, and Operability Test Plan.

Customization and Testing Phase.

This phase includes activities that will lead to the implementation of the Ohio-POS system. The Contractor must develop the functionality that meets Ohio's business needs. The Contractor must customize the POS system software to meet the needs of Ohio. The Contractor will develop interface and conversion programs that include unit tests and system documentation. The Contractor must load an entire 24-month claims history file into its adjudication system prior to the operational dates. This effort must also include transferring 12 months of prior authorizations from the current contractor to support the State's timely filing provision of 365 days and to reduce recipient disruption. Additionally, the Contractor must convert provider, recipient, drug list and drug pricing into the POS system. The Contractor must develop test plans for each testing type (unit, integration, and system operability). Testing will be performed and programs will be documented. The testing will be completed by JFS, the Contractor and Ohio switch vendors.

The Contractor will perform testing activities that will include the following:

- Ohio-POS unit testing to include a description of the test procedure, expected results, and actual results of each unit or module customized or built for Ohio's POS;
- Integration testing will test external system impacts including provider POS systems, downstream MMIS applications, and all interfaces. Additionally, integration testing must verify that each software unit or module implemented will operate seamlessly as part of the POS system. The test results will include a description of the test procedure, expected results, and actual results;
- System Operability testing will include volume and efficiency to ensure that the system is able to process the volume of JFS Medicaid pharmacy claims. System operability testing must test the full functionality of the Ohio POS application including the processing of adjudication according to Ohio rules, including real time file transmission that results in accurate processing and reporting. Operability testing must include full testing for accuracy of data sent to JFS from the Contractor and all data sent from JFS to the Contractor and include the execution of batch emulation, claim entry and verification and adjudication. Expected outcomes during operability testing include paid, denied, rejected and adjusted. The test results will include a description of the test procedure, expected results, and actual results; and
- The Contractor will prepare a final conversion plan and perform final conversion activities. This will include running conversion programs; performing manual functions; performing quality control; reporting on outcomes; and converting files in preparation for system operation.

Throughout the life of the Contract, the Contractor will be responsible for ongoing updates to Ohio-POS system documentation at no additional cost to the State. In addition, all POS system documentation will be the property of the State and must be turned over to the State upon Contract termination.

Implementation/Operations Phase.

During this phase the Contractor and JFS will assess the operational readiness of all required system components including interfaces to MMIS, the Ohio-POS, and required communications links with the pharmacy "switch" providers. This will result in the establishment of the operational production environment in which all Medicaid and DA pharmacy claims will be accurately and reliably processed and adjudicated.

- The Contractor will develop and prepare Operations documentation of all procedures of the Contractor's performance. This will include, but may not be limited to: automated operations, data entry operations, Help Desk operations, and prior authorization operations;
- With the approval of JFS, the Contractor will develop production and report distribution schedules;
- The Contractor must update the operations training plan; produce, for JFS approval, the training materials for JFS staff, pharmacy providers, and other identified stakeholders; schedule training; and conduct training; and
- The Contractor must allow JFS to have final approval on all proposed system changes and must confirm all successful testing procedures prior to implementation.

Help Desk for System Support.

The Contractor must maintain toll-free telephone access to support system operations. This Help Desk will be available twenty-four (24) hours a day, seven days a week to respond to questions and problems regarding system operations and claims inquiries. The Contractor must supply all required information systems, telecommunications, and personnel to perform these operations. All helpdesk operations must be located within the continental United States.

Calls to the Ohio-POS Help Desks must be answered within the third ring or fifteen (15) seconds. If an automated voice response system is used, an option must exist that allows the caller to speak with an operator. Total wait time to speak with an operator must not exceed two (2) minutes.

Help Desk for Prior Authorization Operations.

The Contractor must provide a separate Help Desk for clinical and administrative prior authorization services. The Contractor must maintain toll-free telephone access to support prior authorization. This help desk must be available between the hours of 7:00 AM and 7:00 PM eastern time, Monday through Friday, to respond to prior authorization requests. Currently, the prior authorization program responds to approximately 138,000 prior authorization requests annually, of which 31% are reviewed by registered pharmacists and 69% are reviewed by trained technicians.

The Contractor must supply all required information systems, telecommunications, and personnel to perform these operations. The State will own all telephone and facsimile numbers used for prior authorization operations. The Contractor will be responsible for paying all fees associated with the telecommunication lines, but at the end of the Contract, the State will have the option to retain all numbers used. For prior authorization services the offeror will provide a Pharmacist(s) who can respond within 24 hours to any request. Each assigned pharmacist must currently be licensed as a Registered Pharmacist in the state in which they are practicing.

The Contractor will perform prior authorization services via telephone or telecommunication device in accordance with JFS policies and guidelines. In all cases PA approvals must be uploaded to the on-line adjudication system immediately after a decision by the Contractor. Routine prior authorization requests should be approved while the dispensing provider is still on the phone. Requests that cannot be answered routinely should be escalated to a Registered Pharmacist and should be completed within one (1) hour. Federal law requires response to prior authorization requests within 24 hours for drugs not included on the covered drug list. Under certain emergency situations, as defined by the Secretary of Human Services, a seventy-two (72) hour supply of a covered out-patient drug may be dispensed until authorization can be determined (e.g., if Contractor-provided help desk service is not available on weekends and/or holidays).

The Contractor must comply with all applicable JFS policy and with federal laws and regulations regarding pharmacy prior authorization. JFS has the right to impose limitations, such as drugs in a therapeutic class, the minimum or maximum quantities per prescription, days supply requirements or the number of refills. The Contractor will enforce all such limitations defined by JFS.

Additionally, the Contractor's call center staff should make recommendations to providers on alternative drugs covered in the same category of a drug listed as not covered or covered with "therapeutic alternative" requirements. A list should be developed and kept on hand for all call center staff.

Ohio-POS Operations Technical Requirements

Ohio-POS Interface Requirements.

Operation of the Ohio-POS requires ongoing interfaces with MMIS and with the pharmacy "switch" providers. This section defines interface requirements.

MMIS Interface.

The Contractor must coordinate with JFS to design an effective interface between MMIS and the Contractor's system for pharmacy claims processing, Pro-DUR and pharmacy prior authorization. The Contractor must maintain the interface between the POS system and the State's MMIS throughout the Contract term at no additional cost to the State. This will include any programming involved in maintaining a compatible interface following updates to either system.

In order to ensure the security and confidentiality of all transmitted files, the Contractor must propose a system that establishes a dedicated Virtual Private Network (VPN) connecting MMIS to the Contractor's processing site. The cost of this VPN is to be borne solely by the Contractor. This dedicated VPN must meet the following specifications of JFS:

- All VPNs are to be coordinated through JFS, Bureau of Network Services, Columbus, Ohio;
- Connections will be established via site-to-site VPNs in tunnel mode. That is, an Internet-facing VPN gateway will be in place at JFS and at the contractor's site. An IPSec tunnel will be established between the two gateways and traffic will be passed between the contractor and JFS through the tunnel;
- All VPN devices must support, at a minimum, Encapsulating Security Payload with Triple DES encryption and SHA-HMAC authentication;
- VPN tunnels will be IPSec only—no GRE, L2TP, L2F or PPTP. Also, no multicast or multiprotocol traffic is allowed. ISAKMP will be used for user authentication and key management. Strong pass phrases must be used for the shared keys;

- Devices must, at a minimum, meet all the specifications listed in this section of this document. If the contractor desires more stringent IPSec security policies, they will be negotiated on a case-by-case basis;
- JFS reserves the right to refuse a connection to a device they feel will compromise security;
- The contractor is responsible for selecting an Internet Service Provider (ISP), coordinating installation, installing and configuring any required software and/or hardware for the connection, and paying associated fees. Likewise, the contractor is responsible for installing, configuring, and maintaining hardware and software that is compatible with JFS' VPN gateway;
- It is the responsibility of the contractor with VPN privileges to ensure that unauthorized users are not allowed access to JFS systems;
- When actively connected to the JFS network, the contractor will be restricted to services agreed upon in the contract;
- VPN gateways will be set up and managed by the operational groups of the respective gateway's owner. That is, JFS will be responsible for setting up and managing their gateway and the contractor will set up and manage their own;
- VPN users will be automatically disconnected from the JFS network after thirty minutes of inactivity. The user must then establish approved traffic to reconnect to the network. Pings or other artificial network processes are not to be used to keep the connection open;
- JFS reserves the right to make enhancements to the VPN environment, as necessary, to maintain the security of the network. This includes code upgrades that may negatively impact a currently working connection but are necessary to patch known security vulnerabilities. The contractor's point of contact will be notified, in advance, if their VPN may be impacted. Likewise, the contractor should notify JFS if they will be making changes to their VPN gateway that may have an impact on the site-to-site VPN so any changes that are necessary on the JFS gateway can be coordinated;
- Activity will be logged and the logs may be used at ODJFS' discretion; and
- The contractor is responsible for protecting their network with inbound access control lists or any other means specific to their perimeter infrastructure. OJDJS will not be held liable for any damage or loss of business resulting from the VPN established with the contractor;

After the pre-implementation conversion process, transaction data that changes baseline MMIS files will be transferred to the Contractor's system on a daily basis unless the JFS approves a less frequent schedule. This will include Recipient Eligibility and Provider and Reference (including specific drug coverage and pricing) information.

The format of the data exchange will be determined during customization and implementation and will resolve any incompatible data format issues that may exist between the Contractor's system and MMIS. The Contractor must develop an interface between the two systems that requires no significant changes to MMIS file structures. After the initial Ohio-POS implementation, MMIS may be enhanced to improve data compatibility between the POS environment and MMIS.

Daily batch files will be transmitted both from MMIS to the Contractor and from the Contractor to MMIS. The transmission from MMIS will contain recipient and provider eligibility records and drug list including pricing. The Contractor to MMIS transmission will contain records of processed (paid, denied and adjusted) claims. Each claim must have a unique ID number.

The Contractor must utilize effective methods of managing data format compatibility issues.

POS Network Interfaces.

At initial system implementation, data transmissions between the Ohio-POS Contractor and the Pharmacy Providers will be in National Council on Prescription Drug Programs (NCPDP) version 5.1 (Medicaid Claim) format. As updates to the NCPDP electronic claim transmission standard become available, the Ohio POS Contractor will maintain compatibility with providers using version 5.1 elements and those providers using the updated version(s), according to the timeline approved by JFS.

The Contractor must support pharmacy providers in their interaction with the Ohio-POS and coordinate with network vendors to ensure smooth operation of the Ohio-POS with the commercial pharmacy POS environment. The Contractor must establish testing procedures and certify provider practice management systems (i.e., “switches”) as compatible and ready to interface with the Ohio-POS. **The Contractor is not required to supply hardware or software to pharmacy providers.**

The Ohio-POS Contractor may not use its position as the JFS pharmacy claims processing agent to create barriers to VANs, providers, or pharmacy practice management vendors who wish to participate in the Ohio-POS. Connection or access charges levied by the Ohio-POS Contractor to VANs or other switching companies may not be used to provide market advantages to any network over another.

Federal regulations require JFS to maintain appropriate controls over POS eligibility Contractors who perform both switching services and billing services. Switch and billing agent functions, if provided by the same company, must be maintained as separate and distinct operations. If the Contractor serving as the Ohio-POS Contractor also provides services as the providers’ agent, an organizational “firewall” must be in place to separate these functions.

Batch Claim Submission Format and Health Insurance Portability and Accountability Act of 1996 Compliance.

Updates to the HIPAA standard is expected to occur during the life of this Contract and the Contractor must accommodate these updates at no additional charge.

The Contractor must coordinate with JFS to ensure that the electronic formats used for the Ohio-POS conform to regulations as they exist during the course of the Contract.

Ohio-POS System Availability Requirements.

The Contractor must ensure that the average system response time is no greater than three (3) seconds for all transactions a minimum of ninety-nine point five percent (99.5%) of the time, seven (7) days per week, twenty-four (24) hours per day, 365 days a year (24/7/365). Cumulative system downtime for regularly-scheduled maintenance must not exceed two (2) hours during any continuous seven (7) day period.

The Ohio-POS system must be available 24/7/365, minus scheduled down time, for provider inquiry or billing purposes. Such availability must include all normal forms of entry. The Contractor may have scheduled maintenance downtime as approved by JFS. The Contractor will notify the JFS program manager via e-mail of system problem occurrences (i.e., system performance issues impacting adjudication) within 15 minutes of the Contractor’s knowledge of the system issue.

System Security.

The Contractor must provide standards to address system vulnerability to theft and mischief, and efforts at tampering. The Contractor must apply recognized industry standard governing the security of State and federal automated data processing systems and information processing. JFS may require the Contractor to conduct period license verification and security risk analysis, with the results to be provided to the State and federal agencies, as appropriate.

The Contractor must apply recognized industry standards governing security of State and federal Automated Data Processing systems and information processing. At a minimum, the State requires the Contractor to conduct a security risk analysis and the results will be included in the Information Security Plan provided during the Customization and Implementation Phase. The risk analysis will also be made available to appropriate federal agencies.

As determined by the State to be appropriate, the following specific security measures may be included in the system design documentation, operating procedures and State agency security program:

- Computer hardware controls that ensure acceptance of data from authorized networks only;
- At the Contractor's central facility, placement of software controls that establish separate files for lists of authorized user access and identification codes;
- Manual procedures that provide secure access to the system with minimal risk;
- Passwords, identification codes or other security procedures that must be used by State agency or Contractor personnel;
- All Ohio-POS software changes are subject to JFS approval prior to implementation; and
- System operation functions must be segregated from systems customization duties.

Disaster Preparedness and Recovery at the Automated Claims Processing Site.

The Contractor must have a Business Resumption Plan for its Central Processing Site describing how critical business operations will continue in the event of disruption or complete system failure. If requested, test results of the plan will be made available to JFS. The plan must be able to meet the requirements of JFS, Office of Management Information Systems, Business Continuity Section.

After award of the Contract, but during the development of the Information Security Plan, a Contractor representative must work in conjunction with a team member of the JFS, Office of Management Information Systems, Business Continuity Section in order to ensure that the plan is compatible with MMIS and JFS policy and procedures.

The Plan must include but not be limited to:

- Identify critical Contract staff who have an interest in and skill set necessary for the resumption of key business deliverables;
- Identify critical lines of business and supporting functions;
- Identify a process for reporting system disruption / failure;
- Identify transition from failure to restart; and
- Identify a timeframe for updates to the plan.

Additionally, the Contractor must meet the following requirements:

- The Contractor must agree to notify JFS immediately upon identification of system-related problems, programming problems, or data transfer problems. The Contractor must make every effort necessary to correct such problems within 24 hours, regardless of the time or date, in order to minimize any negative impact on program beneficiaries. The Contractor will be required to exchange 24/7 "on-call" contact information (e.g. pager numbers, phone numbers, e-mail addresses, etc) with JFS in order to facilitate timely resolutions. In addition, the Contractor will be required to provide JFS with a detailed system problems escalation plan.
- Documentation of emergency procedures that include steps to take in the event of a natural disaster by fire, water damage, sabotage, mob action, bomb threats, etc. This documentation must be in the form of a formal Disaster Recovery Plan. The Contractor will apply recognized industry standards governing Disaster Preparedness and Recovery including the ability to continue processing in the event that the central site is rendered inoperable.
- Employees at the site must be familiar with the emergency procedures.
- Smoking must be prohibited at the site.
- Heat and smoke detectors must be installed at the site both in the ceiling and under raised floors (if applicable). These devices must alert the local fire department as well as internal personnel.
- Portable fire extinguishers must be located in strategic and accessible areas of the site. They must be vividly marked and periodically tested.
- The site must be protected by an automatic fire suppressing system.
- The site must be backed up by an uninterruptible power source system.

Additionally, the Contractor must provide a 'hot-site' that Ohio-POS operations can be seamlessly transferred to in the event of a failure at the primary central processing site.

Ohio-POS Operations Functional Requirements

Claim Adjudication Services - General Requirements.

This section defines claim adjudication requirements for all pharmacy claims regardless of source and including paper, electronic batch and POS claims. The timing of the adjudication will differentiate POS claims from claims submitted in batch, however, all claims must be adjudicated through a common set of processing modules. All claims adjudicated as payable must be to enrolled providers for eligible recipients for approved services and in accordance with the payment rules and other policies of JFS.

The Contractor must accurately adjudicate all Ohio Medicaid pharmacy claims according to JFS' coverage policies, reimbursement pricing and / or formulas, and pharmacy program plan designs (e.g., copays, deductibles, maximum days supply and monthly prescription limit).

Since the State acts as its own fiscal agent, the Contractor will not be required to submit reimbursement checks to pharmacy providers. However, the Contractor must transmit a complete claims file (i.e. paid, reversed, and rejected) to JFS on a schedule approved by JFS. The file layout content must be provided to the State in an NCPCP – compatible or other format as approved by the State. If a subsequent audit or re-adjudication of claims finds that the Contractor did not

accurately apply the correct price and discount to the claims billed, resulting in extra cost to the State, the Contractor will be responsible for refunding the difference to JFS.

All adjudicated claims will be transferred daily to MMIS by the Contractor for payment processing. The Contractor will be responsible for system messages and notice of claims being adjudicated payable or denied.

It is JFS' intention to support the Medicare Part D Prescription Drug Benefit. This is part of the Medicare Prescription Drug, Improvement and Modernization Act (MMA) of 2003. Conversion of dual-eligible recipients in the Medicare Part D benefit is expected to occur during the life of this Contract, and the Contractor must accommodate this conversion at no additional charge.

At this time, additional administrative provisions have not yet been determined. The Contractor will coordinate with JFS to ensure that all aspects of Medicare Part D are understood and implemented as required by future provisions and/or legislation. In addition, the Contractor must be able to provide JFS with detailed reporting for all Medicare dual-eligible pharmacy claims and associated program costs.

Covered populations and service delivery distribution methods may be subject to change in the future. There will be no additional charge to the State for this. This is a fixed price Contract and any changes to covered populations or service delivery distribution methods would be accounted for by the fixed paid claim amount.

The Contractor will be required to verify drug coverage by other providers and process claims accordingly, cost-avoiding those drugs covered by other providers.

Coordination of Benefits (COB) and Third Party Liability (TPL) Payments

The Contractor must build and maintain a database of TPL data provided by the State. TPL files contain information on all carriers licensed to provide insurance in Ohio. Information on the TPL files includes carrier codes, recipient policy numbers, name of the primary insured, and effective dates of coverage. The information contained in the Contractor's database must be updated with the State's TPL files daily in order to assist the State in maximizing COB recoveries.

The Contractor must administer a COB program for JFS using cost avoidance logic and messaging technology during the claims adjudication process. The Contractor's POS system must deny Medicaid coverage for all claims where the beneficiary is covered by one or more primary carriers until the provider indicates that claim has been fully adjudicated (i.e., paid or denied) to all applicable TPL carriers. The Contractor must successfully utilize JFS as the payer of last resort on all COB claims.

The Contractor must message providers with information for all TPL carriers (e.g., carrier code, policy number, policy holder, effective dates of coverage, etc.) during claims adjudication, for both commercial and Medicare, to efficiently administer the State's COB program.

The Contractor must correctly code all COB claims records (i.e., paid and denied) for JFS' claims file extract. Such coding will be used in the State's MMIS system to calculate COB savings, for reporting purposes, to support program integrity efforts, and to identify the State's pay-and-chase efforts.

The Contractor must possess audit capabilities that can assist JFS in identifying providers that report inaccurate or fraudulent primary payer payment amounts and/or adjudication results.

The Contractor must provide and demonstrate its capabilities to perform COB services for dually eligible Medicare/Medicaid beneficiaries, including the ability to implement cost avoidance

methodology for those specific claims covered under current Medicare legislation (i.e., Part B) as well as all future Medicare drug coverage programs (i.e., Part D).

The requirements listed below represent the adjudication methodology. The Contractor must conduct additional analysis during the Customization and Implementation phase of the project to accurately define the processing logic.

Claims Receipt and Management.

The Contractor will receive paper, batch electronic, and point of sale claims. The Contractor must apply a unique identification number to each claim and any supporting documentation regardless of submission format. The identification number will be used to recognize the claim for research or audit purposes. Control totals will be utilized to ensure that all claims have been processed to completion. Appropriate safeguards must be in place to protect the confidentiality of client information.

The Contractor must maintain complete records of all prescription claims for the entire Contract period. At the end of the Contract period, records will either be transferred to JFS, its designee, or destroyed at JFS' discretion. All such records will be the property of JFS and must be returned upon demand. The Contractor must maintain claims history data online for a minimum of 36 months from the date of service in a format that is readily available to JFS upon request.

The Contractor must identify claims that contain invalid provider numbers. This would include cases where the number is missing, the check digit fails, or the provider number does not identify an entity to receive a remittance advice. Claims that contain these errors must be returned to the originating provider.

When claim resolution is being managed by JFS staff in accordance with JFS guidelines or held by the Contractor under JFS written directive, these claims will not be covered by the timeliness requirements.

In addition to the point of sale claims, the Contractor must receive, correctly adjudicate and process all types of claims. The Contractor must return all adjudicated claims to JFS on a timeframe approved by JFS.

- Paper Claims - The Contractor will create microfilmed or imaged copies of and assign identification control numbers to all paper claims and attachments within twenty-four (24) hours of receipt. Copies of claims must be maintained by the Contractor for the duration of the Contract. If JFS requests copies of paper claims and attachments, these must be provided within twenty-four (24) hours of request.
- Batch Electronic Media Claims (EMC) - The Contractor must receive claims in electronic format, immediately process, and return as required to submitting providers within seventy-two (72) hours.

The Contractor will assign identification control numbers to all batch claims within twenty-four (24) hours of receipt. The Contractor will maintain electronic backup of batch claims for the duration of the Contract. If JFS requests copies of batch electronic claims, these must be provided within twenty-four (24) hours of request.

Electronic batch claims will be submitted through a sequential terminal, or similar method that will allow batch and POS claims to be adjudicated through the same processing logic.

- POS Claims - The Contractor will process POS claims within three (3) seconds. This is the time from when the claim is received by the Contractor's processor to the time the results are transmitted from the Contractor's processor and will include all procedures required to complete claim adjudication.

If requested, the Contractor will provide JFS with Ohio-POS statistics of transactions between the "switches" and the Contractor. Transaction reports will include: volume, longest response time and average response time. Requests will be made in advance of the data collection period; statistics will be provided to JFS within three (3) business days following the end of the data collection period.

The Contractor must integrate all forms of paid claims data for inclusion in the CMS and/or Supplemental drug rebate programs.

Data Validation Edits and Audits.

The system must screen all claims and apply all JFS-approved data validation procedures. Consistency controls must be in place to ensure that dates, types, and number of services are reasonable and comply with JFS policy.

The Contractor will immediately notify JFS of any and all claims that have been erroneously processed, and initiate appropriate action to correct the errors (e.g., adjustments, recoveries, etc.). Incorrect claims include, but are not limited to, claims paid for ineligible recipients, claims paid to a terminated provider, claims paid for duplicate services, claims paid for a non-covered service, claims paid at an incorrect rate.

The Contractor must follow-up the above notification to JFS by letter for any system errors that resulted in provider overpayment or other incorrect payment. If a Contractor system error results in extra costs incurred by the State, the Contractor will be responsible for refunding the difference to JFS.

The proposed system must be capable of adding, changing, or removing claim adjudication processing rules to accommodate JFS-required changes to the pharmacy program. The Contractor's proposed system must be flexible and easily modified when changes to processing rules occur. The Contractor must provide a system that allows for new edits and changes to processing logic that can be applied after the system is operational.

The following are examples of possible edits or changes to processing logic:

- Prior Authorization - The system must determine whether a prescribed drug requires prior authorization, and if so, whether authorization was granted prior to dispensing the prescribed drug;
- Valid Dates of Service - The system must assure that dates of services are valid dates, are no older than twelve (12) months from the date of the prescription and are not in the future;
- Duplicate Claims - The system must automatically inform the provider that the current claim is an exact or possible duplicate;
- Prescription Validity - The system must ensure that the time period for a prescription has not expired and that the number of valid refills has not been exceeded;
- Covered Drugs - The system must verify that a drug code is valid and the drug is eligible for payment;

- Compounded Drugs - The system must capture, edit, and adjudicate pharmacy claims as necessary to support the NCPDP version 5.1 or higher standards, as adopted by JFS;
- Provider Validation - The system must approve for payment only those claims received from providers eligible to provide pharmacy services and for prescriptions from Medicaid and non-Medicaid providers (i.e., 9111115) authorized to prescribe pharmaceuticals;
- Recipient Validation - The system must approve for payment only those claims for recipients eligible to receive pharmacy services at the time the service was rendered;
- Quantity of Service - The system must validate claims to assure that the quantity of services is consistent with Ohio Medicaid policy (i.e., verify that drug specific minimum and maximum quantity limitations are followed including any days supply limitations);
- Rejected Claims - The system must determine whether a claim is acceptable for adjudication and reject claims that are not;
- Third Party Liability/Coordination of Benefits - The system must validate claims to determine whether there is a liable third party, other than Medicare, that must be billed prior to Medicaid. The system must be able to process claims where there may be more than one third party that is liable. Additionally, the system must be able to override this edit if, under JFS rules, it is appropriate to do so;
- Drugs Covered by Medicare - The system must maintain an indicator that a drug is covered by Medicare. When processing a claim for a recipient with Medicare coverage, the system should apply this information to JFS defined claim adjudication logic. Additionally, this logic must be modified upon the implementation of the Medicare Modernization Act (MMA);
- Benefits Restrictions Notification - The system must have the capability to impose pharmacy benefits restrictions that apply to a given recipient. This includes, but is not limited to lock-in conditions, living arrangements, and eligibility categories;
- Managed Care - The system must reject claims based on the recipient's status in a managed care program. Currently, pharmacy coverage is capitated to the Managed Care Plan and will not be processed through the POS Contractor;
- Co-Payments - The system must be capable of calculating co-payment requirements for different programs or drugs based on information provided by JFS;
- Additional Features - Offerors should present additional pharmacy claims processing capabilities of their systems; and
- The Contractor must support new utilization management approaches, including edits for quantity/duration limits, monthly Rx limits, dose optimization/half-tab programs, step therapy, etc.

State Auditing.

The Contractor must provide software to allow JFS to test the Contractor's system through the JFS network. During the life of the Contract JFS may perform testing of the system and audit performance of the system. JFS may test for accuracy, timeliness and quality of the Contractor's system. JFS may perform tests for auditing purposes. The Contractor must provide access to the system to allow JFS to enter claims information in order to verify the accuracy of PA processing and adjudication. JFS must have direct, "read only" access so that designated staff may review the accuracy of JFS data on the Contractor's system.

The Contractor must provide JFS with online access to its adjudication platform for viewing eligibility, claims history, prior authorizations, etc. The Contractor's online system must contain real-time data in a 'query-only' environment, including JFS' recipient eligibility information. JFS shall be the final authority on eligibility and will be responsible for all Medicaid, CHIP, and DA eligibility determinations.

Claim Pricing.

The system must process claims in accordance with existing Ohio regulations for dispensing fees. Only pharmacies and hospital outpatient pharmacies dispensing take home drugs are currently eligible for a dispensing fee. All others receive calculated allowable product cost only.

The pricing of claims is driven by prices determined and supplied by JFS on a daily basis. The system must compare the calculated allowed (i.e., quantity multiplied by price plus the dispensing fee minus any applicable co-pays) to the billing charge and authorize payment of the lesser of the two.

Reversals and Adjustments.

The system must provide an efficient means of reversing or adjusting claims both before and after the claim has been transmitted to MMIS. The result of the adjustment must be transferred to MMIS for further processing.

State/Federal Policy Compliance.

The system must fully support all applicable state and federal policies with regard to verification of client eligibility and editing for pharmacy claims.

Requirements for POS processing of pharmacy claims are included in the State Medicaid Manual. In that document, the POS system is termed an electronic claims management system. The proposed Ohio-POS must comply with all federal requirements for electronic claims management systems.

Multiple Programs.

Currently, there are pharmacy programs for Medicaid and Disability Assistance. The proposed system must be able to track pharmacy claims separately for different pharmacy programs and must be able to support different payment methodologies for different pharmacy programs.

Pro-DUR

The Ohio-POS Contractor will furnish a fully automated Pro-DUR system that meets all applicable state and federal requirements including those identified in the OBRA90. The Pro-DUR function must meet minimum federal DUR regulations as well as the additional specifications in this section. Contractors are encouraged to propose Pro-DUR capabilities beyond those identified in this RFP.

The Contractor's system will provide Pro-DUR services which will apply JFS-approved edits to all claims. The edits will determine problems with a prescription and will validate medical appropriateness of the prescribed drug by comparing the circumstances surrounding the request with established pharmacy-related therapeutic criteria.

The Contractor's POS system must be capable of applying results of Pro-DUR processing in the claim adjudication process. The Contractor may use an existing DUR package but must be prepared to make any Ohio specific modifications required by the JFS DUR Board at no additional cost to the State. The Contractor's POS system must allow for the export on an electronic file to the MMIS for use by JFS for ad hoc analysis of Pro-DUR activity. The format and timing of the production of this file will be defined during the customization and development of the POS system.

The Contractor will work with JFS in setting the disposition of Pro-DUR edits which may vary by type of submission (e.g., POS vs. batch).

The Offeror's proposed system will include the following minimum ProDUR features.

Identify Potential Drug Problems.

The Contractor's proposed system must accept and use only JFS-approved criteria and must perform automated Pro-DUR functions that include, but are not limited to:

- Automatically identify and report problems that involve potential drug over-utilization;
- Automatically identify and report problems that involve therapeutic duplication of drugs when the submitted claim is associated with other drugs or historical claims identified for a given enrollee;
- Automatically identify and report problems which involve use of drugs contraindicated by presumed diagnosis codes or ICD-9 codes on historical claims for a given enrollee;
- Automatically identify and report problems that involve use of drugs contraindicated by other drugs on current or historical claims for a given enrollee (drug/drug interactions);
- Automatically indicate and report the level of severity of drug/drug interactions;
- Automatically identify and report drugs that are contraindicated when the enrollee could be pregnant (female patients of childbearing age);
- Automatically identify and report potentially incorrect drug dosages;
- Automatically identify and report potentially incorrect drug treatments;
- Automatically indicate and report potential drug abuse and/or misuse based on a given enrollee's prior use of the same or related drugs; and
- Automatically identify early refill conditions and provide, at the drug code level, the ability to deny these claims.

The System must cross-check previous prescription history to generate alerts.

Allow POS Provider to Cancel or Override Pro-DUR Messages.

The Contractor's proposed system must, prior to final submission of POS pharmacy claims, automatically generate Pro-DUR messages in a manner that may enable a provider to cancel submission of the claim or to submit the claim if the message can be overridden.

Allow POS Providers to Comment on Pro-DUR Messages.

The Contractor's proposed system must allow providers to enter comments in response to Pro-DUR messages. The system must capture and store all NCPDP standard DUR conflict, intervention, and outcome messages. The system must be capable of passing the information to JFS if requested.

Disease/Drug Therapy.

The Pro-DUR system must have the capability to screen for drug therapy concerns by specific drugs relative to age and high risk disease, to include but not limited to:

- Cardiovascular disease;
- Cerebrovascular disease;
- Central nervous system disease;
- Renal disease;
- Endocrine disease;
- Gastrointestinal disease;
- Psychiatric disease; and
- Respiratory disease.

Support Patient Counseling.

The Contractor's proposed system will present Pro-DUR results to pharmacy providers in a format that will support their ability to advise recipients appropriately.

Maintain a Set of Flexible Parameters for Generation of Pro-DUR Messages.

The Contractor's proposed system must have the ability to transmit new or revised Pro-DUR messages and to define the Pro-DUR criteria that activate these messages. The system will maintain an JFS-controlled set of parameters to the situations for which a particular on-line Pro-DUR message will be generated. The system must provide and permit the use of all general system parameters regarding data access, support and maintenance. Variables subject to JFS definition and control include, but are not limited to:

- NDC code (including multiple NDC codes subject to potential drug/drug interaction);
- Date of service;
- Provider Type;
- Dosage Form;
- Category of Eligibility;
- Patient Demographics (age/gender);
- Drug Strength;
- Drug Quantity;
- Days Supply; and
- Generic Drug Code or Generic Product Indicator (GPI) or other therapy class identifier.

Maintain Pro-DUR Enrollee Profile Records.

The Contractor's proposed system must provide and maintain enrollee profiles for Pro-DUR processing of submitted claims. Building recipient profiles will be based on inferred diagnoses from pharmacy claims. For example, patients receiving insulin will have an inferred diagnoses of diabetes.

DUR Clinical Support.

The Contractor will provide the services of a Clinical Manager to advise JFS and the Ohio Drug Utilization Review Board and/or Committee as determined and requested by JFS on pharmacy drug utilization review (DUR) issues, including but not limited to, the DUR criteria to be used in the JFS Pro-DUR, RetroDUR, expanded prior authorization protocols and Preferred Drug List (PDL) programs. The Clinical Manager must be prepared to attend all Ohio DUR Board meetings, at the request of JFS. The Ohio DUR Board meets quarterly for approximately four (4) hours in Columbus, Ohio.

The Clinical Manager must also support the proactive identification of utilization management strategies and pharmacy policy analyses, as requested by the State. This would include the review and evaluation of utilization data (including that available through JFS) for areas of improvement for both clinical impact and cost effectiveness of the pharmacy program. It is JFS' desire for the Clinical Manager to have access to a Decision Support System within the Contractor's organization to assist in the work in a timeframe mutually agreed to between JFS and the Contractor.

Prior Authorization of Non-Covered Drugs.

Under certain medically necessary circumstances, such as brand-name vs. generic, JFS will permit the dispensing of drugs that are not normally covered. The Contractor will, with JFS, define specific questions that, if answered correctly, will result in approval of the prior authorization request. The Contractor may provide pharmacy technicians or a voice response system for PAs. In cases where, based on the answers to the questions, the prior authorization is not approved, the provider must have the ability to speak with a Registered Pharmacist to discuss any special circumstances.

Initial Approvals and Refills.

Drug refills will be approved at the same time as approval of the drug's prior authorization request. The Ohio-POS system must be able to monitor for early refills. For example, the system should generate an alert or deny the transaction if prior authorization is requested to dispense six hundred (600) tablets of a drug that should be dispensed over six (6) months in one hundred (100) tablet increments. In other words, PA must not override system edits, other than those explicitly allowed by the PA.

Denied Prior Authorization Requests.

Under conditions defined by JFS, the Contractor must deny certain pharmacy prior authorization requests. When this occurs, the Contractor must produce and mail form letters to the recipient, the pharmacy provider, to the appropriate local county JFS office as well as to the JFS Medical Operations Section Prior Authorization (MOS/PA) unit. A copy of the current letter used is included in this RFP. The Contractor may not change these practices without JFS approval.

The Contractor is required to support the appeals process for denied prior authorization requests. The presence of the pharmacist who denied the request, or another Contract pharmacist representative, will be required at the hearing, however, JFS can allow pharmacist participation to be accomplished via teleconference. JFS will handle all final and binding appeals determinations.

Prior Authorizations/Overrides.

The Contractor must have system capabilities to allow pharmacists to override at the point of sale certain DUR edits (including NCPDP codes or other standard NCPDP fields), in accordance with JFS. These overrides will not be considered PA requests for purposes of billing JFS.

Prior authorization will include items which require clinical criteria review prior to approval. These include drugs with specific clinical criteria approved by JFS, age and sex restrictions and quantity exceeds maximum. Some categories of PA requests must be handled by a trained technician in the majority of situations – an example of this would be a living arrangement override.

Prior Authorization Request Tracking.

Each prior authorization request will be assigned a unique number and be maintained in a database that will contain all pertinent information about the request. This information will include, but not be limited to: provider, recipient, begin and end dates, prescription information, request disposition (i.e., approved or denied), and specific criteria stated by the provider upon which the prior authorization decision was made.

Preferred Drug List (PDL) Program

Maintain, Reanalyze, and Update Existing PDL.

As required by the State, the Contractor must:

- At a minimum, identify the top 40 therapeutic classes of drugs within the Ohio Medicaid pharmacy claims data based on actual utilization, and classified according to therapeutic class and claims data in the Ohio Medicaid Management Information System (MMIS).
- Develop a schedule for review, approval, and implementation of drug classes in the PDL program that meets the State's program goals and timelines.
- Using pharmacoeconomic modeling, provide support to the State and the P&T Committee by developing recommendations for selected classes of drugs that ensure clinically safe and effective pharmaceutical care and yield the highest overall cost-effectiveness.
- Review all medications in a therapeutic class for comparative efficacy, side effects, dosing, prescribing trends, and other clinical indications.
- Analyze cost of drugs relative to drug alternatives as they affect the PDL and financial outcome modeling with JFS specific data.
- Prepare and present information based on clinical and pharmacoeconomic studies to the State and the P&T Committee for use in making clinical recommendations. This may include the facilitation of meetings with the P&T Committee.
- Require the Contractor's clinical pharmacists to review new medications or new indications for medications in therapeutic classes affected by the PDL as the medications or indications are approved by the FDA and inform the State of such reviews.
- Assist the State and P&T Committee in conducting clinical reviews of new name-brand drugs and new generic drugs for clinical safety and efficacy, and for possible inclusion in the PDL.

- Assist the State and P&T Committee in conducting clinical reviews of existing drugs for new indications, strengths, formulations, or changes to indications that might affect their inclusion in the PDL.
- Assist the state and the P&T Committee in developing and recommending clinical review criteria for determining preferred and non-preferred drugs and specific written guidelines for the State to consider using when administering the PA of non-preferred drugs.
- Develop and recommend changes to drug review criteria for PA based on newly published information.
- Provide Preferred Drug List (PDL) information to the State in a format that facilitates the loading of all affected PDL products status into MMIS and the claims processing system as necessary. The list format must use standard data elements (e.g., NDC, Therapeutic class, Generic code, HICL, etc.) in addition to each product name by brand and generic title. These elements must be maintained daily as, for example, new NDCs are marketed and must be approved by JFS prior to coding and testing. JFS must give approval to final test results prior to implementation of PDL operations. JFS updates its drug product listing on a daily basis. The Contractor must assure a mechanism whereby timely additions and deletions to the PDL can be made to MMIS during standard maintenance operations on the drug file.
- Annually review drugs within all therapeutic classes.
- Annually review and evaluate utilization and other program data to identify areas of improvement in the PDL and prior authorization programs.
- Assist the State with monitoring compliance with the PDL.

Support the Ohio Medicaid Pharmacy and Therapeutics (P&T) Committee.

As requested by the State, the Contractor must provide support to the P&T Committee through the development, implementation, and ongoing administration of the Preferred Drug List program. In addition to the duties defined above, the Contractor must:

- Work in conjunction with JFS and the P&T Committee to develop the PDL program to be clinically sound, cost-efficient, and minimally disruptive.
- Provide information and staff support to the P&T Committee to ensure timely implementation and ongoing maintenance of the PDL program.
- At the request of the State, but no less frequently than annually, facilitate review of therapeutic classes by the P&T Committee based on the selection of therapeutic classes by the State and Contractor.
- Provide clinical subject matter experts in reviewing various classes of drugs or individual drugs if the state or the P&T Committee requests such expertise.

Provide Educational Services for the Preferred Drug List and the Implementation.

The Contractor must develop and implement an effective education program. The education program must begin within thirty (30) days of contract award and continue on an ongoing basis. It must include education on the current program and any changes that will occur in the future. No program may be distributed unless approved by the State. The Contractor must:

- Assist the State in developing and implementing a broad-based educational effort to assure that Medicaid providers, pharmaceutical manufacturers and labelers, recipients, advocacy

groups and others with an interest in the PDL program are fully aware of the new PDL requirements. Topics may include but not be limited to:

- Program intent;
- Process used to develop the PDL;
- PDL by therapy class;
- Prior authorization criteria and processes;
- Appeal process for denials;
- How each group can assist to make the program a success; and
- The process that will be followed upon implementation.
- Assign a minimum of two staff to perform the duties of Education Outreach Professional. The Education Outreach Professional executes the communication strategies that will be developed for and marketed to each identified stakeholder group;
- Provide timely and complete information about all drugs on the PDL in a camera-ready format. The State will print and distribute the materials;
- Design and implement targeted educational efforts approved by the State, to improve compliance among outlier prescribers and pharmacies in order to maximize the effectiveness of the PDL;
- Develop and produce camera-ready program material based on program information for distribution by the State and Educational Outreach Professionals to stakeholders. The State also may be producing educational materials. When requested by the State, the Contractor must review these materials for accuracy and efficacy, for the targeted groups, for example highest volume prescribers, highest volume dispensers and long term care professionals;
- Implement the agreed upon communication strategies through various methods, including but not limited to:
 - Direct face to face involvement with physician offices, prescribers and pharmacy providers to educate them about the program intent:
 - The process that was used to determine the PDL composition;
 - The composition of the PDL;
 - The processes that will be followed upon implementation; and
 - How each group can assist to make the program a success.
 - Direct involvement with constituent groups to facilitate their understanding of the program and the processes that will be followed; and
 - A combination of site visits, telephone support, internet-based application, and minimal direct mail; and
 - Other verbal or written communication as proposed by JFS.
- Monitor and report on outcomes of the educational efforts.

Drug Rebates

The Contractor must design, develop, implement and maintain a program to manage the supplemental rebate process that includes administration and maintenance of existing supplemental rebate contracts as well as prospective contracts. Manage the federal drug rebate program, including J-Codes, the invoicing and collection of rebates, prior period adjustments and dispute resolution. Due to the fact that the current rebate components are currently managed by different entities, the invoicing, collection, and management of the rebate program will be phased in on a transition schedule approved by the State.

Negotiate and Maintain Supplemental Rebates.

- Conduct meetings with the State, concurrent with the development of the PDL, to develop a supplemental drug rebate strategy with the designated pharmaceutical manufacturers and labelers;
- Serve as the State's agent to negotiate supplemental drug rebates with pharmaceutical manufacturers and labelers as part of the PDL program subject to approval by the State. The resulting contract regarding supplemental drug rebates must be between the manufacturer and the State, and 100% of rebates collected must be turned over to the State;
- Negotiate State Supplemental Drug Rebate agreements with pharmaceutical manufacturers and labelers. Such agreements will be in a format agreed to by JFS, CMS (Centers for Medicare and Medicaid Services), and manufacturers or labelers. JFS and CMS will review and approve agreements prior to execution. If JFS or CMS does not approve an agreement, it will be the responsibility of the Contractor to continue negotiations with the pharmaceutical manufacturer or labeler until the issue causing the disapproval is appropriately addressed;
- Provide the State with access to all supplemental drug rebate agreements and related documentation within twenty-four hours of request;
- Ensure that supplemental drug rebates are over and above the federal rebates and in compliance with federal law;
- Maintain the confidentiality of each of JFS's supplemental drug rebate agreements separate from its other clients. No confidentiality agreement can be signed between a manufacturer and Contractor if it is in violation of Ohio Public Records law. The State must approve all such confidentiality agreements;
- Consistent with State guidelines, provide annual opportunities for manufacturers and labelers to amend rebate agreements. On an ongoing basis, the Contractor must report to the State the results of these negotiations and their impact on the PDL. The State must have final approval on all rebate agreements; and
- All rebate Contracts must ultimately be approved by CMS. The Contractor will be responsible for all rebate negotiation activities until JFS or CMS approval is received as applicable.

Management of Supplemental and Federal Rebate Programs including J-Codes.

- Compile and distribute drug rebate invoices, maintain rate tables, reconcile payments, apply prior period adjustments, maintain rebate accounts receivable records, and support dispute resolution for all claims with a paid date prior to the termination date of this Contract;
- Provide ongoing collection and dispute resolution support for supplemental rebates that have been invoiced by the Contractor for a period not to exceed one hundred eighty (180) days from the termination date of the Contract;

- Provide supplemental drug rebate and federal drug rebate calculations including National Drug Code (NDC) information and units of use necessary to invoice the contracted manufacturers and labelers on a quarterly basis, in accordance with timeframes approved by the state. The invoicing and reconciliation services must be ongoing for all claims with a paid date prior to the completion of the services of this Contract and must continue for a period not to exceed one hundred eighty (180) days from the completion of the services of this Contract;
- Achieve collection and dispute resolution with pharmaceutical manufacturers and labelers as it pertains to supplemental drug rebate calculations and federal drug rebates, in accordance with timeframes approved by the State. This must be ongoing for all claims with a paid date prior to the completion of the supplemental rebate services of this Contract and must continue for a period not to exceed one hundred eighty (180) days from the completion of the services of this Contract;
- Collect all rebates on behalf of the State for the sole benefit of the State. 100% of the supplemental drug rebates and federal drug rebates collected on behalf of the State will be remitted to the State;
- Amend existing supplemental rebate agreements for additions or deletions as approved by the State;
- Establish and operate a process for accurate reporting and monitoring of negotiated supplemental drug rebate payments and federal drug rebates;
- The Contractor must provide to the State, access to an electronic means of tracking rebate activity, including but not limited to monthly performance reports;
- The Contractor must be responsible for lockbox fees associated with the collection of supplemental and federal drug rebates. The State will have the option to own all lockbox number addresses associated with rebates upon the termination of this Contract; and
- All rebates invoiced/reconciled must be identified and reported by program type (i.e., Fee for Services [FFS], DA, federal and supplemental).

Transition

At the expiration of this Contract, or if at any time the state or Contractor should terminate this Contract, the Contractor will cooperate with any subsequent contractor who might assume operation of the Ohio-POS project. JFS will withhold final payment to the Contractor until transition to the new contractor is complete. The State will give the Contractor thirty (30) days notice that a transfer will occur. The Contractor must coordinate the transition of all program components (e.g., PA files, claims history, rebate data, etc.) to the new vendor or back to the State upon notice of Contract termination.

In the event that a subsequent Ohio-POS operator is unable to assume operations on the planned date for transfer, the Contractor will continue to perform Ohio-POS operations on a month to month basis for up to six months beyond the planned transfer date. The State will provide the Contractor a 30 day notice of an extension.

Contract Staffing

Operational Project Manager.

The Contractor must propose only one candidate to be dedicated 100% to the project, unless otherwise approved by JFS, for the position of Operational Manager and that candidate will be identified by name. The Operational Project Manager will, on a full-time basis, manage the daily

operations of the contract staff, work with state personnel, network vendors, and pharmacy providers and be responsible for establishing and enforcing quality assurance standards for the project. The Operational Project Manager must be available for all project meetings and be available to the State within 24 hours of notification by the State if necessary. The Operational Project Manager must be available to JFS by telephone during regular business hours. The Operational Project Manager must maintain an office and be located in the Columbus metro area.

Clinical Manager

The Contractor must propose only one candidate to be dedicated 100% of the time to the project for the position of Clinical Manager and that candidate will be identified by name. The Clinical Manager must be able to offer clinical program support to the State. The Clinical Manager must have a degree in Pharmacy and be a licensed pharmacist in good standing.

The Clinical Manager will advise JFS and the Ohio Drug Utilization Review Board and/or Committee as determined and requested by JFS on pharmacy drug utilization review (DUR) issues, including but not limited to the DUR criteria to be used in the Pro-DUR program. The Clinical Manager must be prepared to attend all Ohio DUR Board and JFS P&T Committee meetings, at the request of JFS. The Ohio DUR Board and JFS P&T Committee meet quarterly for approximately four (4) hours each, typically in different months within the same quarter. The Clinical Manager must also support pharmacy policy analyses, as requested by the State. This would include the review and evaluation of utilization data (including that available through JFS) for areas of improvement for both clinical impact and cost effectiveness of the pharmacy program. It is JFS' desire for the Clinical Manager to have access to a Decision Support System within the Contractor's organization to assist in the work in a timeframe mutually agreed to between JFS and the Contractor.

Support Personnel

The Contractor must maintain sufficient levels of support personnel, including supervisory and support staff with appropriate training, work experience, and expertise to perform all Contract requirements on an ongoing basis. Telephone and administrative personnel must be familiar with services covered under Medicaid and the Ohio Title XXI programs as well as other client eligibility prerequisites.

The Contractor's support personnel must also be responsible for handling ad hoc reporting requests and other data inquiries. Additionally, Contractor personnel will be responsible for all CMS and Supplemental rebate-related inquiries.

Implementation Project Manager

The Contractor must propose only one candidate to be dedicated 100% to the project during implementation for the position of Implementation Project Manager and that candidate will be identified by name. The Implementation Project Manager will be responsible for all aspects of the system customization and implementation of the proposed POS system, including resource planning, scheduling and status reports to JFS.

Project Reports.

All reports must be in a format acceptable to JFS, to be determined after Contract award.

Performance Standards for Reporting.

Periodic operating reports must meet the following specific criteria:

- Weekly/bi-weekly reports must be delivered to the State by the end of the second business day after the end of the reporting period;
- Monthly reports must be delivered to the State by the tenth (10th) day of the month following the end of the reporting period;
- Quarterly reports must be delivered to the State by the tenth (10th) day of the month following the end of the reporting period;
- Semi-annual/annual reports must be delivered to the State no later than sixty (60) calendar days following the close of the reporting period; and
- All reports must be submitted to JFS electronically and in hard copy format (ten (10) hard copies). Electronic reports must be in a format and using software approved by JFS.

Monthly Reports.

The Contractor must provide an Executive Summary reporting package with the following reports, which will be updated with both quarterly and annual data according to the scheduled timelines above. Reports must separate claims by program type. These reports include but are not limited to:

- Number of claims adjudicated-paid and adjudicated-denied (according to the JFS definition of these terms) and reasons;
- Claim activity reports must identify paid, denied or rejected claims for each problem type and drug to satisfy federal annual reporting requirements;
- Quantity of paper claims received/processed in reporting period, year to date;
- Quantity of batch electronic claims received/processed in reporting period, year to date;
- Quantity of POS claims received/processed in reporting period, year to date;
- Data entry volumes and types of transactions with daily, weekly and monthly summaries;
- Reports that identify Pro-DUR alert conditions including, but not limited to the following:
 - number of messages generated;
 - number of messages overridden;
 - number of reversals/cancellations/denials;
 - number and types of interventions by pharmacists, and the outcomes of such interventions; and
 - number and dollar amount of claim adjustments and reversals;
- Produce reports to demonstrate the cost effectiveness of the Pro-DUR component of the Ohio-POS according to State specifications and federal reporting requirements;
- Pro-DUR management reports that summarize alerts by type, pharmacy, prescribing physician, and other criteria as required by JFS;

- Offerors are encouraged to propose additional reporting capabilities beyond those identified above;
- Reports on usage of the Help Desk and prior authorization Services, including numbers of inquiries, types of inquiries, and timeliness of responses; and
- Reports identifying volume of prior authorization requests approved, denied, and denial letter generation statistics.
- Cost Savings/Avoidance Report (monthly) including:
 - utilization shift reports by drug and drug classes;
 - cost savings resulting from changes in prescribing, by drug and drug class;
 - compliance with PDL drug classes by prescribers; and
 - expenditure per claim comparison (monthly/quarterly/yearly).
- Monthly report on supplemental rebate negotiations underway and completed, the status of negotiation outcomes and the product-specific financial impact of the rebates on the PDL.
- General PA statistics including number and percentage of PAs completed by drugs or drug class and type of determination (i.e., approved, denied, changed); type of program and specific basis of prescriber requests for approval.
- Prescriber, pharmacy and recipient outliers based on volume and outcomes, by type of program, reported monthly.
- All educational interventions related to changing prescriber's behavior either through correspondence, telephone or office visit must be reported monthly and must include:
 - listing of education efforts/follow-up performed for each program type;
 - nature and volume of education interventions to individual prescribers; and
 - outcomes of provider interventions (i.e., changes in prescribing/dispensing patterns).
- A monthly report to JFS detailing progress, savings and cost avoidance activity, including provider, advisory and association meetings attended, deliverables (as described in this RFP), accomplishments, recommended cost-saving strategies, implementation and work plans, timetables, problems and other items as the Contractor or JFS may require. Payment to the Contractor will depend upon the timely submission and acceptance of this report by JFS.
- Performance Level Report - The Bi-weekly report must identify measures of each performance level defined in the RFP over the reporting period.

Quarterly Reports.

- Quarterly evaluation of the effectiveness of the PDL, including recommendations for changes to PDL drugs, the criteria for review and approval of drugs, and protocols and procedures.
- Quarterly report NDC specific supplemental rebate amounts and calculations of the net cost of affected drugs to JFS.
- Quarterly reports demonstrating the nature and extent of educational interventions to outlier prescribers, and the outcome of those interventions.

- Quarterly reports on the NDC-specific products that have been terminated, are in dispute, or have not been reimbursed in the rebate program.
- A quarterly listing of the top fifty (50) drugs for which PAs are requested and the results of those PAs for each drug product.

Annual Report.

- An annual report to JFS for Federal Fiscal Year ending in September of each contract year. The report shall be delivered to the State within four (4) months of the end of the fiscal year, and shall include a concise Executive Summary, including a cost/benefit analysis of all initiatives and data necessary for the State to complete required evaluation reports, including federally mandated DUR reports.

Ad Hoc Report Requests.

The Contractor must generate various ad hoc reports for JFS upon request. The Contractor will be required to prepare reports based on the State’s specific requests and, depending on the complexity of the report, will be required to provide a quick turn-around time (i.e., within 24 hours) for each requests.

Bi-Weekly Project Status Reports during Implementation.

The Contractor must provide bi-weekly project status reports. The content of each report will be defined during the Project Initiation Task. At a minimum, each report will include the following topics:

Project Metrics - The Contractor will produce a detailed report listing actual versus planned progress on the schedule for each task. The report will contain statistics showing variance from the critical path. The report should also include graphs depicting estimated trend lines based on actual progress made based on “early finish” and “late finish” scenarios.

Progress Report and Issues List - The bi-weekly report must discuss progress made since the last report. It must list outstanding issues. It should provide a tool for JFS and the Contractor to manage resources and resolve issues before they have an impact on the project. If corrective action is required, the status report will present action items that must be accomplished in order to correct the problems.

Milestone, Delivery and Completion Dates.

These dates are “not to exceed dates.” If the Contractor accomplishes these items in a shorter time frame and are approved by the State, shorter timeframes may be acceptable.

	All dates are measured from Project Start Date
Kick-off Meeting	1 week
Completion of Project Initiation and Requirements Definition	6 Weeks
Completion of Systems Analysis/General Design	8 Weeks
Completion of Technical Design	11 Weeks
Completion of Development	14 Weeks
Completion of Implementation/Start of System Operations	18 Weeks

Performance Testing. A performance test will be done.

Performance Criteria. The system must be tested and must operate at full functionality as required by the Contract.

Liquidated Damages – The State, at its discretion, may assess the following liquidated damages if the Contractor fails to perform at the stated service levels. Any liquidated damages assessed by the State will be deducted from a future invoice.

On-Time Project Implementation.

The Contractor guarantees an on-time implementation of the Ohio JFS Pharmacy program. If the Contractor fails to meet the implementation timelines, liquidated damages of \$50,000 per day after operational effective date until fully implemented may be assessed.

Operational Project Manager Responsiveness.

The Contractor's Operational Project Manager will respond to all JFS staff inquiries, including phone calls and e-mails, within 1 business day of receipt or as otherwise specified. A qualified response includes a return phone call, e-mail or other correspondence (e.g., written, facsimile). If the Contractor's Operational Project Manager fails to meet the response requirements, liquidated damages of \$1,000.00 per day after one (1) day per occurrence may be assessed. This guarantee will be measured and paid monthly.

Clinical Manager Responsiveness.

The Contractor's Clinical Manager must respond to all JFS staff inquiries, including phone calls and e-mails within one (1) business day of receipt or as otherwise specified. A qualified response includes a return phone call, e-mail or other correspondence (e.g., written, facsimile). If the Contractor's Clinical Manager fails to meet the response requirements, liquidated damages of \$1,000.00 per day after one (1) day per occurrence may be assessed. This guarantee will be measured and paid monthly.

System Problem Resolution.

The Contractor will resolve all system problem occurrences (i.e., system performance issues impacting adjudication) within 24 hours of the Contractor's knowledge of the system issue. System issues that require more than 24 hours to correct, regardless of time or date, will be considered a breach of this Service Level. Measurement will include problems on the primary POS system that are temporarily resolved by the contractor's backup system. If the Contractor fails to resolve within the specified time, liquidated damages of \$5,000.00 per occurrence may be assessed. This guarantee will be measured and paid monthly.

Data Exchange.

100% of data exchanges must be received in accordance with MMIS transfer schedule. If a data exchange is late, inaccurate or incomplete, the Contractor may be assessed liquidated damages of \$1,000.00 defective exchange. This guarantee will be measured, reported and paid monthly.

Prior Authorization.

The Contractor must respond to 100% of provider requests for prior authorization within the timeframes mandated federally, or by the State, if more restrictive. Liquidated damages of \$5,000.00 may be assessed monthly for failure to meet prior authorization timeliness requirements. This guarantee will be measured and paid monthly.

Rebate Invoicing.

The Contractor must invoice 100% of manufacturers for federal and supplemental rebates no later than 60 days after the end of the quarter, or other federal timeline as may be in place at the time of invoicing. Liquidated damages of \$20,000.00 may be assessed quarterly if timeliness requirements are not met. This guarantee will be measured and paid quarterly.

Rebate Dispute Resolution.

The Contractor must resolve federal and supplemental invoicing disputes with manufacturers in the timeframe and for the dollar thresholds as set forth federally, or by the State, if more restrictive. Liquidated damages of \$10,000.00 may be assessed quarterly if timeliness and/or dollar amount requirements are not met. This guarantee will be measured and paid quarterly.

Report Timeliness.

The Contractor must provide JFS with all ad hoc, monthly, and quarterly reports within the required timelines as specified in this RFP or by JFS. Liquidated damages of \$200.00 per occurrence may be assessed each time a report is late, inaccurate or incomplete. This guarantee will be measured and paid monthly.

POS System Availability

The POS system will be 'online' 99.5% of the time and available for claims processing 24 hours a day, 7 days a week, and 365 days a year, except during minimal, scheduled downtime for routine system maintenance. Calculated as the total number minutes the system is available to network providers during the period of measurement divided by the total number of possible minutes during the period of measurement. Liquidated damages of \$5,000.00 may be assessed for failing to meet the system availability requirements on a monthly basis. This guarantee will be measured and paid monthly.

Claims Processing Accuracy.

99.95% of all electronic paid claims dollars must be processed accurately. Calculated as the total number of audited claims minus the number of claims processed with error divided by the total number of audited claims. Error definition includes any type of error (failure to apply plan design parameters, inaccurate eligibility application, payment methodology application, TPL, etc.) whether a payment or non-payment error. Each type of error is counted as one full error and no more than one error will be assigned to one claim. If the Contractor fails to meet this service level, liquidated damages of \$5,000.00 for each 0.05 % below 99.95% may be assessed. This guarantee will be measured and paid monthly.

Average Speed of Answer (ASA).

A provider service representative will answer 100% of incoming provider calls within 30 seconds or less. Measurement begins from the time a provider selects an option to speak with the first available representative and is placed in queue, to the time the call is answered by a live service representative. If the call is not answered within 30 seconds, then the "wait" time for calls that are subsequently abandoned will also be included in the measurement. Calls that are completed (i.e., no human intervention required) by an IVR system shall not be included in the measurement. If the Contractor fails to answer 100% of the calls within 30 seconds, liquidated damages of \$500.00 for each 1% below 100% may be assessed. This guarantee will be measured and paid monthly.

Call Abandonment Rate.

Percentage of provider calls that are abandoned after being connected for a minimum of 30 seconds. Calculated as the number of calls in the Help Desk queue that are abandoned, divided by number of calls placed in queue. Calls that are answered by an IVR system shall not be included in the measurement. The Contractor must respond to 98% of all calls that have been connected for a minimum of 30 seconds. If the Contractor has a call abandonment rate of 2% or greater, liquidated damages of \$200.00 for each .05% above 2% may be assessed monthly. This guarantee will be measured and paid monthly.

CMS-64 Report Timeliness.

The Contractor must provide JFS the CMS-64 report within seven (7) calendar days from the end of each quarter. If the Contractor fails to deliver the report in a timely manner, liquidated damages of \$1,000.00 per day after the due date may be assessed. Damages will include reports that are late, inaccurate or incomplete. This guarantee will be measured and paid quarterly.

Contractors Fee Structure.

After project implementation, the Contractor will be paid monthly at the Contractor's proposed cost per adjudicated paid pharmacy claim and cost per prior authorization on a per occurrence basis.

A pharmacy claim is a request for payment for a specific drug, typically at the NDC code level. An adjudicated paid pharmacy claim is one that has been processed to a Payable status. An adjudicated paid claim also includes a claim that has been previously rejected and resubmitted by the provider and is, after the subsequent submission, deemed Payable.

For the purposes of this Contract, an adjudicated paid claim will not include a point-of-sale transaction that was canceled by the sender or a claim that was rejected before it could be fully adjudicated.

A prior authorization is defined as prior authorization per drug for either an approval or denial that utilizes the services of a pharmacy technician or pharmacist. Prior authorizations that are processed without the intervention of a pharmacy technician or pharmacist will not be reimbursed separately.

On a monthly basis, payment will be made for the following work performed in the previous month:

- Preferred Drug List Activities (maintaining, reanalyzing and updating);
- Outreach Educational Services;
- Rebate Program Services including Invoicing and Collection of Rebates, Dispute Resolution and Rebate Agreement Amendments; and Maintenance of Rebate Agreements.

For the following services, the Contractor can invoice and will be paid in the month following an executed supplemental rebate agreement.

- Each new Supplemental Rebate Agreement executed (all agreements must be approved by the State and CMS, as applicable, prior to execution); and
- Each Annual re-negotiation of existing supplemental Rebate Agreement executed (all agreements must be approved by the State and CMS, as applicable, prior to execution).

Review and Acceptance of Deliverables.

All deliverables will be submitted to JFS in written and electronic form.

Deliverables, with the exception of the Supplemental Drug Rebate Agreements, will be either accepted or rejected within 10 business days from the date of delivery by the Contractor. If the material or document

is determined to be in non-compliance, the Project Manager will send written notification to the Contractor's Project Manager outlining the reason(s) for his or her determination. If JFS cannot reasonably respond to acceptance of a particular deliverable within the 10 business days due to the size of the deliverable or an emergency situation, JFS will make such notification in writing to the Contractor's Project Manager immediately upon determination that such a delay is anticipated. This notification will commit JFS to a response date that is as early as feasible under the circumstances.

The Supplemental Drug Rebate Agreements, both new and renegotiated, will be accepted after approval from JFS and CMS as applicable.

Reimbursable Expenses. None.

Bill to Address.

Ohio Department of Job and Family Services
Office of Fiscal Services
30 East Broad Street, 30th Floor
Columbus, Ohio 43215-0423

ATTACHMENT TWO: REQUIREMENTS FOR PROPOSALS

Proposal Format. Each Proposal must include sufficient data to allow the evaluation committee to verify the total cost for the people the Contractor will supply to do the Work and all of the offeror's claims of meeting the RFP's requirements. Each Proposal must respond to every request for information in this attachment whether the request requires a simple "yes" or "no" or requires a detailed explanation. Simply repeating the RFP's requirement and agreeing to comply will be an unacceptable response and may cause the Proposal to be rejected.

These instructions describe the required format for a responsive Proposal. The offeror may include any additional information it believes is relevant. An identifiable tab sheet must precede each section of a Proposal and each Proposal must follow the format outlined below. All pages, except pre-printed technical inserts, must be sequentially numbered.

Any material deviation from the format outlined below may result in a rejection of the non-conforming Proposal.

Each Proposal must contain the following:

- Cover Letter
- Certification
- Location of Services, Data
- Offeror Profile
- Offeror Mandatory Requirement Profile Forms
- Offeror and Subcontractor Requirements Profile Forms
- Personnel Profile Forms
- Proposed System Solution
 - POS Technical Requirements
 - MMIS Interface
 - POS Network Interfaces
 - Ohio-POS System Availability Requirements
 - System Security
 - Disaster Preparedness and Recovery
 - POS Functional Requirements
 - Claim Adjudication Services
 - Claims Receipt and Management
 - Data Validation Edits and Audits
 - State Auditing
 - Claim Pricing
 - Reversals and Adjustments
 - State/Federal Policy Compliance
 - Multiple Programs
 - ProDur
 - Maintain a set of Flexible Parameters for Generation of ProDUR Messages
 - Maintain ProDUR Enrollee Profile Records
 - DUR Clinical Support
 - Prior Authorization
 - Denied Prior Authorization Requests
 - Prior Authorization Request Tracking
 - Reporting
- Work Plan
 - Customization and Implementation
 - Project Initiation & Requirements Definition
 - System Analysis / General Design Phase
 - Technical Design Phase
 - Customization and Testing

- Implementation/Operations
 - Help Desk for System Support
 - Help Desk for Prior Authorization Operations
- Preferred Drug List Program
 - Maintain, Reanalyze and Update Existing PDL
 - Support the Ohio Medicaid Pharmacy and Therapeutics Committee
 - Provide Educational Services for the PDL and Implementation
- Drug Rebates
 - Negotiate and Maintain Supplemental Rebates
 - Management of Supplemental and Federal Rebate Programs including J-Codes.
- Development and Support Capabilities
- Project Management Methodology
- Staffing Plan
- Time Commitment
- Assumptions
- Project Risks Assessment
- Support Requirements
- Contract Performance
- Conflict of Interest
- Performance Bond
- Payment Address
- Proof of Insurance
- W-9 Form
- Cost Summary (under separate seal)

Cover Letter. The cover letter must be in the form of a standard business letter and must be signed by an individual authorized to legally bind the offeror. The cover letter will provide an executive summary of the solution the offeror plans to provide. The letter must also have the following:

- a. A statement regarding the offeror's legal structure (e.g., an Ohio corporation), Federal tax identification number, and principal place of business;
- b. A list of the people who prepared the Proposal, including their titles;
- c. The name, address, phone number, and fax number of a contact person who has authority to answer questions regarding the Proposal;
- d. A list of all subcontractors, if any, that the offeror will use on the Project if the offeror is selected to do the work;
- e. For each proposed subcontractor, the offeror must attach a letter from the subcontractor, signed by someone authorized to legally bind the subcontractor, with the following included in the letter:
 1. The subcontractor's legal status, tax identification number, and principal place of business address;
 2. The name and phone number of someone who is authorized to legally bind the subcontractor to contractual obligations;
 3. A description of the work the subcontractor will do;
 4. A commitment to do the work if the offeror is selected;
 5. A statement that the subcontractor has read and understood the RFP and will comply with the requirements of the RFP;
- f. A statement that the offeror's proposed solution for the Project meets all the requirements of this RFP;
- g. A statement that the offeror has not taken any exception to the Terms and Conditions;
- h. A statement that the offeror does not assume there will be an opportunity to negotiate any aspect of the proposal;
- i. A statement that the candidate proposed to perform work on the project will be the person who will do the work;
- j. A statement that the references provided to meet all requirements of the RFP are from clients for whom work was performed, not companies associated or affiliated with (i.e. subsidiaries, partnerships, joint ventures, or sister companies of a conglomerate) the prime contractor or subcontractor;
- k. A statement that the offeror is not now, and will not become subject to an "unresolved" finding for recovery under Code Section 9.24, prior to the award of a Contract arising out of this RFP, without notifying OIT of such finding;
- l. A statement that the offeror understands that their existing drug rebate negotiation strategy may have to be modified to meet the needs of the State; and
- m. A statement that the offeror agrees to continue to be responsible for all rebate negotiation activities until CMS approval is received.

Certification. Each proposal must include the following certification on company letterhead signed by an individual authorized to legally bind the offeror.

(Insert Company name) affirms it shall not and shall not allow others to perform work or take data outside the United States without express written authorization from the Agency Project Representative.

(Insert Company name) affirms that all personnel provided for the Project, who are not United States citizens, will have executed a valid I-9 form and presented valid employment authorization documents.

(Insert Company name) affirms that any small business program participants will provide necessary data to ensure program reporting and compliance.

(Insert Company name) agrees that it is a separate and independent enterprise from the State of Ohio and the Office of Information Technology and Department of Job and Family Services. (Insert Company name) has a full opportunity to find other business and has made an investment in its business. Moreover (insert Company name) will retain sole and absolute discretion in the judgment of the manner and means of carrying out its obligations and activities under the Contract. This Contract is not to be construed as creating any joint employment relationship between (insert Company name) or any of the personnel provided by (insert Company name) or the Office of Information Technology and Department of Job and Family Services.

(Insert Company name) affirms that the individuals supplied under the Contract are either (1) employees of (insert Company name) with (insert Company name) withholding all appropriate taxes, deductions or contributions required under law or (2) independent contractors to (insert Company name).

(Insert Company name) affirms that it has obtained a written acknowledgement from its independent contractors that they are separate and independent enterprises from the State of Ohio and the Office of Information Technology and the Department of Job and Family Services for all purposes including the application of the Fair Labor Standards Act, Social Security Act, Federal Unemployment Tax Act, Federal Insurance Contributions Act, the provisions of the Internal Revenue Code, Ohio tax law, worker's compensation law and unemployment insurance law.

Location of Services, Data. As part of the proposal, the offeror must disclose the following:

1. The location(s) where all services will be performed;
2. The location(s) where any State data applicable to the Contract will be maintained or made available; and
3. The principal location of business for the offeror and all proposed subcontractors.

Contractor must not, during the performance of this Contract, change the location(s) of the country where the services are performed or change the location(s) of the country where the data is maintained or made available without prior written approval of the State.

Offeror Profile. Each Proposal must include a profile of the offeror's relevant experience working on projects similar to this Work. The profile must also include the offeror's legal name, address, and telephone number; home office location; date established; ownership (such as public firm, partnership, or subsidiary); firm leadership (such as corporate officers or partners); number of employees; number of employees engaged in tasks directly related to the Work; and any other background information that will help the evaluation committee gauge the ability of the offeror to fulfill the obligations of the Contract.

Offeror Mandatory Requirement Profile Forms. This RFP includes requirement profile forms as an attachment for use in demonstrating how the offeror meets the mandatory offeror requirements. The offeror must use these forms and fill them out completely for each project. The forms must be completed using typewritten or electronic means. The forms may be recreated electronically, but all fields and formats must be retained. Failure to recreate the forms accurately may lead to the rejection of the offeror's proposal. Each reference must be willing to discuss the offeror's performance with the State of Ohio.

Offeror and Subcontractor Requirement Profile Forms. This RFP includes requirement profile forms as an attachment for use in demonstrating how the offeror or subcontractor meets the offeror requirements. The offeror must use these forms and fill them out completely for each project. The forms must be completed using typewritten or electronic means. The forms may be recreated electronically, but all fields and formats must be retained. Failure to recreate the forms accurately may lead to the rejection of the offeror's proposal. Each reference must be willing to discuss the offeror's performance with the State of Ohio.

Personnel Profile Forms. Each Proposal must include a profile for each key member of the proposed Work team. This RFP includes requirement profile forms as an attachment. The offeror must use these

forms and fill them out completely for each reference. **The forms must be completed using typewritten or electronic means.** The forms may be recreated electronically, but all fields and formats must be retained. Failure to recreate the forms accurately may lead to the rejection of the offeror's proposal.

One of the criteria on which the State may base the award of the Contract is the quality of the offeror's Work team. Switching personnel after the award will not be accepted without the consent of the State.

The offeror must propose a Work team that collectively meets all the requirements in this RFP, as demonstrated through the Personnel Profile Summary Forms. Additionally, each team member may have mandatory requirements listed in this RFP that the team member must individually meet.

All candidates proposed must meet the mandatory technical experience for the candidate's position and be identified by name. If any candidate does not meet the minimum requirements for the position the candidate has been proposed to fill, the offeror's Proposal may be rejected as non-responsive. The various sections of the form are described below.

- a) Education and Training. This section must be completed to list the education and training of the proposed candidates and will demonstrate, in detail, the proposed candidate's ability to properly execute the Contract based on the relevance of the education and training to the requirements of the RFP.
- b) Mandatory and Personnel Requirements. This section must be completed to show how the candidate meets the experience required. For each reference the following information must be provided:

Candidate Name.

Contact Information. The contact name, phone number, company name, and address must be completely filled out. If the primary contact can not be reached, an alternate contact name in the company, address, and phone number must be provided in lieu of the primary contact.

Dates of Employment. Must be completed to show the length of time the candidate performed the technical experience being described, not the length of time the candidate worked for the company. These dates must be completed by giving a beginning month and year and an ending month and year.

Description of the Related Service Provided. The State does not assume that since the technical requirement is provided at the top of the page that all descriptions on that page relate to that requirement. Contractors must reiterate the technical experience being described, including the capacity in which the experience was performed and the role of the candidate in the project. It is the Contractors' responsibility to customize the description to clearly substantiate the candidate's qualification.

Project Experience. The candidate's project experience must be listed separately and completely every time it is referenced, regardless of whether it is on the same or different pages of the form.

- c) Desirable Experience and Qualifications. This section must be completed to show how the candidate meets the desirable experience.
- d) Resume. The candidate's resume must follow the completed form and show how the candidate meets the qualifications listed for the position in the RFP.

References provided to meet each requirement must be from a client for whom work was performed. References cannot come from the offeror, proposed subcontractor or a company affiliated or associated with the offeror or proposed subcontractor including but not limited to subsidiary companies, partnerships,

joint ventures or sister companies within a conglomerate. Each project reference must be willing to discuss the candidate's performance with the State.

Proposed System Solution. The offeror must describe in detail how its proposed system meets the POS Functional and Technical Requirements of the RFP. It is not acceptable to simply state that the proposed system will meet or exceed the specified system requirements. A narrative must be written describing the functionality of the proposed system. This section of the offerors proposal must specifically address how the offerors proposed solution meets both the technical and functional requirements of the Ohio-POS system.

Work Plan. The offeror must fully describe its approach, methods, and specific work steps for doing the work and producing the Deliverables. The State encourages responses that demonstrate a thorough understanding of the nature of the work and what the Contractors must do to get the work done well. The offeror must also provide a complete and detailed description of the way it will do the work that addresses the areas of the Ohio POS Customization and Implementation, the Preferred Drug List Program, and Drug Rebates.

The State seeks insightful responses that describe proven state-of-the-art methods. Recommended solutions should demonstrate that the offeror would be prepared to quickly undertake and successfully complete the required tasks. The offeror's work plan should clearly and specifically identify key personnel assignments and the number of hours by individual for each task.

Development and Support Capabilities. Each offeror must describe its capability, capacity, and plans for developing the Deliverables, as well as describe contingency plans if the primary plan is not able to meet the Project's needs.

Project Management Methodology. The offeror must describe the approach, method(s), tools and specific work steps it plans to use to manage the Project. The offeror must submit for this section of the proposal, the Project plan that will be used to create a consistent, coherent management plan of action that will be used to guide the Project execution and control the Project. The Project plan should include detail sufficient to give the State an understanding of how the offeror's knowledge and approach will:

- Manage the Project;
- Guide Project execution;
- Document planning assumptions and decisions;
- Facilitate communication among stakeholders;
- Define key management review as to content, scope, and schedule; and
- Provide a baseline for progress measurement and Project control.

The offeror's Project plan, included as part of the offeror's submittal, should include at a minimum the following:

- Description of the Project management approach;
- Scope statement, which includes the Project objectives and the Project Deliverables/milestones;
- Work Breakdown Structure (WBS) as a baseline scope document that includes Project elements at a level of detail to demonstrate the offeror's understanding of effort of the Work, that will have increasingly descending levels of detailed definition added as the Project continues – the Project elements should include, at a minimum, scope definition, requirements gathering, design, development, conversion, testing, benchmarking, implementation, training, and transition, as applicable;
- Detailed Project schedule for all Project Deliverables and milestones. The Project schedule should be delivered as a Microsoft Project® Gantt chart, showing all major Project tasks on a week-by-week schedule to serve as the basis for managing the Project. The schedule should clearly demonstrate how the Project will become fully operational by the delivery date. The offeror must give dates for when the Deliverables/milestones will be completed and start and

finish dates for tasks. The offeror will also identify and describe all risk factors associated with the forecasted milestone schedule;

- Who is assigned responsibility for each Deliverable within the WBS to the level at which control will be exercised;
- Performance measurement baselines for technical scope, schedule;
- Major milestones and target date(s) for each milestone;
- Key or required staff and their expected effort;
- Description of the offeror's proposed organization(s) and management structure responsible for fulfilling the Contract's requirements;
- Definition of the milestone and/or Deliverable review processes (e.g. critical design review), and description of how communication and status review will be conducted between all parties;
- Description of Project issue resolution process; and
- If the offeror chooses to use subcontractors, this part of the offeror's Proposal must describe its approach to effectively managing its subcontractors.

Staffing Plan. The offeror will provide a staffing plan that identifies all material personnel required to do the work. The State is seeking a staffing plan that clearly indicates that the proposed Project personnel are qualified and meets the experience requirements identified in the RFP. The plan must have the following information:

- A matrix diagram matching each team key member to the staffing requirements in this RFP;
- A contingency plan that shows the ability to add more staff if needed to meet the work's due date(s); and
- A discussion of the offeror's ability to provide qualified replacement personnel.

Time Commitment. The offeror must submit a statement and chart that clearly indicate the time commitment of the proposed Project team, including the Project Manager, to this Project and other projects during the term of the Contract. The offeror must also include a statement indicating to what extent, if any, the Project Manager may be used on other projects during the term of the Contract. The evaluation committee may reject any Proposal that commits the proposed Project Manager to other projects during the term of the Project if the committee believes that doing so will be detrimental to the offeror's performance.

Assumptions. The offeror must provide a comprehensive listing of any and all of the assumptions that were made in preparing the proposal. If any assumption is unacceptable to the State, it may be cause for rejection of the Proposal.

Project Risk Assessment. The offeror must address any potential problem areas and technical risks as it relates to the proposed project and its system requirements based on the information contained within this proposal; recommends solutions to these problem areas and describe the assumptions used in developing those solutions; and describe contingency plans if the primary plan is not able to meet the project's needs.

Support Requirements. The offeror must describe the support it wants from the State other than what the State has offered elsewhere in this RFP. Specifically, the offeror should address the following:

- Nature and extent of State support required;
- Assistance from State staff and the experience/qualification level required; and
- Other support requirements.

The State may not be able or willing to provide the additional support the offeror lists in this part of its Proposal. The offeror must therefore indicate whether its request for additional support is a requirement for its performance. If any part of the list is a requirement, the State may reject the offeror's Proposal if the State is unwilling or unable to meet the requirements.

Contract Performance. The offeror must complete Attachment Ten.

Conflict of Interest. Each Proposal must include a statement indicating whether the offeror or any people that may do the Work through the offeror have a possible conflict of interest (e.g., employed by the state of Ohio, etc.) and, if so, the nature of that conflict. The State has the right to reject a Proposal in which a conflict is disclosed or cancel the Contract if any interest is later discovered that could give the appearance of a conflict.

Performance Bond. The Contractor must provide a performance bond. The amount of the performance bond must be equal to at least 10% of the total projected price of the Contract per fiscal year and must remain in place for each term of the Contract. Each offeror must enclose a letter of commitment from a bonding company for the performance bond with its Proposal.

Payment Address. The offeror must give the address to which payments to the offeror will be sent.

Proof of Insurance. In this section, the offeror must provide the certificate of insurance required by the General Terms & Conditions.

W-9 Form. The offeror must complete the attached W-9 form in its entirety. At least one original W-9 form must be submitted. All other copies of a Proposal may contain copies of the W-9 form. Please indicate on the outside of the binder which Proposal contains the original signature.

Cost Summary. This RFP includes a Cost Summary Form provided as an attachment. Offerors may not reformat this form. Each offeror must complete the cost summary sheet in the exact format provided. Any reformatting may cause the State to reject the offeror's Proposal.

The offeror's total cost for the entire Project cannot be determined due to the nature of this Contract. However, for evaluation purposes, offerors must complete the Cost Summary Form that indicates the total evaluation price.

The cost summary must be signed and submitted in a separate sealed envelope marked "JFS – Pharmacy Services RFP – Cost Proposal."

The State will not be liable for any costs the offeror does not identify in its Proposal.

ATTACHMENT THREE: GENERAL TERMS AND CONDITIONS
PART ONE: PERFORMANCE AND PAYMENT

Statement of Work. The RFP and the Contractor's Proposal (Collectively referred to as the "RFP") are a part of this Contract and describe the work (the "Work") the Contractor will do and any materials or services (including all work product) the Contractor will deliver (the "Deliverables") under this Contract. The Contractor will do the Work in a professional, timely, and efficient manner and will provide the Deliverables in a proper fashion.

The Contractor will consult with the appropriate State representatives and others necessary to ensure a thorough understanding of the Work and satisfactory performance. The State may give instructions to or make requests of the Contractor relating to the Work, and the Contractor will comply with those instructions and fulfill those requests in a timely and professional manner. Those instructions and requests will be for the sole purpose of ensuring satisfactory completion of the Work and will not amend or alter the scope of the Work.

Term. Unless this Contract is terminated or expires without renewal, it will remain in effect until June 30 2007. But the current General Assembly cannot commit a future General Assembly to an expenditure. Therefore, this Contract will automatically expire at the end of the current biennium, which is June 30, 2007. The State, however, may renew this Contract in the next biennium by issuing written notice to the Contractor of the decision to do so. This expiration and renewal procedure will also apply to the end of any subsequent biennium during the term of this Contract. Termination or expiration of this Contract will not limit the Contractor's continuing obligations with respect to Deliverables that the State paid for before termination or limit the State's rights in such.

It is understood that the State's funds are contingent upon the availability of lawful appropriations by the Ohio General Assembly. If the General Assembly fails at any time to continue funding for the payments and other obligations due as part of this Contract, the State's obligations under this Contract are terminated as of the date that the funding expires without further obligation of the State.

The Contractor must comply with all its obligations under this Contract within the specified time. If the Contractor does not meet those times, the Contractor will be in default, and the State may terminate this Contract under the termination provision contained below. But the State may also have certain obligations to meet. Those obligations, if any, are also listed in the RFP. If the State agrees that the Contractor's failure to meet the delivery, milestone, or completion dates in the RFP is due to the State's failure to meet its own obligations in a timely fashion, then the Contractor will not be in default, and the delivery, milestone, and completion dates effected by the State's failure to perform will be extended by the same amount of time as the State's delay. The Contractor may not rely on this provision unless the Contractor has in good faith exerted all professional management skill to avoid an extension and has given the State meaningful written notice of the State's failure to meet its obligations within 5 business days of the Contractor's realization that the State's delay will impact the Project. The notice to the State must be directed at making the State aware of its delay and the impact of its delay. It must be sent to the State Project Representative and State Procurement Representative. The extension of the Contractor's performance time will be, at the State's discretion, the Contractor's only remedy for the State's delay.

Compensation. In consideration of the Contractor's promises and satisfactory performance, the State will pay the Contractor the amount(s) identified in the RFP (the "Fee"), plus any other expenses identified as reimbursable in the RFP. But in no event will payments under this Contract exceed the "not-to-exceed" amount in the RFP without the prior, written approval of the State and, when required, the Ohio Controlling Board and any other source of funding. The Contractor's right to the Fee is contingent on the complete and satisfactory performance of all relevant parts of the Work tied to the payment. Payment of the Fee is also contingent on the Contractor delivering a proper invoice and any other documents required by the RFP. An invoice must comply with the State's then-current policies regarding invoices and their submission. The State will notify the Contractor in writing within 15 business days after it receives a defective invoice of any defect and provide the information necessary to correct the defect.

The Contractor will send all invoices under this Contract to the "bill to" address in the RFP or in the applicable purchase order.

The State will pay the Contractor interest on any late payment as provided in Section 126.30 of the Ohio Revised Code (the "Code"). That section of the Code currently requires monthly interest payments equal to one 12th of the rate per annum prescribed by Section 5703.47 of the Code. If the State disputes a payment for anything covered by an invoice, within 15 business days after receipt of that invoice, the State will notify the Contractor, in writing, stating the grounds for the dispute. The State may then deduct the disputed amount from its payment as a non-exclusive remedy. In addition, the State will consult with the Contractor as early as reasonably possible about the nature of the dispute and the amount of payment affected. When the Contractor has resolved the disputed matter to the State's satisfaction, the State will pay the disputed amount within 30 business days after the matter is resolved.

If the State has already paid the Contractor on an invoice but later disputes the amount covered by the invoice, and if the Contractor fails to correct the problem within 30 calendar days after written notice, the Contractor will reimburse the State for that amount at the end of the 30 calendar days as a non-exclusive remedy for the State. On written request from the Contractor, the State will provide reasonable assistance in determining the nature of the problem by giving the Contractor reasonable access to the State's facilities and any information the State has regarding the problem.

Reimbursable Expenses. The State will pay all reimbursable expenses identified in the RFP, if any, in accordance with the terms in the RFP and, where applicable, Section 126.31 of the Code. The Contractor will assume all expenses that it incurs in the performance of this Contract that are not identified as reimbursable in the RFP.

In making any reimbursable expenditure, the Contractor will always comply with the more restrictive of its own, then-current internal policies for making such expenditures or with the State's then-current policies. All reimbursable travel will require the advance written approval of the State's Representative. All reimbursable expenses will be billed monthly and paid by the State within 30 business days of receiving the Contractor's invoice.

Certification of Funds. None of the rights, duties, or obligations in this Contract will be binding on the State, and the Contractor will not begin its performance, until all the following conditions have been met:

- (a) All statutory provisions under the Code, including Section 126.07, have been met;
- (b) All necessary funds are made available by the appropriate state agencies;
- (c) If required, approval of this Contract is given by the Controlling Board of Ohio; and
- (d) If the State is relying on Federal or third-party funds for this Contract, the State gives the Contractor written notice that such funds have been made available.

Employment Taxes. Each party will be solely responsible for reporting, withholding and paying all employment related taxes, payments and withholdings for its own personnel, including, but not limited to, Federal, state and local income taxes, social security, unemployment or disability deductions, withholdings, and payments (together with any interest and penalties not disputed with the appropriate taxing authority). All people the Contractor provides to the State under this Contract will be deemed employees of the Contractor for purposes of withholdings, taxes, and other deductions or contributions required under the law.

Sales, Use, Excise, and Property Taxes. The State is exempt from any sales, use, excise, and property tax. To the extent sales, use, excise, or any similar tax is imposed on the Contractor in connection with the Work, such will be the sole and exclusive responsibility of the Contractor, and the Contractor will pay such taxes (together with any interest and penalties not disputed with the appropriate taxing authority) whether they are imposed at the time the services are rendered or a later time.

PART TWO: WORK & CONTRACT ADMINISTRATION

Related Contracts. The Contractor warrants that the Contractor has not and will not enter into any contracts without written approval of the State to perform substantially identical services for the State such that the Work duplicates the work done or to be done under the other contracts.

Subcontracting. The Contractor may not enter into subcontracts for the Work after award without written approval from the State. But the Contractor will not need the State's written approval to subcontract for the purchase of commercial goods that are required for satisfactory completion of the Work. All subcontracts will be at the sole expense of the Contractor unless expressly stated otherwise in the RFP.

The State's approval of the use of subcontractors does not mean that the State will pay for them. The Contractor will be solely responsible for payment of its subcontractor and any claims of subcontractors for any failure of the Contractor or any of its other subcontractors to meet the performance schedule or performance specifications for the Work in a timely and professional manner. The Contractor will hold the State harmless for and will indemnify the State against any such claims.

The Contractor will assume responsibility for all Deliverables whether it, a subcontractor, or third-party manufacturer produces them in whole or in part. Further, the State will consider the Contractor to be the sole point of contact with regard to contractual matters, including payment of all charges resulting from the Contract. And the Contractor will be fully responsible for any default by a subcontractor, just as if the Contractor itself had defaulted.

If the Contractor uses any subcontractors, each subcontractor must have a written agreement with the Contractor. That written agreement must incorporate this Contract by reference. The agreement must also pass through to the subcontractor all provisions of this Contract that would be fully effective only if they bind both the subcontractor and the Contractor. Among such provisions are the limitations on the Contractor's remedies, the insurance requirements, record keeping obligations, and audit rights. Some sections of this Contract may limit the need to pass through their requirements to subcontracts to avoid placing cumbersome obligations on minor subcontractors. But this exception is applicable only to sections that expressly provide an exclusion for small-dollar subcontracts. Should the Contractor fail to pass through any provisions of this Contract to one of its subcontractors and the failure damages the State in any way, the Contractor will indemnify the State for the damage.

Record Keeping. The Contractor will keep all financial records in accordance with generally accepted accounting procedures consistently applied. The Contractor will file documentation to support each action under this Contract in a manner allowing it to be readily located. And the Contractor will keep all Work-related records and documents at its principal place of business or at its office where the Work was performed.

The Contractor will keep a separate account for the Work (the "Work Account"). All payments made from the Work Account will be only for obligations incurred in the performance of this Contract and will be supported by contracts, invoices, vouchers, and any other data needed to audit and verify the payments. All payments from the Work Account will be for obligations incurred only after the effective date of this Contract unless the State has given specific written authorization for making prior payments from the Work Account.

Audits. During the term of this Contract and for three years after the payment of the Contractor's Fee, on reasonable notice and during customary business hours, the State may audit the Contractor's records and other materials that relate to the Work. This audit right will also apply to the State's duly authorized representatives and any person or organization providing financial support for the Work.

Unless it is impracticable to do so, all records related to this Contract must be kept in a single location, either at the Contractor's principal place of business or its place of business where the Work was done. If

this is not practical, the Contractor will assume the cost of collecting, organizing, and relocating the records and any technology need to access the records to the Contractor's office nearest Columbus whenever the State or anyone else with audit rights requests access to the Contractor's Work records. The Contractor will do so with all due speed, not to exceed five business days.

If any audit reveals any material deviation from the Work's specifications, any misrepresentation, or any overcharge to the State, the State will be entitled to recover damages, as well as the cost of the audit.

For each subcontract in excess of \$25,000.00, the Contractor will require its subcontractors to agree to the requirements of this section and of the record-keeping section. Subcontracts with smaller amounts involved need not meet this requirement. But the Contractor may not artificially break up contracts with its subcontractors to take advantage of this exclusion.

Equal Employment Opportunity. During the Work, the Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, disability, age, or Vietnam-era veteran status ("Protected Status"). The Contractor will ensure that applicants for employment and employees are treated without regard to their Protected Status.

The Contractor agrees to post notices with the provisions of this section in conspicuous places that are available to employees and applicants and to state in all solicitations and advertisements for employees that it is an equal opportunity employer.

Insurance. The Contractor will provide the following insurance coverage at its own expense throughout the term of this Contract:

- (a) Workers' compensation insurance, as required by Ohio law, and, if some of the Project will be done outside Ohio, the laws of the appropriate state(s) where work on the Project will be done. The Contractor will also maintain employer's liability insurance with at least a \$1,000,000.00 limit.
- (b) Commercial General Liability insurance coverage for bodily injury, personal injury, wrongful death, property damage. The defense cost shall be outside of the policy limits. Such policy shall designate the State of Ohio as an additional insured, as its interest may appear. The policy will also be endorsed to include a blanket waiver of subrogation. At a minimum, the limits of the insurance shall be:

- \$ 2,000,000 General Aggregate
- \$ 2,000,000 Products/Completed Operations Aggregate
- \$ 1,000,000 Per Occurrence Limit
- \$ 1,000,000 Personal and Advertising Injury Limit
- \$ 100,000 Fire Legal Liability
- \$ 10,000 Medical Payments

The policy shall also be endorsed to provide the State with 30-day prior written notice of cancellation or material change to the policy. It is agreed upon that the Contractor's Commercial General Liability shall be primary over any other insurance coverage.

- (c) Commercial Automobile Liability insurance with a combined single limit of \$500,000.
- (d) Professional Liability insurance covering all staff with a minimum limit of \$1,000,000 per incident and \$3,000,000 aggregate. If the Contractor's policy is written on a "claims made" basis, the Contractor shall provide the State with proof of continuous coverage at the time the policy is renewed. If for any reason the policy expires, or coverage is terminated, the Contractor must purchase and maintain "tail" coverage through the applicable statute of limitations.

The certificate(s) must be in a form that is reasonably satisfactory to the State as to the contents of the policies and the quality of the insurance carriers. All carriers must have at least an "A-" rating by A.M. Best.

State Personnel. During the term of this Contract and for one year after completion of the Work, the Contractor will not hire or otherwise contract for the services of any state employee involved with the Work.

Offeror Performance Bond. The Contractor will provide the Acquisition Management Procurement Representative with a performance bond in the required amount within five (5) business days after receipt of a purchase order for this Contract. The performance bond will also indemnify the State against all direct damages it suffers from any failure of the Contractor to properly perform. Failure of the Contractor to provide the performance bond on or before the date it is required to be delivered to the State will result in a breach of this Contract without a cure period and termination or suspension (or ultimately both) of this Contract for cause.

The terms of the bond must reflect the terms of this section, or the State will reject it and treat the failure of conformance as a failure by the Contractor to deliver the bond in a timely fashion.

The Contractor will be solely liable for all the costs associated with getting and keeping the performance bond in place.

Replacement Personnel. The quality and professional credentials of the people the Contractor submitted in its proposal to do the Work were material factors in the State's decision to enter into this Contract. Therefore, the Contractor will use all commercially reasonable efforts to ensure the continued availability of those people. Also, the Contractor will not remove those people from the Work without the prior, written consent of the State, except as provided below.

The Contractor may remove a person listed in the RFP from the Work if doing so is necessary for legal or disciplinary reasons, provided that the Contractor makes a reasonable effort to give the State 30 calendar days' prior, written notice of the removal.

The Contractor must have qualified replacement people available to replace any people listed by name in the RFP. When the removal of a listed person is permitted under this Section, or if a person becomes unavailable, the Contractor will submit the resumes for two replacement people for each person removed or who otherwise becomes unavailable. The Contractor will submit the two resumes, along with such other information as the State may reasonably request, within five business days after the decision to remove a person is made or the unavailability of a listed person becomes known to the Contractor.

The State will select one of the two proposed replacements or will reject both of them within ten business days after the Contractor has submitted the proposed replacements to the State. The State may reject the proposed replacements for any legal reason(s). Should the State reject both replacement candidates due to their failure to meet the minimum qualifications identified in the RFP, or should the Contractor fail to provide the notice required under this Section or fail to provide two qualified replacement candidates for each removed or unavailable person, the Contractor will be in default and the cure period for default specified elsewhere in this Contract will not apply. In the event of such a default, the State will have the right to terminate this Contract and to have the damages specified elsewhere in this Contract for termination due to default.

The State may determine that proposed replacement candidates meet the minimum qualifications of this Contract and still substantially reduce the value the State perceived it would receive through the work of the original individual(s) the Contractor proposed and on whose credentials the State decided to enter into this Contract. Therefore, the State will have the right to reject any candidate that the State determines will provide it with diminished value.

Should the State reject both proposed candidates for any legal reason other than their failure to meet the minimum qualifications identified in the RFP, then such rejection will be deemed a termination for convenience.

The State has an interest in providing a healthy and safe environment for its employees and guests at its facilities. The State also has an interest in ensuring, and right to ensure, that its operations are carried out in an efficient, professional, legal, and secure manner. The State, therefore, will have the right to require the Contractor to remove any individual doing any part of the Work if the State determines that any such individual has or may interfere with the State's interests identified above. In such a case, the request for removal will be treated as a case in which an individual providing services under this Contract has become unavailable, and the Contractor will follow the procedures identified above for replacing unavailable people. This provision applies to people engaged by the Contractor's subcontractors if they are listed as key people on the RFP.

Suspension and Termination. The State may terminate this Contract if the Contractor defaults in meeting its obligations under this Contract and fails to cure its default within the time allowed by this Contract, or if a petition in bankruptcy (or similar proceeding) has been filed by or against the Contractor. The State may also terminate this Contract if the Contractor violates any law or regulation in doing the Work, or if it appears to the State that the Contractor's performance is substantially endangered through no fault of the State. In any such case, the termination will be for cause, and the State's rights and remedies will be those identified below for termination for cause.

On written notice, the Contractor will have 30 calendar days to cure any breach of its obligations under this Contract, provided the breach is curable. If the Contractor fails to cure the breach within 30 calendar days after written notice or if the breach is not one that is curable, the State will have the right to terminate this Contract. The State may also terminate this Contract in the case of breaches that are cured within 30 calendar days but are persistent. "Persistent" in this context means that the State has notified the Contractor in writing of the Contractor's failure to meet any of its obligations three times. After the third notice, the State may terminate this Contract without a cure period if the Contractor again fails to meet any obligation. The three notices do not have to relate to the same obligation or type of failure. Some provisions of this Contract may provide for a shorter cure period than 30 calendar days or for no cure period at all. Those provisions will prevail over this one. If a particular section does not state what the cure period will be, this provision will govern.

The State may also terminate this Contract for its convenience and without cause or if the Ohio General Assembly fails to appropriate funds for any part of the Work. If a third party is providing funding for the Work, the State may also terminate this Contract should that third party fail to release any Work funds. The RFP identifies any third party source of funds for the Work.

The notice of termination, whether for cause or without cause, will be effective as soon as the Contractor receives it. Upon receipt of the notice of termination, the Contractor will immediately cease all Work and take all steps necessary to minimize any costs the Contractor will incur related to this Contract. The Contractor will also immediately prepare a report and deliver it to the State. The report must detail any Deliverables completed or partially completed but not delivered to the State at the time of termination. The Contractor will also deliver all the completed and partially completed Deliverables to the State with its report. But, if delivery in that manner would not be in the State's interest, then the Contractor will propose a suitable alternative form of delivery.

If the State terminates this Contract for cause, it will be entitled to cover for the Work by using another contractor on such commercially reasonable terms as it and the covering contractor may agree. The Contractor will be liable to the State for all costs related to covering for the Work to the extent that such costs, when combined with payments already made to the Contractor for the Work before termination, exceed the costs that the State would have incurred under this Contract. The Contractor will also be liable for any other direct damages resulting from its breach of this Contract or other action leading to termination for cause.

If the termination is for the convenience of the State, the Contractor will be entitled to compensation for any Work that the Contractor has performed before the termination. Such compensation will be the Contractor's exclusive remedy in the case of termination for convenience and will be available to the Contractor only once the Contractor has submitted a proper invoice for such, with the invoice reflecting the amount determined to be owing to the Contractor by the State. The State will make that determination based on the lesser of the percentage of the applicable unit(s) of Work completed or the hours of work performed in relation to the estimated total hours required to perform the entire applicable unit(s) of Work.

The State will have the option of suspending rather than terminating the Contract where the State believes that doing so would better serve its interests. In the event of a suspension for the convenience of the State, the Contractor will be entitled to receive payment for the Work performed before the suspension. In the case of suspension of the Work rather than termination for cause, the Contractor will not be entitled to any compensation for any part of the Work performed. If the State reinstates the Contract after suspension for cause, rather than terminating this Contract after the suspension, the Contractor may be entitled to compensation for Work performed before the suspension, less any damage to the State resulting from the Contractor's breach of this Contract or other fault. Any amount due for Work before or after the suspension for cause will be offset by any damage to the State from the default or other event giving rise to the suspension.

In the case of a suspension for the State's convenience, the amount of compensation due to the Contractor for Work performed before the suspension will be determined in the same manner as provided in this section for termination for the State's convenience. The Contractor will not be entitled to compensation for any costs associated with a suspension for the State's convenience. No payment under this provision will be made to the Contractor until the Contractor submits a proper invoice.

Any notice of suspension, whether with or without cause, will be effective immediately on the Contractor's receipt of the notice. And the Contractor will prepare a report concerning the Work just as is required by this Section in the case of termination. After suspension of the Contract, the Contractor will perform no Work without the consent of the State and will resume the Work only on written notice from the State to do so. In any case of suspension, the State retains its right to terminate this Contract rather than to continue the suspension or resume the Contract. If the suspension is for the convenience of the State, then termination of the Contract will be a termination for convenience. If the suspension is with cause, the termination will also be for cause.

The State will not suspend the Contract for its convenience more than once during the term of this Contract, and any suspension for the State's convenience will not continue for more than 30 calendar days. If the Contractor does not receive notice to resume or terminate the Work within the 30 day period, then this Contract will terminate automatically for the State's convenience at the end of the 30 calendar day period.

Any default by the Contractor or one of its subcontractors will be treated as a default by the Contractor and all of its subcontractors. The Contractor will be solely responsible for satisfying any claims of its subcontractors for any suspension or termination and will indemnify the State for any liability to them. Each subcontractor will hold the State harmless for any damage caused to them from a suspension or termination. They will look solely to the Contractor for any compensation to which they may be entitled.

Representatives. The State's representative under this Contract will be the person identified on the RFP or a subsequent notice to the Contractor as the "Work Representative." The Work Representative will review all reports made in the performance of the Work by the Contractor, will conduct all liaison with the Contractor, and will accept or reject the Deliverables. The Work Representative may assign a manager responsibilities for individual aspects of the Work to act as the Work Representative for those individual portions of the Work, if applicable and appropriate.

The Contractor's Project Manager under this Contract will be the person identified on the RFP as the "Project Manager." The Project Manager will conduct all liaison with the State under this Contract. Either

party, upon written notice to the other party, may designate another representative. But the Project Manager may not be replaced without the approval of the State if s/he is identified in the RFP as a key individual on the Project.

Work Responsibilities. The State will be responsible for providing only those things expressly identified, if any, in the RFP. If the State has agreed to provide facilities or equipment, the Contractor, by signing this Contract, warrants that the Contractor has either inspected the facilities and/or equipment or has voluntarily waived an inspection and will work with the equipment and/or facilities on an "as is" basis.

Normal working hours on State property is Monday through Friday (except for State holidays) from 8:00 a.m. to 5:00 p.m., Eastern Standard Time, with a one hour for lunch. The Contractor must plan to work within these time constraints for any Work that will be done on State property.

If the Work, or parts of it, will be performed on the State's property, the State will provide the Contractor with reasonable access to that property.

The Contractor will provide a written report to the Work Representative at least as often as the end of every other week throughout the term of this Contract, or as otherwise provided in the RFP.

Unless otherwise provided in the RFP, the Contractor will be responsible for obtaining all official permits, approvals, and similar authorizations required by any local, state, or Federal agency for the Work.

Changes. The State may make reasonable changes, within the general scope of the Project, in any one or more of the following: (I) Project tasks or subtasks; (ii) time or place of delivery; or (iii) period of performance. The State will do so by issuing a written order under this Contract describing the nature of the change ("Change Order"). Additionally, if the State provides directions or makes requests of the Contractor without a change order, and the Contractor reasonably believes the directions or requests are outside the specifications for the Project, the Contractor will have the right to request a Change Order from the State. Scope of work changes will be managed as follows: pricing will be provided from the Contractor to the State. The State will execute a Change Order once it and the Contractor have agreed on the description of and specifications for the change as well as any equitable adjustments that need to be made in the Contractor's Fee or the performance schedule for the Work. Within five business days after receiving the Change Order, the Contractor will sign it to signify agreement with it.

If a change causes an increase in the cost of, or the time required for, the performance of the Work, the Contractor will notify the State in writing and request an equitable adjustment in the Contractor's Fee, the delivery schedule, or both before the Contractor signs the Change Order. If the Contractor claims an adjustment under this section in connection with a change to the Work not described in a written Change Order, the Contractor must notify the State of such claim within five business days after the Contractor is notified of the change and before work on the change begins. Otherwise, the Contractor will have waived the claim. In no event will the State be responsible for any increase in the Fee or revision in any delivery schedule unless the relevant change was specifically ordered in writing by the State and the Contractor has complied with the requirements of this section. Provided the State has complied with the procedure for Change Orders in this section, nothing in this clause will excuse the Contractor from proceeding with performance of the Work as changed.

Where an equitable adjustment to the Contractor's fee is appropriate, the State and the Contractor may agree upon such an adjustment. If the State and the Contractor are unable to agree, and the Contractor seeks an equitable adjustment in its Fee, the Contractor must submit its actual costs for materials needed for the change (or estimated amount if the precise amount of materials cannot be determined) and an estimate of the hours of labor required to do the Work under the Change Order. The hours of labor will be broken down by employee position, and the actual hourly pay rate for each employee involved in the change must be provided. The total amount of the equitable adjustment for the Change Order will then be made based on the actual cost of materials (or estimated materials) and actual rate for each person doing the labor (based on the estimated hours of work required to do the change). Labor rates will be increased by 25% to cover benefits and taxes. The equitable adjustment for the Change Order will then

be set based on this amount, plus 15% to cover overhead and profit. Alternatively, if the Contractor's proposal provides for hourly rates for each position involved in the Change Order, then those rates will apply rather than the actual rates, and there will be no adjustment for benefits, taxes, overhead, or profit. This amount will be the not-to-exceed amount of the Change Order. However, if the change involves removing a requirement from the Work or replacing one part of the Work with the change, the State will get a credit for the Work no longer required under the original scope of the Work. The credit will be calculated in the same manner as the Contractor's Fee for the change, and the not-to-exceed amount will be reduced by this credit.

The Contractor will be responsible for coordinating changes with its subcontractors and adjusting their compensation and performance schedule. The State will not pay any subcontractor for the Change Order. If a subcontractor will perform any Work under a Change Order, that Work must be included in the Contractor's not-to-exceed amount and calculated in the same manner as the Contractor's equitable adjustment for the portion of the Work the Contractor will perform. The Contractor will not receive an overhead percentage for anything a subcontractor will do under a Change Order.

Excusable Delay. Neither party will be liable for any delay in its performance that arises from causes beyond its control and without its negligence or fault. The delayed party will notify the other promptly of any material delay in performance and will specify in writing the proposed revised performance date or dates as soon as practicable after notice of delay. In the event of any such excusable delay, the dates of performance or of delivery affected by the delay will be extended for a period equal to the time lost by reason of the excusable delay. The delayed party must also describe the cause of the delay and what steps it is taking to remove the cause. The delayed party may not rely on a claim of excusable delay to avoid liability for a delay if the delayed party has not taken commercially reasonable steps to mitigate or avoid the delay. Things that are controllable by the Contractor's subcontractors will be considered controllable by the Contractor, except for third-party manufacturers supplying commercial items and over whom Contractor has no legal control.

Independent Status of the Contractor. The parties will be acting as independent contractors. The partners, employees, officers, and agents ("Personnel") of one party, in the performance of this Contract, will act only in the capacity of representatives of that party and not as Personnel of the other party and will not be deemed for any purpose to be Personnel of the other. Each party assumes full responsibility for the actions of its Personnel while they are performing services pursuant to this Contract and will be solely responsible for paying its Personnel (including withholding of and/or paying income taxes and social security, workers' compensation, disability benefits and the like). Neither party will commit, nor be authorized to commit, the other party in any manner. The Contractor's subcontractors will be considered the agents of the Contractor for purposes of this Contract.

PART THREE: OWNERSHIP & HANDLING OF INTELLECTUAL PROPERTY & CONFIDENTIAL INFORMATION

Confidentiality. The State may disclose to the Contractor written material or oral or other information that the State treats as confidential ("Confidential Information"). Title to the Confidential Information and all related materials and documentation the State delivers to the Contractor will remain with the State. The Contractor agrees to treat such Confidential Information as secret if it is so marked, otherwise identified as such, or when, by its very nature, it deals with matters that, if generally known, would be damaging to the best interests of the public, other contractors or potential contractors with the State, or individuals or organizations about whom the State keeps information. By way of example and by no means by way of limitation, information should be treated as confidential if it includes police and investigative records, files containing personal information about individuals or employees of the State, such as personnel records, tax records, and so on, court and administrative records related to pending actions, any material to which an attorney-client, physician-patient, or similar privilege may apply, and any documents or records expressly excluded by Ohio law from public records disclosure requirements.

The Contractor agrees not to disclose any Confidential Information to third parties and to use it solely to do the Work. The Contractor will restrict circulation of Confidential Information within its organization and then only to people in the Contractor's organization that have a need to know the Confidential Information to do the Work. The Contractor will be liable for the disclosure of such information whether the disclosure is intentional, negligent, or accidental, unless otherwise provided below.

The Contractor will not be liable for any unintentional disclosure of Confidential Information that results despite the Contractor's exercise of at least the same degree of care as it normally takes to preserve and safeguard its own secrets, except when the Contractor's procedures are not reasonable given the nature of the Confidential Information or where the disclosure nevertheless results in liability to the State.

The Contractor will not incorporate any portion of any Confidential Information into anything, other than a Deliverable, and will have no proprietary interest in any of the Confidential Information. Furthermore, the Contractor will cause all of its employees who have access to any Confidential Information to execute a confidentiality agreement incorporating the obligations in this section.

The Contractor's obligation to maintain the confidentiality of the Confidential Information will not apply where such: (1) was already in the Contractor's possession before disclosure by the State, and such was received by the Contractor without obligation of confidence; (2) is independently developed by the Contractor; (3) is or becomes publicly available without breach of this Contract; (4) is rightfully received by the Contractor from a third party without an obligation of confidence; (5) is disclosed by the Contractor with the written consent of the State; or (6) is released in accordance with a valid order of a court or governmental agency, provided that the Contractor (a) notifies the State of such order immediately upon receipt of the order and (b) makes a reasonable effort to obtain a protective order from the issuing court or agency limiting disclosure and use of the Confidential Information solely for the purposes intended to be served by the original order of production. The Contractor will return all originals of any Confidential Information and destroy any copies it has made on termination or expiration of this Contract.

The Contractor may disclose Confidential Information to its subcontractors on a need-to-know basis, but they will be obligated to the requirements of this section.

Ownership of Deliverables and Data. All custom Work done by the Contractor and covered by this Contract will be owned by the State, with all rights, title, and interest in all intellectual property that come into existence through the Contractor's custom work being assigned to the State. Additionally, the Contractor waives any author rights and similar retained interests in custom-developed material. The Contractor will provide the State with all assistance reasonably needed to vest such rights of ownership in the State.

All data sent to the Contractor from the State for the purpose of fulfilling the Contractor's obligations is owned by the State. Additionally, all data returned to the State as a result of the Contractor fulfilling its obligations under this Contract is owned by the State.

PART FOUR: REPRESENTATIONS, WARRANTIES AND LIABILITIES

General Warranties. The Contractor warrants that the recommendations, guidance, and performance of the Contractor under this Contract will: (1) be in accordance with sound professional standards and the requirements of this Contract and without any material defects; (2) unless otherwise provided in the RFP, be the work solely of the Contractor; and (3) no Deliverable will infringe on the intellectual property rights of any third party.

Additionally, with respect to the Contractor's activities under this Contract, the Contractor warrants that: (1) the Contractor has the right to enter into this Contract; (2) the Contractor has not entered into any other contracts or employment relationships that restrict the Contractor's ability to perform the contemplated services; (3) the Contractor will observe and abide by all applicable laws and regulations, including those of the State regarding conduct on any premises under the State's control; and (4) the Contractor has good and marketable title to any goods delivered under this Contract and in which title passes to the State.

The warranty regarding material defects is a one-year warranty. All other warranties will be continuing warranties. If any portion of the Work or a Deliverable fails to comply with these warranties, and the Contractor is so notified in writing, the Contractor will correct such failure with all due speed or will refund the amount of the compensation paid for such portion of the Work or the applicable Deliverable. The Contractor will also indemnify the State for any direct damages and claims by third parties based on a breach of these warranties. This obligation of indemnification will not apply where the State has modified or misused the Deliverable and the claim is based on the modification or misuse. The State agrees to give the Contractor notice of any such claim as soon as reasonably practicable. If a successful claim of infringement is made, or if the Contractor reasonably believes that an infringement claim that is pending may actually succeed, the Contractor will do one of the following four things: (1) modify the Deliverable so that it is no longer infringing; (2) replace the Deliverable with an equivalent or better item; (3) acquire the right for the State to use the infringing Deliverable as it was intended for the State to use under this Contract; or (4) remove the Deliverable and refund the amount the State paid for the Deliverable and the amount of any other Deliverable or item that requires the availability of the infringing Deliverable for it to be useful to the State.

General Exclusion of Warranties. THE CONTRACTOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, OTHER THAN THOSE EXPRESS WARRANTIES CONTAINED IN THIS CONTRACT. THE CONTRACTOR ALSO MAKES NO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE EXCEPT AS FOLLOWS: IF THE CONTRACTOR HAS BEEN ENGAGED UNDER THE SCOPE OF WORK IN THE RFP TO DESIGN SOMETHING TO MEET A PARTICULAR NEED FOR THE STATE, THEN THE CONTRACTOR DOES WARRANT THAT THE CONTRACTOR'S WORK WILL MEET THE STATED PURPOSE FOR THAT WORK.

Indemnity for Property Damage and Bodily Injury. The Contractor will indemnify the State for all liability or expense resulting from bodily injury to any person (including injury resulting in death) or damage to property arising out of the performance of this Contract, providing such bodily injury or property damage is due to the fault of the Contractor, its employees, agents, or subcontractors.

Limitation of Liability. The parties agree as follows:

- 1) The limitation in paragraph 3, does not apply to liability arising from third party claims or to sections in this document where the section expressly provides a right to particular damages such as indemnity.
- 2) Neither party is liable for any indirect, incidental or consequential loss or damage of any kind, including but not limited to lost profits, even if the parties have been advised, knew or should have known of the possibility of such damages.

- 3) The Contractor will remain liable for all direct damages due to the Contractor's fault or negligence up to two (2) times the projected or actual cost of all products/ services per fiscal year which ever is greater.

Passage of Title. Title to any Deliverable will pass to the State only on acceptance of the Deliverable. All risk of loss, regardless of the cause, will remain with the Contractor until title to the Deliverable passes to the State.

PART FIVE: CONSTRUCTION

Entire Document. This Contract is the entire agreement between the parties with respect to the subject matter and supersedes any previous statements or agreements, whether oral or written.

Binding Effect. This Contract will be binding upon and inure to the benefit of the respective successors and assigns of the State and the Contractor.

Amendments - Waiver. No amendment or modification of any provision of this Contract will be effective unless it is in writing and signed by both parties. The failure of either party at any time to demand strict performance by the other party of any of the terms of this Contract will not be construed as a waiver or relinquishment of any such term and either party may at any later time demand strict and complete performance by the other party of such a term.

Severability. If any provision of this Contract is held by a court of competent jurisdiction to be contrary to law, the remaining provisions of this Contract will remain in full force and effect to the extent that such does not create an absurdity.

Construction. This Contract will be construed in accordance with the plain meaning of its language and neither for nor against the drafting party.

Headings. The headings used herein are for the sole sake of convenience and will not be used to interpret any section.

Notices. For any notice under this Contract to be effective it must be made in writing and sent to the address of the appropriate contact provided elsewhere in the Contract, unless such party has notified the other party, in accordance with the provisions of this section, of a new mailing address. This notice requirement will not apply to any notices that this Contract expressly authorized to be made orally.

Continuing Obligations. The terms of this Contract will survive the termination or expiration of the time for completion of Work and the time for meeting any final payment of compensation, except where such creates an absurdity.

PART SIX: LAW & COURTS

Compliance with Law. The Contractor agrees to comply with all applicable Federal, state, and local laws in the conduct of the Work.

Drug-Free Workplace. The Contractor will comply with all applicable state and Federal laws regarding keeping a drug-free workplace. The Contractor will make a good faith effort to ensure that all the Contractor employees, while working on state property, will not have or be under the influence of illegal drugs or alcohol or abuse prescription drugs in any way.

Conflicts of Interest. No Personnel of the Contractor may voluntarily acquire any personal interest that conflicts with their responsibilities under this Contract. Additionally, the Contractor will not knowingly permit any public official or public employee who has any responsibilities related to this Contract or the Work to acquire an interest in anything or any entity under the Contractor's control if such an interest would conflict with that official's or employee's duties. The Contractor will disclose to the State

knowledge of any such person who acquires an incompatible or conflicting personal interest related to this Contract. The Contractor will take all legal steps to ensure that such a person does not participate in any action affecting the Work under this Contract, unless the State has determined that, in the light of the personal interest disclosed, that person's participation in any such action would not be contrary to the public interest.

Ohio Ethics and Elections Law. The Contractor certifies that it is currently in compliance and will continue to adhere to the requirements of the Ohio ethics law, O.R.C. §102.04. The Contractor affirms that, as applicable to the Contractor, no party listed in Division (I) or (J) of Section 3517.13 of the Ohio Revised Code or spouse of such party has made, as an individual, within the two previous calendar years, one or more contributions totaling in excess of \$1,000.00 to the Governor or to his campaign committees.

Injunctive Relief. Nothing in this Contract is intended to limit the State's right to injunctive relief if such is necessary to protect its interests or to keep it whole.

Assignment. The Contractor may not assign this Contract or any of its rights or obligations under this Contract without the prior, written consent of the State.

Governing Law. This Contract will be governed by the laws of Ohio, and venue for any disputes will lie exclusively with the appropriate court in Franklin County, Ohio.

ATTACHMENT FOUR: SAMPLE CONTRACT

**A CONTRACT BETWEEN
OFFICE OF INFORMATION TECHNOLOGY
INVESTMENT AND GOVERNANCE DIVISION
ON BEHALF OF THE DEPARTMENT OF JOB AND FAMILY SERVICES
AND**

(CONTRACTOR)

THIS CONTRACT, which results from CSP#0A05017, entitled Pharmacy Services is between the State of Ohio, through the Office of Information Technology, Investment and Governance Division on behalf of the Department of Job and Family Services (the "State") and _____ (the "Contractor").

If this RFP results in a contract award, the contract will consist of this RFP including all attachments, written amendments to this RFP, the contractor's proposal, and written, authorized amendments to the contractor's proposal. It will also include any materials incorporated by reference in the above documents and any change orders issued under the contract. The form of the contract is this one page attachment to the RFP, which incorporates by reference all the documents identified above. The general terms and conditions for the contract are contained in another attachment to the RFP. If there are conflicting provisions between the documents that make up the contract, the order of precedence for the documents is as follows:

1. This RFP, as amended;
2. The documents and materials incorporated by reference in the RFP;
3. The contractor's proposal, as amended, clarified, and accepted by the state; and
4. The documents and materials incorporated by reference in the contractor's proposal.

Notwithstanding the order listed above, change orders and amendments issued after the Contract is executed may expressly change the provisions of the Contract. If they do so expressly, then the most recent of them will take precedence over anything else that is part of the Contract.

This Contract has an effective date of the later of _____, 20____, or the occurrence of all conditions precedent specified in the General Terms and Conditions.

IN WITNESS WHEREOF, the parties have executed this Contract as of the dates below.

CONTRACTOR

STATE OF OHIO
OFFICE OF INFORMATION TECHNOLOGY

SAMPLE - DO NOT FILL OUT

By: _____

By: Mary F. Carroll

Title: _____

Title: *Interim State Chief Information Officer*

Date: _____

Date: _____

ATTACHMENT FIVE: OFFEROR MANDATORY REQUIREMENTS PROFILE

Offeror's Name:

Duplicate this form as necessary to provide sufficient information to provide that the offeror meets the MANDATORY requirement of: Minimum three (3) pharmacy claims point of sale projects of similar size and scope that include customization, implementation, and operation of the point of sale system. The projects referenced must include all aspects of this requirement (i.e. customization, implementation, and operation) but not all must have been provided in the same reference. At least one of the projects used as a reference to meet this requirement must be managed and operated by the Offeror.

Client Company Name:		Client Contact Name:	
Address:		Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:	Aspect of Project: Customization Implementation Operation Circle all that apply

Description of services supplied as the prime contractor for a pharmacy claims point of sale project that included customization, implementation and operation.

Description of how project was of similar size and scope:

ATTACHMENT FIVE: OFFEROR MANDATORY REQUIREMENTS PROFILE

Offeror's Name:

Duplicate this form as necessary to provide sufficient information to provide that the offeror meets the MANDATORY requirement of: Minimum of two (2) projects of similar size where an information technology system has a two way interface with an external system (eg. POS interface to a Medicaid Management Information System).

Client Company Name:		Client Contact Name:	
Address:		Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:	Name of the two system that interface to each other:

Description of services supplied where an information technology system has a two way interface with an external system describing the methodology used in developing the interface.

Description of how project was of similar size and scope:

ATTACHMENT FIVE: OFFEROR MANDATORY REQUIREMENTS PROFILE

Offeror's Name:

Duplicate this form as necessary to provide sufficient information to provide that the offeror meets the MANDATORY requirement of: The proposed POS system must process and adjudicate claims using NCPDP transaction standard version 5.1 in a HIPAA compliant manner.

Client Company Name:			Client Contact Name:	
Address:			Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:	Name of POS system proposed:	NCPDP version 5.1: YES NO Circle One

Description of services supplied with the proposed POS System processing and adjudicating claims using NCPDP transaction standard version 5.1 in a HIPAA compliant manner.

ATTACHMENT FIVE: OFFEROR MANDATORY REQUIREMENTS PROFILE

Offeror's Name:

Duplicate this form as necessary to provide sufficient information to provide that the offeror meets the MANDATORY requirement of: Minimum sixty (60) months experience in pharmacy claims processing and adjudication. To meet the requirement the offeror must describe their experience assessing the claims, ensuring that the drugs are covered for eligible recipients and adjudicating and / or paying the claim.

Client Company Name:		Client Contact Name:	
Address:		Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:	

Description of services supplied in pharmacy claims processing and adjudication. Describe the offeror experience assessing the claims, ensuring that the drugs are covered for eligible recipients and adjudicating and / or paying the claim.

ATTACHMENT FIVE: OFFEROR MANDATORY REQUIREMENTS PROFILE

Offeror's Name:

Duplicate this form as necessary to provide sufficient information to provide that the offeror meets the MANDATORY requirement of: Minimum sixty (60) months experience interacting electronically with at least three (3) pharmacy switch service providers that are currently submitting pharmacy claims electronically.

Client Company Name:		Client Contact Name:	
Address:		Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:	Name switch providers offeror interacts with:

Description of services supplied interacting electronically with at least three (3) pharmacy switch service providers that are currently submitting pharmacy claims electronically.

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ATTACHMENT SIX: OFFEROR OR SUBCONTRACTOR REQUIREMENTS PROFILE

Offeror's Name:

Duplicate this form as necessary to provide sufficient information to provide that the offeror or a subcontractor meets the requirement of: Minimum of sixty (60) months experience with the use of OBRA90 compliant drug utilization protocols.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:

Description of experience with the use of OBRA90 compliant drug utilization protocols.

ATTACHMENT SIX: OFFEROR OR SUBCONTRACTOR REQUIREMENTS PROFILE

Offeror's Name:

Duplicate this form as necessary to provide sufficient information to provide that the offeror or a subcontractor meets the requirement of: Minimum of sixty (60) months experience providing on-line, real time pharmacy claims processing and prior authorization services in a project where the volume of claims was at least 25,000 per day.

Client Company Name:		Client Contact Name:	
Address:		Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:	Volume of Claims per day:
Description of services providing on-line real time pharmacy claims processing and prior authorization services.			

ATTACHMENT SIX: OFFEROR OR SUBCONTRACTOR REQUIREMENTS PROFILE

Offeror's Name:

Duplicate this form as necessary to provide sufficient information to provide that the offeror or a subcontractor meets the requirement of: Minimum sixty (60) months experience providing help desk services where the help desk personnel are required to respond to pharmacy claim and prior authorization inquiries.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:
Description of experience providing help desk personnel to respond to pharmacy claim and prior authorization inquiries.		

ATTACHMENT SIX: OFFEROR OR SUBCONTRACTOR REQUIREMENTS PROFILE

Offeror's Name:

Duplicate this form as necessary to provide sufficient information to provide that the offeror or a subcontractor meets the requirement of: Minimum of sixty (60) months experience providing system related help desk services.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:

Description of experience providing system related help desk services:

ATTACHMENT SIX: OFFEROR OR SUBCONTRACTOR REQUIREMENTS PROFILE

Offeror's Name:

Duplicate this form as necessary to provide sufficient information to provide that the offeror or a subcontractor meets the requirement of: The offeror or a proposed subcontractor must have drug rebate experience invoicing, collecting and resolving invoicing disputes on behalf of a public or private entity for a minimum of one (1) project involving a minimum of 100 manufacturers.

Client Company Name:		Client Contact Name:	
Address:		Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:	Number of manufacturers:
Description of services providing drug rebate experience invoicing, collecting and resolving invoicing disputes on behalf of a public or private entity.			

ATTACHMENT SIX: OFFEROR OR SUBCONTRACTOR REQUIREMENTS PROFILE

Offeror's Name:

Duplicate this form as necessary to provide sufficient information to provide that the offeror or a subcontractor meets the requirement of: Minimum of one (1) project where the offeror or a proposed subcontractor successfully negotiated drug rebates for a public or private entity. The project must have included negotiations with a minimum of 15 drug companies.

Client Company Name:		Client Contact Name:		
Address:		Phone Number:		
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:	Number of manufacturers:	Number of successful negotiated rebate agreements:

Description of services providing successful negotiated drug rebates for a public or private entity.

ATTACHMENT SIX: OFFEROR OR SUBCONTRACTOR REQUIREMENTS PROFILE

Offeror's Name:

Duplicate this form as necessary to provide sufficient information to provide that the offeror or a subcontractor meets the requirement of: Minimum of two (2) projects where the offeror or proposed subcontractor successfully evaluated and implemented a preferred drug list which required reviewing drugs in a minimum of 15 therapeutic drug classes.

Client Company Name:		Client Contact Name:	
Address:		Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:	Number of therapeutic classes:

Description of services evaluating and implementing a preferred drug list.

ATTACHMENT SEVEN: PERSONNEL PROFILE

Please duplicate this Attachment as necessary to provide sufficient forms for each candidate proposed for a role in this project.

Candidate's Name:

The candidate's education & training information must be provided below:

Education and Training			
	Months/Years Training	Where Obtained	Degree/Major/Year Earned
College:			
Technical School:			
Other Training:			

ATTACHMENT SEVEN: PERSONNEL PROFILE

OPERATIONAL PROJECT MANAGER MANDATORY REQUIREMENTS

Candidate's Name:

Duplicate this form as necessary to provide sufficient information to provide that the candidate meets the MANDATORY requirement: a minimum of thirty-six (36) months managing health care delivery services that covered a minimum of 100,000 lives for a state Medicaid, private health or HMO program.

Client Company Name:		Client Contact Name:	
Address:		Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:	Number of covered lives:

Description of services managing health care delivery services.

ATTACHMENT SEVEN: PERSONNEL PROFILE

OPERATIONAL PROJECT MANAGER MANDATORY REQUIREMENTS

Candidate's Name:

Duplicate this form as necessary to provide sufficient information to provide that the candidate meets the MANDATORY requirement: Within the last sixty (60) months, a minimum twelve (12) months operational management experience for a pharmacy point of sale claims processing system including such functions as data entry, electronic media claims processing, and help desk operations.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:

Description of services providing operational management for a pharmacy point of sale claims processing system.

ATTACHMENT SEVEN: PERSONNEL PROFILE

OPERATIONAL PROJECT MANAGER DESIRABLE EXPERIENCE AND QUALIFICATIONS

Candidate's Name:

Duplicate this form as necessary to provide sufficient information to provide that the candidate meets the DESIRABLE EXPERIENCE AND QUALIFICATIONS: Minimum six (6) months experience with operational responsibility for the proposed baseline pharmacy claims processing operating system proposed for the Ohio – POS.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:
Description of services providing operational management for a pharmacy point of sale claims processing system.		

ATTACHMENT SEVEN: PERSONNEL PROFILE

OPERATIONAL PROJECT MANAGER EXPERIENCE AND QUALIFICATIONS

Candidate's Name:

Duplicate this form as necessary to provide sufficient information to provide that the candidate meets the DESIRABLE EXPERIENCE AND QUALIFICATIONS: Minimum twelve (12) months experience with projects that required familiarity with prior authorization and Pro-DUR activities.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:

Description of services providing operational management for a pharmacy point of sale claims processing system.

ATTACHMENT SEVEN: PERSONNEL PROFILE

CLINICAL MANAGER REQUIREMENTS

Candidate's Name:

Duplicate this form as necessary to provide sufficient information to provide that the candidate meets the requirement: The team member proposed to perform duties of Clinical Manager must be a licensed pharmacist in good standing and have a minimum of thirty-six (36) months experience providing clinical pharmacy management services for a public or private entity.

Client Company Name:		Client Contact Name:	
Address:		Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:	License Number & State Where Licensed:

Description of services providing clinical pharmacy management services.

ATTACHMENT SEVEN: PERSONNEL PROFILE

CLINICAL MANAGER DESIRABLE EXPERIENCE AND QUALIFICATIONS

Candidate's Name:

Duplicate this form as necessary to provide sufficient information to provide that the candidate meets the **DESIRABLE EXPERIENCE AND QUALIFICATIONS:** Minimum twelve (12) months experience with familiarity with PDL development and maintenance.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:
Description of experience with familiarity with PDL development and maintenance.		

ATTACHMENT SEVEN: PERSONNEL PROFILE

CLINICAL MANAGER DESIRABLE EXPERIENCE AND QUALIFICATIONS

Candidate's Name:

Duplicate this form as necessary to provide sufficient information to provide that the candidate meets the DESIRABLE EXPERIENCE AND QUALIFICATIONS: Minimum twelve (12) months experience with Contractor's decision support system.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:

Description of experience with familiarity with Contractor's decision support system:

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ATTACHMENT SEVEN: PERSONNEL PROFILE

IMPLEMENTATION ANALYST(S) REQUIREMENTS

Multiple implementation analysts may be proposed but they must collectively meet the following requirements. At least one proposed implementation analyst must meet each requirement.

Candidate's Name:

Duplicate this form as necessary to provide sufficient information to provide that the candidate meets the requirement: Minimum thirty-six (36) months systems analyst experience in developing and implementing large scale, on-line, real time systems.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:

Description of experience as a systems analyst developing and implementing large scale, on-line, real time systems.

ATTACHMENT SEVEN: PERSONNEL PROFILE

IMPLEMENTATION ANALYST(S) REQUIREMENTS

Multiple implementation analysts may be proposed but they must collectively meet the following requirements. At least one proposed implementation analyst must meet each requirement.

Candidate's Name:

Duplicate this form as necessary to provide sufficient information to provide that the candidate meets the requirement: Minimum of twelve (12) months systems analyst experience with the proposed base POS pharmacy claim processing system including NCPDP version 5.1.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:

Description of experience with the proposed base POS pharmacy claim processing system.

ATTACHMENT SEVEN: PERSONNEL PROFILE

IMPLEMENTATION ANALYST(S) REQUIREMENTS

Multiple implementation analysts may be proposed but they must collectively meet the following requirements. At least one proposed implementation analyst must meet each requirement.

Candidate's Name:

Duplicate this form as necessary to provide sufficient information to provide that the candidate meets the requirement: Minimum of one (1) project implementing technical interfaces with another entity's information system.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:

Description of experience implementing technical interfaces with another entity's information system.

ATTACHMENT SEVEN: PERSONNEL PROFILE

IMPLEMENTATION ANALYST(S) REQUIREMENTS

Multiple implementation analysts may be proposed but they must collectively meet the following requirements. At least one proposed implementation analyst must meet each requirement.

Candidate's Name:

Duplicate this form as necessary to provide sufficient information to provide that the candidate meets the requirement: Minimum twelve (12) months experience evaluating hardware capacity for a large information technology system.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:

Description of experience evaluating hardware capacity for a large information technology system.

ATTACHMENT SEVEN: PERSONNEL PROFILE

IMPLEMENTATION ANALYST(S) DESIRABLE EXPERIENCE AND QUALIFICATIONS

Multiple implementation analysts may be proposed but they must collectively meet the following requirements. At least one proposed implementation analyst must meet each requirement.

Candidate's Name:

Duplicate this form as necessary to provide sufficient information to provide that the candidate meets the **DESIRABLE EXPERIENCE AND QUALIFICATIONS**: Experience with Medicaid pharmacy POS claims processing.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:

Description of experience with Medicaid pharmacy POS claims processing.

ATTACHMENT SEVEN: PERSONNEL PROFILE

IMPLEMENTATION ANALYST(S) DESIRABLE EXPERIENCE AND QUALIFICATIONS

Multiple implementation analysts may be proposed but they must collectively meet the following requirements. At least one proposed implementation analyst must meet each requirement.

Candidate's Name:

Duplicate this form as necessary to provide sufficient information to provide that the candidate meets the DESIRABLE EXPERIENCE AND QUALIFICATIONS: Experience with automated Prior Authorization systems.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:

Description of experience with automated prior authorization systems.

ATTACHMENT SEVEN: PERSONNEL PROFILE

SUPPORT PERSONNEL REQUIREMENTS

The support personnel must collectively meet the following requirements. At least one proposed support personnel must meet each requirement.

Candidate's Name:

Duplicate this form as necessary to provide sufficient information to provide that the candidate meets the requirement: Minimum of thirty-six (36) months experience supporting physicians, pharmacists or other healthcare professionals in the administration of a public or private healthcare program.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:

Description of experience supporting physicians, pharmacists or other healthcare professionals in the administration of a public or private healthcare program.

ATTACHMENT SEVEN: PERSONNEL PROFILE

SUPPORT PERSONNEL REQUIREMENTS

The support personnel must collectively meet the following requirements. At least one proposed support personnel must meet each requirement.

Candidate's Name:

Duplicate this form as necessary to provide sufficient information to provide that the candidate meets the requirement: Minimum of thirty-six (36) months experience presenting healthcare program information to healthcare professionals.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:

Description of experience supporting physicians, pharmacists or other healthcare professionals in the administration of a public or private healthcare program.

ATTACHMENT SEVEN: PERSONNEL PROFILE

SUPPORT PERSONNEL REQUIREMENTS

The support personnel must collectively meet the following requirements. At least one proposed support personnel must meet each requirement.

Candidate's Name:

Duplicate this form as necessary to provide sufficient information to provide that the candidate meets the requirement: Minimum of twelve (12) months experience analyzing, negotiating and evaluating the financial impact of drug rebate agreements.

Client Company Name:	Client Contact Name:	
Address:	Phone Number:	
Project Name:	Beginning Date of Experience Month/Year:	Ending Date of Experience Month/Year:

Description of experience supporting physicians, pharmacists or other healthcare professionals in the administration of a public or private healthcare program.

ATTACHMENT EIGHT: COST SUMMARY

The numbers provided in the “weight” columns are estimated paid adjudicated claim numbers; they do not represent actual volumes and are for evaluation purposes only.

The chart below is for pricing the adjudicated paid claims.

Fiscal Year	Cost per paid Adjudicated Claim		Weight	Extended Cost
Fiscal Year 06		x	31,762,751	\$
Fiscal Year 07		x	25,980,906	\$
Fiscal Year 08		x	27,988,142	\$
Fiscal Year 09		x	30,150,454	\$
Fiscal Year 10		x	32,479,823	\$
Fiscal Year 11		x	34,989,154	\$
(A) Total Evaluation Price for Paid Adjudicated Claims				\$

The numbers provided in the “weight” columns are estimated prior authorization claim numbers; they do not represent actual volumes and are for evaluation purposes only.

Items in the chart below may be billed and will be paid on a per occurrence basis. At most, the Contractor may invoice monthly.

Service	Cost		Weight	Extended Cost
Per Prior Authorization via Pharmacy Technician	\$	x	95,220	\$
Per Prior Authorization via Pharmacists	\$	x	42,780	\$
(B) Total Prior Authorization Evaluation Cost				\$

Items in the chart below, with the exception of negotiated rebate agreements, may be billed and will be paid on a per monthly basis. Negotiated rebate agreements, both new and renegotiated agreements may be billed and will be paid on a per occurrence basis. At most, the Contractor may invoice monthly.

Payment Items	Frequency	Cost	Weight	Extended Cost
Preferred Drug List Activities (maintaining, reanalyzing, and updating)	Monthly	\$ _____	x 12 =	\$ _____
Educational Services based on 2 people providing	Monthly	\$ _____	x 12 =	\$ _____
Rebate Program Services including Invoicing and Collection of Rebates, Dispute Resolution and Rebate Agreement Amendments; and Maintenance of Rebate Agreements	Monthly	\$ _____	x 12 =	\$ _____
New Rebate Agreement negotiated (approved by the State or CMS as applicable)	Per Approved Agreement	\$ _____	x 10 =	\$ _____
Annual Re-negotiated existing Rebate Agreement (approved by the State or CMS as applicable)	Per Approved Agreement	\$ _____	x 30 =	\$ _____
			(C) Total Rebate and PDL Evaluation Cost	\$ _____

Total Evaluation Price for Paid Adjudicated Claims \$ _____ (A)

Total Prior Authorization Evaluation Cost \$ _____ (B)

Total Rebate and PDL Evaluation Cost \$ _____ (C)

Total Evaluation Cost \$ _____

(A) + (B) + (C) = Total Evaluation Cost

ATTACHMENT NINE: HIPAA BUSINESS PARTNER AGREEMENT

DEPARTMENT OF JOB AND FAMILY SERVICES HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement is entered into by and between the State of Ohio, Department of Job and Family Services (hereinafter "ODJFS") and _____, (hereinafter "CONTRACTOR").

- I. Definitions. The definitions contained in this Agreement are derived from federal law. Should there be any conflict between the meanings assigned in this Agreement and the meanings defined in applicable federal law (even in the event of future amendments to law that create such conflict), the definitions found in federal law shall prevail.
 - A. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996.
 - B. "Covered Entity" means a health plan, a health care clearinghouse, or health care provider. (45 C.F.R. 160.103)
 - C. "Business Associate" means a person or entity that, on behalf of the Covered Entity, performs or assists in the performance of a function or activity that involves the use or disclosure of "Protected Health Information." (45 C.F.R. 160.103)
 - D. "Protected Health Information" (hereinafter "PHI") means information received from or on behalf of a Covered Entity that meets the definition of PHI as defined by HIPAA and the regulations promulgated by the United States Department of Health and Human Services, specifically 45 C.F.R. 164.501 and any amendments thereto. (45 C.F.R. 164.501)
- II. CONTRACTOR acknowledges that ODJFS through its Office of Ohio Health Plans is a Covered Entity under HIPAA. CONTRACTOR further acknowledges that CONTRACTOR is a Business Associate of ODJFS, and, in carrying out the work described in this Agreement, the CONTRACTOR agrees to comply with all of the following provisions:
 - A. Permitted Uses and Disclosures. The CONTRACTOR shall not use or disclose PHI except as provided in this Agreement or as otherwise required under HIPAA regulations or other applicable law.
 - B. Safeguards. CONTRACTOR shall use appropriate safeguards to protect PHI against use or disclosure not provided for by this Agreement.
 - C. Reporting of Disclosures. The CONTRACTOR shall promptly report to ODJFS any knowledge of uses or disclosures of PHI that are not in accordance with this Agreement or applicable law. In addition, the CONTRACTOR shall mitigate any adverse effects of such a breach of confidentiality to the greatest extent possible.
 - D. Agents and Subcontractors. CONTRACTOR shall ensure that all its agents and subcontractors that receive PHI from or on behalf of the CONTRACTOR and/or ODJFS agree to the same restrictions and conditions that apply to CONTRACTOR with respect to the use or disclosure of PHI.
 - E. Accessibility of Information. The CONTRACTOR shall make available to ODJFS such information as ODJFS may require to fulfill its obligations to provide access to, provide a copy of, and account for disclosures with respect to PHI pursuant to HIPAA and regulations promulgated by the United States Department of Health and Human Services, including, but not limited to, 45 C.F.R. 164.524 and 164.528 and any amendments thereto.

- F. Amendment of Information. The CONTRACTOR shall make PHI available to ODJFS so that ODJFS may fulfill its obligations pursuant to HIPAA to amend the information. As directed by ODJFS, CONTRACTOR shall also incorporate any amendments into the information held by the CONTRACTOR and shall ensure incorporation of any such amendments into information held by CONTRACTOR'S agents or subcontractors.
- G. Disclosure. The CONTRACTOR shall make available to ODJFS and to the Secretary of the U.S. Department of Health and Human Services any and all internal practices, documentation, books, and records related to the use and disclosure of PHI received from ODJFS, or created or received by the CONTRACTOR on behalf of ODJFS. Such access is for the purpose of determining ODJFS' compliance with HIPAA, regulations promulgated by the United States Department of Health and Human Services, and any amendment thereto.
- H. Material Breach. In the event of material breach of CONTRACTOR obligations under this Agreement, ODJFS may immediately terminate this Agreement. Termination of this Agreement shall not affect any provision of this Agreement which, by its wording or its nature, is intended to remain effective and to continue to operate after termination.
- I. Return or Destruction of Information. Upon termination of this Agreement and at the request of ODJFS, the CONTRACTOR shall return to ODJFS or destroy all PHI in CONTRACTORS possession stemming from this Agreement, and shall not keep copies of the PHI except as requested by ODJFS or required by law. If the CONTRACTOR, its agent(s), or subcontractor(s) destroy any PHI, then the CONTRACTOR will provide to ODJFS documentation evidencing such destruction. Any PHI retained by the CONTRACTOR shall continue to be extended the same protections set forth in this Section and HIPAA regulations for as long as it is maintained.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of the signature of the Director of the Ohio Department of Job and Family Services.

Name of contractor

ODJFS

Signature (Blue Ink Please)

Barbara E. Riley, Director
Ohio Department of Job and Family Services

Printed Name

Date

Date

Federal Tax ID or Social Security Number

Address

City, State, Zip

ATTACHMENT TEN: CONTRACT PERFORMANCE

The offeror must provide the following information for this section for the past seven (7) years. Please indicate yes or no in each column.

Yes/No	Description
	The offeror has had a contract terminated for default or cause. If so, the offeror must submit full details, including the other party's name, address, and telephone number.
	The offeror has been assessed any penalties in excess of five thousand dollars (\$5,000), including liquidated damages, under any of its existing or past contracts with any organization (including any governmental entity). If so, the offeror must provide complete details, including the name of the other organization, the reason for the penalty, and the penalty amount for each incident.
	The offeror was the subject of any governmental action limiting the right of the offeror to do business with that entity or any other governmental entity.
	Trading in the stock of the company has ever been suspended with the date(s) and explanation(s).
	The offeror, any officer of the offeror, or any owner of a twenty percent (20%) interest or greater in the offeror has filed for bankruptcy, reorganization, a debt arrangement, moratorium, or any proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding.
	The offeror, any officer of the offeror, or any owner with a twenty percent (20%) interest or greater in the offeror has been convicted of a felony or is currently under indictment on any felony charge.

If the answer to any item is affirmative, the offeror must provide complete details about the matter. While an affirmative answer to any of these items will not automatically disqualify an offeror from consideration, at the sole discretion of the evaluation committee, such an answer and a review of the background details may result in a rejection of the offeror's proposal. The committee will make this decision based on its determination of the seriousness of the matter, the matter's possible impact on the offeror's performance on the project, and the best interests of the State.

SUPPLEMENTAL INFORMATION HEADER

The following pages contain supplemental information for this competitive document. The supplemental information is contained between this header and a trailer page. If you receive the trailer page, all supplemental information has been received.

If you do not receive the trailer page of this supplement, use the inquiry process described in the document to notify the Procurement Representative.

Note: portions of the supplemental information provided may or may not contain page numbers. The total number of pages indicated on the cover page does not include the pages contained in this supplement.

Supplement 1

W-9

Request for Taxpayer Identification Number and Certification

**Give form to the
 requester. Do NOT
 send to the IRS.**

Please print or type

Name (If joint names, list first and circle the name of the person or entity whose number you enter in Part I below. **See instructions on page 2 if your name has changed.**)

Business name (Sole proprietors see instructions on page 2.)

Please check appropriate box: Individual/Sole proprietor Corporation Partnership Other ▶

Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

City, state, and ZIP code

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). For sole proprietors, see the instructions on page 2. For other entities, it is your employer identification number (EIN). If you do not have a number, see **How To Get a TIN** below.

Social security number								
			+			+		

OR

Employer identification number								
			+					

Note: If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.

Part II For Payees Exempt From Backup Withholding (See Part II instructions on page 2)

List account number(s) here (optional)

Part III Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
- I am not subject to backup withholding because: **(a)** I am exempt from backup withholding, or **(b)** I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or **(c)** the IRS has notified me that I am no longer subject to backup withholding.

Certification Instructions.—You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, the acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (Also see **Part III instructions** on page 2.)

Sign Here

Signature ▶

Date ▶

Section references are to the Internal Revenue Code.

Purpose of Form.—A person who is required to file an information return with the IRS must get your correct TIN to report income paid to you, real estate transactions, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA. Use Form W-9 to give your correct TIN to the requester (the person requesting your TIN) and, when applicable, (1) to certify the TIN you are giving is correct (or you are waiting for a number to be issued), (2) to certify you are not subject to backup withholding, or (3) to claim exemption from backup withholding if you are an exempt payee. Giving your correct TIN and making the appropriate certifications will prevent certain payments from being subject to backup withholding.

Note: If a requester gives you a form other than a W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

What Is Backup Withholding?—Persons making certain payments to you must withhold and pay to the IRS 31% of such

payments under certain conditions. This is called "backup withholding." Payments that could be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

If you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return, your payments will not be subject to backup withholding. Payments you receive will be subject to backup withholding if:

- You do not furnish your TIN to the requester, or
- The IRS tells the requester that you furnished an incorrect TIN, or
- The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
- You do not certify to the requester that you are not subject to backup withholding under 3 above (for reportable

interest and dividend accounts opened after 1983 only), or

- You do not certify your TIN. See the Part III instructions for exceptions.

Certain payees and payments are exempt from backup withholding and information reporting. See the Part II instructions and the separate **Instructions for the Requester of Form W-9**.

How To Get a TIN.—If you do not have a TIN, apply for one immediately. To apply, get **Form SS-5**, Application for a Social Security Number Card (for individuals), from your local office of the Social Security Administration, or **Form SS-4**, Application for Employer Identification Number (for businesses and all other entities), from your local IRS office.

If you do not have a TIN, write "Applied For" in the space for the TIN in Part I, sign and date the form, and give it to the requester. Generally, you will then have 60 days to get a TIN and give it to the requester. If the requester does not receive your TIN within 60 days, backup withholding, if applicable, will begin and continue until you furnish your TIN.

Note: Writing "Applied For" on the form means that you have already applied for a TIN **OR** that you intend to apply for one soon.

As soon as you receive your TIN, complete another Form W-9, include your TIN, sign and date the form, and give it to the requester.

Penalties

Failure To Furnish TIN.—If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil Penalty for False Information With Respect to Withholding.—If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal Penalty for Falsifying Information.— Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs.—If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name.—If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage, without informing the Social Security Administration of the name change, please enter your first name, the last name shown on your social security card, and your new last name.

Sole Proprietor.—You must enter your individual name. (Enter either your SSN or EIN in Part I.) You may also enter your business name or "doing business as" name on the business name line. Enter your name as shown on your social security card and business name as it was used to apply for your EIN on Form SS-4.

Part I—Taxpayer Identification Number (TIN)

You must enter your TIN in the appropriate box. If you are a sole proprietor, you may enter your SSN or EIN. Also see the chart on this page for further clarification of name and TIN combinations. If you do not have a TIN, follow the instructions under **How To Get a TIN** on page 1.

Part II—For Payees Exempt From Backup Withholding

Individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. For a complete list of exempt payees, see the separate Instructions for the Requester of Form W-9.

If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding. Enter your correct TIN in Part I, write "Exempt" in Part II, and sign and date the form. If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester a completed **Form W-8**, Certificate of Foreign Status.

Part III—Certification

For a joint account, only the person whose TIN is shown in Part I should sign.

1. Interest, Dividend, and Barter Exchange Accounts Opened Before 1984 and Broker Accounts Considered Active During 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, Dividend, Broker, and Barter Exchange Accounts Opened After 1983 and Broker Accounts Considered Inactive During 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real Estate Transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other Payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified of an incorrect TIN. Other payments include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services, payments to a nonemployee for services (including attorney and accounting fees), and payments to certain fishing boat crew members.

5. Mortgage Interest Paid by You, Acquisition or Abandonment of Secured Property, Cancellation of Debt, or IRA Contributions. You must give your correct TIN, but you do not have to sign the certification.

Privacy Act Notice

Section 6109 requires you to give your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. You must provide your

TIN whether or not you are required to file a tax return. Payers must generally withhold 31% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship	The owner ³
For this type of account:	Give name and EIN of:
6. Sole proprietorship	The owner ³
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name, but you may also enter your business or "doing business as" name. You may use either your SSN or EIN.

⁴ List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Supplement 2

DRUG UTILIZATION REVIEW (DUR) BOARD MEETING MINUTES

Ohio Department of Job and Family Services (ODJFS)
Drug Utilization Review (DUR) Board
Quarterly Meeting
February 11, 2004

The quarterly meeting of the ODJFS DUR Board was called to order at 12:35 P.M., Wednesday, February 11, 2004 in the large conference room, 255 E. State St., Columbus, Ohio. Donald Sullivan, Ph.D., R.Ph., Chair, presided. Roll call indicated that the following Board members were present:

Sue Eastman, R.Ph.
Timothy Garner, M.D.
Thomas Gretter, M.D.
Jacob Palomaki, M.D.

Also present were Alan Daniels, R.Ph., DUR MTA; Jan Lawson, MSA, DUR Administrator; and Rana Groves, Administrator Technical Services/SUR, Tammie Stroup, R.Ph., ODJFS; Robyn Satterfield, Pharm.D., R.Ph., First Health Services. Excused absences were; Robert Kubasak, R.Ph., Jill Orn, R.Ph. Unexcused absence was Beth Tranen, D.O. J. Lawson reviewed the minutes of the November 12, 2003 meeting. The minutes were approved with one correction. (1st J. Palomaki, 2nd T. Garner)

DUR Committee: A. Daniel reported on the PPI and H2R re-review cost savings of \$62,325. He also reported on the Sedative-Hypnotic re-review and cost savings of \$49,152. The third report was on the Doctor Shopping re-review and the resulting cost savings of \$27,109. (See report)

Health Plan Policy: T. Stroup gave an update on the P&T committee, Preferred Drug List (PDL) and Point of Sale (POS). T. Stroup introduced a new pharmacist in the Medicaid Policy Pharmacy Unit, Margeret Scott, R.Ph. T. Stroup stated that the RFP for the PDL/SR was placed for public response on December 1, 2003 and that the contract would be awarded by the end of February 2004. The P&T committee met in January and approved Tri-Luma for use in melasma with PA. Klonopin wafers will continue to be required Pad's. Topical testosterone products are to be covered without PA.

Unfinished Business: There was no unfinished business.

New Business: J. Lawson gave an update on MEDSTAT per R. Groves notes. The retroDUR program is going to be given one full day soon for MEDSTAT to work on creating our profiles, reports and criteria.

A. Daniels presented a possible educational outreach opportunity in working with Naakesh Dewan M.D. and Douglas Conley, L.I.S.W. in association with the Ohio Medication Algorithm Project (OMAP). The Board was asked if it would be appropriate to present this to the Deputy Director of Medicaid and to the Office of Ohio Medicaid Policy as an appropriate action for Ohio's retroDUR. This would provide Ohio with an opportunity to pursue educational outreach to the provider community. T. Garner proposed that the department should expand the provider community to include general practitioners as well as psychiatrists. With a proposal to vote (1st T. Garner, 2nd T. Gretter) the Board approved by way of an oral vote.

Next A. Daniels passed out information on cost benefit analysis conducted by the DUR Committee. The committee recommended to the DUR Board the splitting of pills in the SSRI class group. (See report) The DUR Board discussed whether this is an area that should be presented to the Medicaid Policy area as something that should be pursued. The Board approved pursuing this issue by way of an oral vote.

Next A. Daniels Discussed Enhanced Care Management (ECM). The disease management program currently pursued by the state will have an impact on current retroDUR. The ECM program is a managed care program for the aged, blind and disabled who have one or more of several disease states. All identified recipients will be enrolled in the program, but can opt out if they choose. The providers will be responsible to oversee their health care. Participation will be in eight areas around the state. (See report).

Announcements: There were no announcements.

Adjournment: With no further business, the Board meeting was adjourned at 2:02 P.M.

Respectfully submitted,

Jan C. Lawson, DUR Administrator

Supplement 3

SAMPLE DENIAL LETTER

**Ohio Department of Job and Family Services
First Health Services**

<<Recipient's Name>>	Mailing Date:	<<Today>>
<<Recipient's Address>>	Date of Request:	<<CD Create Date>>
<<Recipient's Address 2>>	Patient's ID (Billing No.):	<<Cardholder ID>>
<<Recipient's City, State Zip>>	County Code:	<<County Code>>

Dear [insert patient's name]:

Denial of Prior Authorization of Prescription Medication

Your physician, <<Physician First Name>> <<Physician Last Name>>, requested prior authorization of <<Brand Name>> <<Strength>> for you. We have denied prior authorization because: <<Denial Letter Drop-In per Initiative and/or Reason Code>>. We based this denial on Ohio Administrative Code Rule 5101:3-9-03.

Re-evaluation

If you want us to re-evaluate this denial, ask your physician to send a request for re-evaluation with supporting medical information to:

First Health Services Corporation - Pharmacy Department
14955 Heathrow Forest Parkway
Houston, Texas 77032

We may approve prior authorization if your physician requests re-evaluation and submits additional information. If we continue to deny prior authorization, we will send you another notice.

Your Right to a State Hearing

If you do not agree with this denial, you have the right to request a state hearing. A state hearing lets you or your representative (lawyer, welfare rights worker, friend or relative) give your reasons against this decision. We will also attend or be represented at the hearing to present the reasons for our denial. A hearing officer from the ODJFS will decide who is right.

If you want to request a state hearing, follow the directions below. If someone else makes a written hearing request for you, it must include a written statement, signed by you, telling us that person is your representative. Only you can make a request by telephone.

You can ask your local Legal Aid program for free help with your case. Call the Ohio State Legal Services Association at 1-800-589-5888 (a free call) if you need the local phone number.

If you want to request a state hearing, sign and date below and follow the directions below for sending to the ODJFS Bureau of State Hearings. The Bureau must get your request within 90 days after the mailing date above. You do not need to return this form unless you want a state hearing.

I want a state hearing.

Signature

Date

Directions for sending your state hearing request:

- Mail a copy of this page to Ohio Department of Job and Family Services, Bureau of State Hearings, P.O. Box 182825, Columbus, Ohio 43218-2825, or
- Fax this page to (614) 728-9574 (ODJFS Bureau of State Hearings), or
- E-mail to bsh@odjfs.state.oh.us. Please include your name, address, case number, and tell us why you are requesting a hearing, or
- Phone the ODJFS Consumer Access Line at 1-866-635-3748 (1-866-ODJFS-4-U) and follow the instructions for State Hearings. Only you may phone.

SUPPLEMENTAL INFORMATION TRAILER

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