

REQUEST FOR PROPOSALS

RFP NUMBER: CSP900322
INDEX NUMBER: DAS060
UNSPSC CATEGORY: 80100000

The State of Ohio, through the Department of Administrative Services, Office of Procurement Services, for the Human Resources Division (HRD), Benefits Administration Services (BAS), of the Department of Administrative Services (DAS), is requesting proposals for:

PHARMACY BENEFITS MANAGEMENT (PBM) SERVICES FOR THE STATE EMPLOYEE HEALTH BENEFIT FUND

RFP ISSUED: October 13, 2020
INQUIRY PERIOD BEGINS: October 13, 2020
INQUIRY PERIOD ENDS: November 3, 2020 at 8:00 a.m.
ELECTRONIC WEB RESPONSE DUE DATE: November 10, 2020 by 1:00 p.m.
PROPOSAL HARD COPY DUE DATE: November 12, 2020 by 1:00 p.m.

Proposals received after the due date and time will not be evaluated.

OPENING LOCATION: Department of Administrative Services
Office of Procurement Services
ATTN: Bid Desk
4200 Surface Rd.
Columbus, OH 43228-1395

PROPOSAL TECHNOLOGIES NETWORK (PROPOSAL TECH) ELECTRONIC WEB-SITE:

Begin registration at: <https://www.proposaltech.com/home/app.php/register>

Registration Code: OHPBMFY22

Offerors must note that all proposals and other material submitted will become the property of the state and may be returned only at the state's option. Proprietary information should not be included in a proposal or supporting materials because the state will have the right to use any materials or ideas submitted in any proposal without compensation to the offeror. Additionally, all proposals will be open to the public after the award of the contract has been posted on the State Procurement Web site. Refer to the Ohio Administrative Code, Section 123:5-1-08 (E).

SECTION I – RFP OVERVIEW

PURPOSE. This is a Request for Competitive Sealed Proposals (RFP) under Section 125.071 of the Ohio Revised Code (ORC) and Section 123:5-1-08 of the Ohio Administrative Code (OAC). The Department of Administrative Services (DAS), Office of Procurement Services, on behalf of DAS, Human Resources Division (HRD), Benefits Administration Services (BAS) (the Agency), is soliciting competitive sealed proposals (Proposals) for Pharmacy Benefits Management (PBM) Services for the State Employee Health Benefit Fund and this RFP is the result of that request. If a suitable offer is made in response to this RFP, the State of Ohio (State), through DAS, may enter into a contract (the Contract) to have the selected Offeror (the Contractor) perform all or part of the Project (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, 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 06/30/24. The State may solely renew this Contract at the discretion of DAS for a period of one month. Any further renewals will be by mutual agreement between the Contractor and DAS for any number of times and for any period of time. The cumulative time of all mutual renewals may not exceed four (4) years and are subject to and contingent upon the discretionary decision of the Ohio General Assembly to appropriate funds for this Contract in each new biennium. DAS may renew all or part of this Contract subject to the satisfactory performance of the Contractor and the needs of the Agency.

Any failure to meet a deadline in the submission or evaluation phases and any objection to the dates for performance of the Project may result in DAS refusing to consider the Proposal of the Offeror.

BACKGROUND.

Offerors should respond clearly and completely to all requirements. Offerors should address and definitively describe, in as much detail as possible, the individual roles and obligations of the Contractor, and of any applicable subcontractors, to ensure that the State will be satisfied with eventual outcomes in each of the areas of responsibility represented in this RFP.

State of Ohio employees are a geographically dispersed workforce of over 51,500 employees within approximately 100 agencies, boards, and commissions. The employees are physically located in approximately 200 work locations concentrated in Ohio and a small number of employees dispersed in States bordering Ohio and throughout the United States. The greatest concentrations of state employees are located in six (6) counties: Cuyahoga, Franklin, Hamilton, Lucas, Montgomery, and Summit.

The Department of Administrative Services, with the cooperation of its employee unions through collective bargaining negotiations and the labor/management Joint Health Care Committee (JHCC), offers health plans as part of a benefit package for State employees. The JHCC makes recommendations regarding pharmacy benefits, pharmacy benefit management selection, and strategic planning of the pharmacy benefit program.

The Ohio Department of Administrative Services is responsible for administering health benefits to State of Ohio employees and their dependents. The State does not administer benefits to retired employees or school employees. The State's Ohio Medical Plan is self-insured and provides coverage to approximately 44,600 of the State's employees, and approximately 111,300 members in total.

Currently, the State's Ohio Med PPO plan is administered by two (2) Third Party Administrators (TPAs). Following are the enrollment counts for each TPA:

BUSINESS PARTNER/PROVIDER	APPROXIMATE NUMBER OF EMPLOYEES	APPROXIMATE NUMBER OF PLAN MEMBERS
Medical Mutual	31,000	75,000
Anthem	14,000	36,000
TOTALS	45,000	111,000

Information for the plans' coverage is available at the State's employee benefits Web site: <http://das.ohio.gov/benefits>. The TPAs provide claims administration, utilization management, case management, and maternity management to covered members. Currently, the State contributes approximately 85% of the premium for health insurance coverage.

The State of Ohio currently works with the following additional health-related organizations that the vendor may be interacting with:

BUSINESS PARTNER/PROVIDER	BENEFIT PROGRAM PROVIDED BY THE BUSINESS PARTNER
United Behavioral Health - Optum	Mental Health and Substance Abuse
Community Insurance Company – Anthem	Telehealth
IBM Watson Health	Data Management
Sharecare	Population Health Management

The pharmacy program is currently administered by OptumRx. Two Claims Transaction Files will be available on Proposal Tech subject to the execution of the NDA, for the time periods of 7/1/2019 - 12/31/2019 and 1/1/2020 - 5/31/2020 representing 11 months of the State of Ohio's plan year. The following table provides an overview of the pharmacy benefit:

	RETAIL 30 DAY SUPPLY	RETAIL 90 DAY SUPPLY	MAIL 90 DAY SUPPLY
Copays	G\$10/FB\$40/NFB\$75/MSNFB\$75+ cost difference brand & generic	G\$30/FB\$120/NFB\$1225/MSNFB\$225+ cost difference brand & generic	G\$25/FB\$100/NFB\$187.50/MSNFB\$187.50+ cost difference brand & generic

(FB = Formulary Brand; G=Generic; NFB = Non-Formulary Brand; MSNFB = Multi-source Non Formulary Brand; OTC = Over the Counter PPI = Proton Pump Inhibitors)

Notes:

- Quantity limits are applied to selected drugs.
- Step therapy programs are in place for selected drugs and drug categories.
- Prior authorization may be required for some drugs or drug categories.
- There are quantity level limits for certain drugs
- There are several drug categories that are excluded from coverage
- Members in the HDHP will not pay for diabetic supplies or preventive medications at 100%

SUPPORTING DOCUMENTS. Additional documents that will enable each Offeror to complete its Proposal are provided below.

- As part of the Financial Worksheets, Historical Claims Data from the current PBM containing, but not limited to, the following fields:
 - Dummy Member ID
 - National Drug Code (NDC -11)
 - Drug Name

- 4) Pharmacy NCPDP Number
- 5) Quantity Dispensed
- 6) Prescription Days Supply
- 7) Mail/Retail Indicator
- 8) Formulary Indicator
- 9) Date Filled
- 10) DAW Code

2. Additional resources are available on the State of Ohio Web site at: <http://das.ohio.gov/benefits>
3. The Ohio Civil Service Employees Association (OCSEA) Collective Bargaining Agreement that addresses health benefits is located at:

[https://das.ohio.gov/Portals/0/DASDivisions/CollectiveBargaining/pdf/OCSEA%202018-2021%20W-Houskeeping%200711201%20\(SS\).pdf?ver=2019-11-07-092007-073](https://das.ohio.gov/Portals/0/DASDivisions/CollectiveBargaining/pdf/OCSEA%202018-2021%20W-Houskeeping%200711201%20(SS).pdf?ver=2019-11-07-092007-073)

OBJECTIVES. The purpose of this RFP is to solicit Proposals that fulfill the requirements, performance expectations, and deliverables as outlined in the Scope of Work (SOW). It shall be the successful Offeror's obligation to ensure that personnel involved with these services are qualified to perform their portions of the Work.

In summary, Offerors are responsible for addressing how they will provide the following services in their Proposals by responding to the questions provided via the procurement process:

1. Bidding Requirements
2. General Vendor Information
3. Services Questionnaire
4. Retail Network Disruption
5. GeoAccess Report
6. Formulary Disruption
7. Performance Guarantees, including Specialty Pharmacy-specific Performance Guarantees
8. Clinical Qualifications
9. Audits
10. Rx Pricing
11. Specialty Pharmacy Pricing
12. Pricing Guarantees
13. Pricing Questionnaire

OVERVIEW OF THE PROJECT'S SCOPE OF WORK. The Scope of Work for the Project is provided in Attachment One: Part One of this RFP. This section only gives a summary of that Work. If there is any inconsistency between this summary and the attachment's description of the Work, the attachment will govern.

Pursuant to Sections 124.81, 124.82, and 124.87 of the ORC and Chapter 125 of the OAC, DAS is responsible for contracts pertaining to health benefits. BAS is part of the DAS Human Resources Division (HRD). BAS seeks to explore and implement innovative, cost effective approaches to maximize the value of State benefit programs, as well as promote healthy lifestyles to improve the productivity of the workforce and improve the health of state of Ohio employees and their families. Additionally, its mission is to assist employing agencies to increase employees' and their families' understanding of the State's benefit programs through integrated training and communications, in an endeavor to encourage more effective benefit program utilization.

The purpose of this RFP is for the State of Ohio to contract with a pharmacy benefits management company with expertise in the required services. The selected Contractor shall provide expert service, reporting, and advice to the BAS, regarding their pharmacy benefit program. The Contractor shall work with DAS, BAS, and the labor-management Joint Health Care Committee (JHCC) to develop a pharmacy benefit strategy to help the State of Ohio meet their goals for this Program. The PBM Contract will go into effect and be operational on July 1, 2021.

The requested services for the proposed programs are to be based on the administration of all claims incurred on or after July 1, 2021. The Contractor(s) will be required to make all arrangements necessary to ensure a smooth transition of prior authorizations, step therapy, utilization management programs, administrative services, eligibility, and claims history from the current Contractors, if this RFP process should result in a change of Contractor(s).

This section describes the broad scope of services to be provided and should include, but not be limited to, the following:

1. Claims administration, customer service, and provider network
2. Simplification of administration and integration of services
3. Ability to deliver high-quality services at a competitive price

4. Ability to integrate and share specified data with multiple third-party Contractors (e.g. medical, behavioral health, population health management, health care flexible spending, COBRA, and data warehouse)
5. Strategic account management team that proactively suggests solutions and regularly communicates with the State of Ohio
6. Offeror commitments with performance guarantees that defend the Contractor's promises and the State of Ohio's expectations
7. Transparency within the entire organization openly reflecting the way the Contractor conducts its business
8. Documentable and measurable cost-containment activities
9. Actionable reporting including ad-hoc reporting capabilities

QUALIFIED OFFERORS.

The State is seeking Proposals from qualified Offerors to deliver all aspects of the Program described within this RFP. All operating expenses associated with the management, and maintenance, including without limitation, the Offeror's service fees, onsite salaries, wages, prevailing wages, payroll taxes, benefits materials, equipment, tools, parts, supplies, subcontractors, preventative and remedial maintenance contracts, and insurance must be included in the Offeror's Administrative Services Only (ASO) and other Pricing. Elements of the ASO and other Pricing must not be interspersed within the Technical Proposal.

Qualified Offerors must meet the Mandatory Requirements listed in Section III. Evaluation of Proposals, Table 1 of this RFP. The Offeror must demonstrate to DAS it meets the requirements in the Mandatory Table in the Cover Letter portion of its Offer.

The successful Offeror(s) must provide overall management for all the tasks outlined in this RFP and must provide administrative support for its staff. Throughout the Contract period, the successful Offeror(s) must provide and ensure a comprehensive Work Plan is developed, executed, monitored, reported and maintained to deliver the full scope of work.

Offerors must provide and perform all services as identified in accordance with appropriate government regulations, industry standards, and those designated in this RFP. The successful Offeror(s) must utilize qualified personnel that are able to perform the Work required and specified in this RFP. Unless otherwise approved by the DAS, all work performed and materials used under this Contract shall conform to the latest version of all State of Ohio, and DAS manuals, standards, specifications, policies, and procedures.

CALENDAR OF EVENTS. The schedule for the Project is given below, and is subject to change. DAS may change this schedule at any time. If DAS changes the schedule before the Proposal due date, it will do so through an announcement on the State Procurement Web site area for this RFP. The Web site announcement will be followed by an addendum to this RFP, also available through the State Procurement Web site. After the Proposal due date and before the award of the Contract, DAS will make scheduled changes through the RFP addendum process. DAS will make changes in the Project schedule after the Contract award through the change order provisions located 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. No contact shall be made with agency/program staff until contract award is announced.

DATES:

RFP Issued:	October 13, 2020
Inquiry Period Begins:	October 13, 2020
Inquiry Period Ends:	November 3, 2020 by 8:00 a.m.
Electronic Web Response Due Date:	November 10, 2020 by 1:00 p.m.
Proposal Hard Copy Due Date:	November 12, 2020 by 1:00 p.m.

Estimated Dates

Contract Award Notification:	TBD
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NOTE: These dates are subject to change.

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 (Columbus, OH local time) that the Proposals are due.

Electronic and Hard Copy proposals received after 1:00 p.m. on the due date will not be evaluated.

STRUCTURE OF THIS RFP. This RFP is organized into five parts. An overview of each part is provided below.

PART 1: RFP DOCUMENT. This section provides detailed instructions to the Offerors on the requirements for responding to the RFP; it also summarizes the RFP's objectives, project scope of work and timetable for completing this process.

Section I – RFP Overview

Section II – General Instructions

Section III – Evaluation of Proposals

Section IV – Award of the Contract

Section V – Scope of Work Requirements

PART 2: SUPPLEMENTS (REFERENCE DOCUMENTS). Informational reference documents defining specific requirements.

One – General Terms and Conditions

Two – Special Terms and Conditions

Three – Financial and Banking Requirements

Four – TPA Monthly Financial Reconciliation (TMFR)

Five – Zip Code Information

PART 3: ATTACHMENTS. Requirements to be completed and returned by the Offeror with their proposal submission.

One – Requirements for Offeror Proposals

Two – Contract

Three – Performance Form

Four – Business Associate Agreement (BAA)

Five – State IT Policy, Standard and Service Requirements

Six – State Information Security and Privacy Requirements

Seven – Willis Towers Watson Non-Disclosure Agreement

PART 4: QUESTIONNAIRE. This section contains questions pertaining to each of the evaluated categories. Offerors must respond to each question and, where applicable, include documentation with their proposal that supports the response provided. Offerors should respond clearly and completely to all requirements. All responses to the questionnaire(s) must be submitted in the designated question. Responses outside of the question will not be considered for evaluation. Offerors should address and definitively describe, in as much detail as possible, the individual roles and obligations of the Contractor, and of any applicable subcontractors, to ensure that the State will be satisfied with eventual outcomes in each of the areas of responsibility represented in this RFP.

PART 5 COST PROPOSAL. The Financial Worksheets will be provided to the Offerors upon execution of the Willis Towers Watson Non-Disclosure Agreement. The Non-Disclosure Agreement will be provided by and must be signed and returned to Karen Kuxhaus (karen.kuxhaus@willistowerswatson.com) at Willis Towers Watson in order to receive the aforementioned

Financial Worksheets. The Non-Disclosure Agreement applies to the Financial Worksheets and above Response Documents necessary for computation of the Offeror's cost to the State of Ohio.

Offeror must complete the pricing models provided by Willis Towers Watson, by the Proposal Electronic Due Date. The Offeror is prohibited from quoting fees which include commissions, overrides, or finder's fees. The submission of the pricing models will constitute the Offeror's Cost Proposal(s).

SECTION II: 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 DAS:

Mackenzie Nickell
Ohio Department of Administrative Services
Office of Procurement Services
4200 Surface Road
Columbus, OH 43228-1395

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

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:

1. Access the State Procurement Web site at <http://www.ohio.gov/procure>.
2. From the Quick Links Menu on the right, select "Bid Opportunities Search".
3. In the "Document/Bid Number" field, enter the RFP number found on the first page of this RFP.
4. Click "Search" button.
5. On the Procurement Opportunity Search Results page, click the hyperlinked Document Number.
6. On the Procurement Opportunity Search Details page, click on the blue box with the words "Submit Inquiry".
7. On the Opportunity Document Inquiry page, complete the required "Personal Information" section by providing:
 - a. First and last name of the prospective Offeror's representative who is responsible for the inquiry.
 - b. Representative's business phone number.
 - c. Representative's company name.
 - d. Representative's e-mail address.
8. Type the inquiry in the space provided including:
 - a. Reference the relevant part of this RFP.
 - b. The heading for the provision under question.
 - c. The page number of the RFP where the provision can be found.
9. Enter the Confirmation Number at the bottom of the page.
10. 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 of the inquiry. 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 and responses using the following process:

1. Access the State Procurement Web site at <http://www.ohio.gov/procure>.
2. From the "Quick Links" menu on the right, select "Bid Opportunities Search".
3. In the "Document/Bid Number" field, enter the RFP number found on the first page of this RFP.
4. Click the "Search" button.
5. On the Procurement Opportunity Search Detail page, click on the blue box with the words "View Q and A".
6. All inquiries with responses submitted to date are viewable.

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

Offerors are to base their RFP responses, and the details and costs of their proposed projects, on the requirements and performance expectations established in this RFP for the future contract, not on details of any other potentially related contract or project. If Offerors ask questions about existing or past contracts using the Internet Q&A process, DAS will use its discretion in deciding whether to provide answers as part of this RFP process.

DAS is under no obligation to acknowledge questions submitted through the Q&A process if those questions are not in accordance with these instructions or deadlines.

PROTESTS. Any Offeror that objects to the award of a Contract resulting from the issuance of this RFP may file a protest of the award of the Contract, or any other matter relating to the process of soliciting the Proposals. Such protest must comply with the following information:

1. The protest must be filed by a prospective or actual offeror objecting to the award of a Contract resulting from the RFP. The protest must be in writing and contain the following information:
 - a. The name, address, and telephone number of the protester;
 - 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 request for a ruling by DAS;
 - e. A statement as to the form of relief requested from DAS; and
 - f. Any other information the protester believes to be essential to the determination of the factual and legal questions at issue in the written request.
2. A timely protest will be considered by DAS, on behalf of the agency, if it is received by the DAS, Office of Procurement Services (OPS) within the following periods:
 - a. A protest based on alleged improprieties in the issuance of the RFP, or any other event preceding the closing date for receipt of proposals which are apparent or should be apparent prior to the closing date for receipt of proposals, must be filed no later than five (5) business days prior to the proposal due date.
 - b. If the protest relates to the recommendation of the evaluation committee for an award of the Contract, the protest must be filed as soon as practicable after the Offeror is notified of the decision by DAS regarding the Offeror's proposal.
3. An untimely protest may be considered by DAS at the discretion of DAS. An untimely protest is one received by the DAS OPS after the time periods set in paragraph 2 above. In addition to the information listed in paragraph 1, untimely protests must include an explanation of why the protest was not made within the required time frame.
4. All protests must be filed at the following location:

Department of Administrative Services
Office of Procurement Services
4200 Surface Road
Columbus, OH 43228-1395

SUBJECT: CSP900322 DAS060

This protest language only pertains to this RFP offering.

ADDENDA TO THE RFP. If DAS decides to revise this RFP before the Proposal due date, an addendum will be announced on the State Procurement Web site.

Offerors may view addenda using the following process:

1. Access the State Procurement Web site at <http://www.ohio.gov/procure>.
2. From the "Quick Links menu on the right, select "Bid Opportunities Search".
3. In the "Document/Bid Number" field, enter the RFP number found on the first page of this RFP.
4. Click the "Search" button.
5. On the Procurement Opportunity Search Results page, click the hyperlinked Document Number.
6. On the Procurement Opportunity Search Detail page, under "Associated PDF Files", links to one or more Addendums, will be displayed. Click on the addenda hyperlink to view.

When an addendum to this RFP is necessary, DAS may extend the Proposal due date through an announcement on State Procurement Web site. It is the responsibility of each prospective Offeror to check for announcements and other current information regarding this RFP.

After the submission of Proposals, addenda will be distributed only to those Offerors whose submissions are under active consideration. When DAS issues an addendum to the RFP after Proposals have been submitted, DAS will permit Offerors to withdraw their Proposals.

This withdrawal option will allow any Offeror to remove its Proposal from active consideration should the Offeror feel that the addendum changes the nature of the transaction to the extent that the Offeror's Proposal is no longer in its interests. Alternatively, DAS may allow Offerors that have Proposals under active consideration to modify their Proposals in response to the addendum, as described below.

Whenever DAS issues an addendum after the Proposal due date, DAS will tell all Offerors whose Proposals are under active consideration whether they have the option to modify their Proposals in response to the addendum. Any time DAS amends the RFP after the Proposal due date, an Offeror will have the option to withdraw its Proposal even if DAS permits modifications to the Proposals. If the Offerors are allowed to modify their Proposals, DAS may limit the nature and scope of the modifications. Unless otherwise stated in the notice by DAS, modifications and withdrawals must be made in writing and must be submitted within ten (10) business days after the addendum 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 DAS at the address and in the same manner required for the submission of the original Proposals. Any modification that is broader in scope than DAS has authorized may be rejected and treated as a withdrawal of the Offeror's Proposal.

PROPOSAL SUBMITTAL. This RFP submission process requires an electronic web response submission, a hard copy submission and a CD submission.

ELECTRONIC WEB RESPONSE ONLINE PROPOSAL TECH SUBMISSION.

The electronic submission is being conducted via the Internet using the Proposal Technologies Network, Inc. (Proposal Tech) application (<https://www.proposaltech.com/home/app.php/register>). Instructions, username, password, and optional training information will be e-mailed to the Offeror upon registration. For any organization that may be unfamiliar with this Web-based tool, Proposal Tech representatives will schedule training sessions at the Offeror's convenience. In addition, the Offeror may view an online training demonstration of the system and its functionality. This demonstration lasts approximately five minutes and will improve the Offeror's understanding of the system's functionality. Click the link to view the flash demonstration for further information: http://www.proposaltech.com/help/docs/response_training_798x599.htm

- A. During the solicitation advertisement period technical questions related to the Proposal Tech system should be directed to the Proposal Tech customer service team via e-mail to support@proposaltech.com.
- B. During the solicitation advertisement period all questions related to the RFP content should be directed to the State of Ohio Procurement office through the inquiries process outlined above.

Offerors are required to complete their electronic RFP submission online through the Proposal Tech online procurement tool. Offeror responses must be completed in the tool and submitted prior to the Electronic Web Response Proposal Due Date and time noted. Sign-on instructions and a welcome memo will be sent to the registered Offerors.

ONLINE PROPOSAL TECH SUBMISSION:

Offeror must submit/attach the following in the Proposal Tech tool by the Electronic Web Response Due Date and time noted:

1. Questionnaire (completed within Proposal Tech)
2. Network Disruption - per instructions in question 2.13.1 of the questionnaire (Excel spreadsheet)
3. Geo Access Report - per instructions in question 2.13.8 of the questionnaire (Excel spreadsheet)
4. Formulary Disruption - per instructions in question 2.15.5 of the questionnaire (Excel spreadsheet)
5. All items outlined in Attachment One- Requirements For Proposals (excluding Cost Proposal)

PROPOSAL (CD) AND HARD COPY SUBMISSION TO DAS.

Each Offeror must submit a Technical Proposal in a sealed envelope/package as part of its Proposal package. The Technical Proposal package must be clearly marked "CSP900322 RFP – Technical Proposal" on the outside of each Technical Proposal package's envelope. Each Offeror must submit one (1) original, completed and signed in blue ink, and one (1) CD copy, of the Offeror's complete proposal. The Offeror's complete proposal includes all documents, excluding the Financial Worksheets, submitted via the online Proposal Tech submission.

The Proposal (CD) and Hard Copy submission must contain the final documents submitted on the Proposal Tech website, each Proposal must be organized in an indexed binder ordered in the same manner as the response items are ordered in Attachment One of this RFP.

The Proposal (CD) must be on CD-ROM in Microsoft Office (Word, Excel, or Project) 2003 or higher, format and/or PDF format as appropriate. In the event there is a discrepancy between the hard copy and the electronic copy, the hard copy will be the

official Proposal. Proposals are due no later than the proposal due date, at 1:00 p.m. Proposals submitted by e-mail or fax are not acceptable and will not be considered.

If an Offeror includes in its proposal confidential, proprietary, or trade secret information, it must also submit a complete redacted version of its Technical Proposal in accordance with Confidential, Proprietary or Trade Secret Information that follows. Offerors shall only redact (black out) language that is exempt from disclosure pursuant to Ohio Public Records Act. Offerors must also submit an itemized list of each redaction with the corresponding statutory exemption from disclosure. The redacted version must be submitted as a paper copy as well as an electronic copy on CD ROM in a searchable PDF format. The redacted version, as submitted, will be available for inspection and released in response to public records requests. If a redacted version is not submitted, the original submission of the proposal will be provided in response to public records requests.

Proposals must be submitted to:

Department of Administrative Services
Office of Procurement Services - Bid Desk
4200 Surface Road
Columbus, OH 43228-1395

DAS will reject any Proposals or unsolicited Proposal addenda that are received after the deadline. An Offeror that mails its Proposal must allow adequate mailing time to ensure its timely receipt. DAS recommends that Offerors submit proposals as early as possible. Proposals received prior to the deadline are stored, unopened, in a secured area until 1:00 p.m. on the due date. Offerors must also allow for potential delays due to increased security. DAS will 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. DAS 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 the RFP.

ORC Section 9.24 prohibits DAS 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. ORC Section 9.231 applies to this contract.

DAS 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. Any question asked during the inquiry period will not be viewed as an exception to the Terms and Conditions.

CONFIDENTIAL, PROPRIETARY OR TRADE SECRET INFORMATION. DAS procures goods and services through a RFP in a transparent manner and in accordance with the laws of the State of Ohio. All proposals provided to DAS in response to this RFP become records of DAS and as such, will be open to inspection by the public after award unless exempt from disclosure under the Ohio Revised Code or another provision of law.

Unless specifically requested by the State, an Offeror should not voluntarily provide to DAS any information that the Offeror claims as confidential, proprietary or trade secret and exempt from disclosure under the Ohio Revised Code or another provision of law. Additionally, the Offeror must understand that all Proposals and other material submitted will become the property of the State and may be returned only at the State's option. Confidential, proprietary or trade secret information should not be voluntarily included in a Proposal or supporting materials because DAS will have the right to use any materials or ideas submitted in any Proposal without compensation to the Offeror.

However, if the State requests from the Offeror, or if the Offeror chooses to include, information it deems confidential, proprietary, or trade secret information, the Offeror may so designate such information as "CONFIDENTIAL" by redacting only that information that is exempt from disclosure under the Ohio Revised Code or another provision of law and must provide a list of the redactions stating the specific statutory exemption for each redaction. The Offeror must clearly designate the part of the proposal that contains confidential, proprietary or trade secret information in order to claim exemption from disclosure by submitting both an unredacted copy and a redacted copy of its proposal in both electronic and paper (hard) format. Both electronic and paper (hard) copies shall be clearly identified as either "ORIGINAL COPY" or "REDACTED COPY". Failure to properly redact and clearly identify all copies will result in the State treating all information in the original proposal as a public record.

DAS may review the claimed confidential, proprietary or trade secret information to determine whether the redaction is proper. The decision as to whether such confidentiality is appropriate rests solely with DAS. If DAS determines that the

information marked as confidential, trade secret, or proprietary does not meet a statutory exception to disclosure, DAS will inform the Offeror, in writing, of the information DAS does not consider confidential.

Upon receipt of DAS' determination that all or some portion of the Offeror's designated information will not be treated as exempt from disclosure, the Offeror may exercise the following options:

1. Withdraw the Offeror's entire Proposal (prior to award only);
2. Request that DAS evaluate the Proposal without the redacted information (prior to award only); or
3. Withdraw the designation of confidentiality, trade secret, or proprietary information for such information.

In submitting a proposal, each Offeror agrees that DAS may reveal confidential, proprietary and trade secret information contained in the proposal to DAS staff and to the staff of other state agencies, any outside consultant or other third parties who serve on an evaluation committee or who are assisting DAS in development of specifications or the evaluation of proposals. The State shall require said individuals to protect the confidentiality of any specifically identified confidential, proprietary or trade secret information obtained as a result of their participation in the evaluation.

Finally, if information submitted in the Proposal is not marked as confidential, proprietary or trade secret, it will be determined that the Offeror waived any right to assert such confidentiality and the entire Proposal shall be deemed a public record.

DAS will retain all Proposals, or a copy of them, as part of the Contract file for the required retention period. After the retention period, DAS may return, destroy, or otherwise dispose of the Proposals or the copies.

WAIVER OF DEFECTS. DAS may waive any defects in any Proposal or in the submission process followed by an Offeror. DAS will only do so if it believes that it is in the State's interests and will not cause any material unfairness to other Offerors.

MULTIPLE OR ALTERNATE PROPOSALS. DAS accepts multiple Proposals from a single Offeror, but DAS requires each such Proposal 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 by reference from another Proposal made by the Offeror or refer to another Proposal. DAS will judge each alternate Proposal on its own merit.

ADDENDA TO PROPOSALS. Addenda or withdrawals of Proposals will be allowed only if the addendum or withdrawal is received before the Proposal due date. No addenda or withdrawals will be permitted after the due date, except as 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 Attachment One of this RFP.

DAS wants clear and concise Proposals. Offerors should, however, take care to completely answer questions and meet the RFP's requirements thoroughly. All Offerors, including current contract holders, if applicable, must provide detailed and complete responses as Proposal evaluations, and subsequent scores, are based solely on the content of the Proposal.

No assumptions will be made or values assigned for the competency of the Offeror whether or not the Offeror is a current or previous contract holder.

The requirements for the Proposal's contents and formatting are contained in an attachment to this RFP.

DAS will not be liable for any costs incurred by an Offeror in responding to this RFP, regardless of whether DAS awards the Contract through this process, decides not to go forward with the Project, cancels this RFP for any reason, or contracts for the Project through some other process or by issuing another RFP.

SECTION III: EVALUATION OF PROPOSALS

EVALUATION OF PROPOSALS. The evaluation process consists of, but is not limited to, the following steps:

1. Certification. DAS shall open only those proposals certified as timely by the Auditor of State.
2. Initial Review. DAS will review all certified Proposals for format and completeness. DAS normally rejects any incomplete or incorrectly formatted Proposal, though it may waive any defects or allow an Offeror to submit a correction. If the Offeror meets the formatting and mandatory requirements listed herein, the State will continue to evaluate the proposal.
3. Proposal Evaluation. The DAS procurement representative responsible for this RFP will forward all timely, complete, and properly formatted Proposals to an evaluation committee, which the procurement representative will chair. The evaluation committee will rate the Proposals submitted in response to this RFP based on criteria and weight assigned to each criterion.

The evaluation committee will evaluate and numerically score each Proposal that the procurement representative has determined to be responsive to the requirements of this RFP. 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 DAS has a right to break these criteria into components and weight any components of a criterion according to their perceived importance.

The evaluation committee 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 evaluation committee 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. In seeking such reviews, evaluations, and advice, the evaluation committee will first decide how to incorporate the results in the scoring of the Proposals. The evaluation committee may adopt or reject any recommendations it receives from such reviews and evaluations.

The evaluation will result in a point total being calculated for each Proposal. At the sole discretion of DAS, any Proposal, in which the Offeror received a significant number of zeros for sections in the technical portions of the evaluation, may be rejected.

DAS 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.

4. Clarifications & Corrections. During the evaluation process, DAS may request clarifications from any Offeror under active consideration and may give any Offeror the opportunity to correct defects in its Proposal if DAS believes doing so does not result in an unfair advantage for the Offeror and it is in the State's best interests. Any clarification response that is broader in scope than what DAS has requested may result in the Offeror's proposal being disqualified.
5. Interviews, Demonstrations, and Presentations. DAS may require top Offerors to be interviewed. Such presentations, demonstrations, and interviews will provide an Offeror with an opportunity to clarify its Proposal and to ensure a mutual understanding of the Proposal's content. This will also allow DAS an opportunity to 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 DAS. DAS may record any presentations, demonstrations, and interviews. The top Offerors may be requested to present an oral presentation of their proposed Work Plan to the evaluation committee.
6. Contract Negotiations. Negotiations will be scheduled at the convenience of DAS. The selected Offeror(s) are expected to negotiate in good faith.
 - a. General. Negotiations may be conducted with any Offeror who submits a competitive Proposal, but DAS 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. Negotiated changes that are reduced to writing will become a part of the Contract file open to inspection to the public upon award of the Contract. Any Offeror whose response continues to be competitive will be accorded fair and equal treatment with respect to any clarification, correction, or revision of the RFP and will be given the opportunity to negotiate revisions to its Proposal based on the amended RFP.
 - b. Top-ranked Offeror. Should the evaluation process have resulted in a top-ranked Proposal, DAS 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, DAS 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.

- c. Negotiation with Other Offerors. If DAS 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, DAS 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.

Negotiation 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.

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

It is entirely within the discretion of DAS 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. DAS is free to limit negotiations to particular aspects of any Proposal, to limit the Offerors with whom DAS wants to negotiate, and to dispense with negotiations entirely.

DAS 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, DAS may negotiate with the next Offeror in ranking. Alternatively, DAS 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.

The written changes will be drafted and signed by the Offeror and submitted to DAS within a reasonable period of time. If DAS accepts the change, DAS will give the Offeror written notice of DAS' acceptance. The negotiated changes to the successful offer will become a part of the Contract.

- e. 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, DAS may terminate negotiations with that Offeror and collect on the Offeror's proposal bond, if a proposal bond was required in order to respond to this RFP.
7. Best and Final Offer. If best and final proposals, or best and final offers (BAFOs), are required, they may be submitted only once; unless DAS makes a determination that it is in the State's interest to conduct additional negotiations. In such cases, DAS 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.
8. Determination of Responsibility. DAS 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 not to be responsible. DAS' determination of an Offeror's responsibility may include the following factors: the experience of the Offeror and its key team members; past conduct and past performance on previous contracts; ability to execute this contract properly; and management skill. DAS will make such determination of responsibility based on the Offeror's Proposal, reference evaluations, and any other information DAS requests or determines to be relevant.
9. Reference Checks. DAS may conduct reference checks to verify and validate the Offeror's or proposed candidate's 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 DAS not including the referenced 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. DAS reserves the right to check references other than those provided in the Offeror's Proposal. DAS 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.

10. Financial Ability. Part of the Proposal evaluation criteria is the qualifications of the Offeror which may include, as a component, the Offeror's financial ability to perform the Contract. This RFP may expressly require the submission of financial statements from all Offerors in the Proposal contents attachment. If the Proposal contents attachment does not make this an expressed requirement, the State may still request that an Offeror submit audited financial statements for up to the past three (3) 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, if requested, the State will review the documentation provided by the Offeror to determine if the Offeror's financial position is adequate or inadequate. If the State believes the Offeror's financial ability is not adequate, the State may reject the Proposal despite its other merits.

DAS will decide which phases are necessary. DAS has the right to eliminate or add phases at any time in the evaluation process.

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

MANDATORY REQUIREMENTS. The following Table 1 contains an item that is considered a minimum requirement for this RFP.

Determining the Offeror's ability to meet the minimum requirements is the first step of the DAS evaluation process. The Offeror must demonstrate, to DAS, it meets all minimum requirements listed in the Mandatory Requirements section (Table 1). The Offeror's response to the minimum requirements must be clearly labeled "Mandatory Requirements" and collectively contained in Tab 1 of the Offeror's Proposal in the "Cover Letter and Mandatory Requirements" section. (Refer to Attachment One of the RFP document for additional instructions.) The same response must also be provided in the RFP questionnaire.

DAS will evaluate the Offeror's documentation submitted in its Cover Letter and Mandatory Requirements section, alone, to determine whether the Proposal meets all Mandatory Requirements. If the information contained in Cover Letter and Mandatory Requirements section does not clearly meet every Mandatory Requirement, the Proposal may be disqualified by DAS and DAS may not evaluate any other portion of the Proposal.

TABLE 1 - MANDATORY PROPOSAL REQUIREMENTS

MANDATORY REQUIREMENTS: The Offeror must provide documentation in the Cover Letter and Mandatory Requirements section of the Questionnaire demonstrating how it meets each of the following Mandatory Requirements:		
Requirement:	Accept	Reject
Offeror must agree to put fees at risk based on performance guarantees to be finalized with the State prior to the implementation date.		
Offeror must agree to a fully transparent pricing arrangement.		
Offeror must agree to 100% pass through of all rebates, including but not limited to base, formulary, Manufacturer Administrative Fees (MAF) and Inflation Protection Payments should be passed-through to the State and no amount associated with the State's claims/utilization will be retained through any Group Purchasing Organization (GPO), aggregator or other similar arrangements/entity.		
Offeror must provide a transparent and pass-through arrangement for specialty and non-specialty drugs dispensed through all retail pharmacies. The amount billed to the State will be equal to the amount paid by the Contractor to the participating pharmacies. Maximum Allowable Cost (MAC) spread or any other creative spreads are not allowed.		
Offeror must agree to be audited with all matters related to this contract by the State or by an entity chosen by the State at a frequency determined by the State, and up to three (3) years post contract termination/expiration at no additional cost.		

The State will have the right to audit the agreements between any GPO, aggregator or other similar arrangements/entity, and manufacturers for rebates.		
Three-year cost proposal with minimum guarantees specific to the State for discount, dispensing fee and rebate performance with dollar for dollar payouts to the State for any shortfalls.		
Offeror will administer the State's plan design with similar clinical programs and formulary approach.		
Offeror will agree to annual market checks.		
Confirm your organization attests to the fact that it can provide plan administration on a self-insured basis for the pharmacy benefit plan currently offered to State employees.		
The Offeror will act in the best interest of the State's plan with respect to all financial aspects including, but not limited to, formulary, clinical, retail network, and other management, as well as negotiation of all discounts, rebates, and all other financial elements.		

If the State receives no Proposals meeting all of the Mandatory Requirements, the State may elect to cancel this RFP.

PROPOSAL EVALUATION CRITERIA. If the Offeror provides sufficient information to DAS, in Table 1, of its proposal, demonstrating it meets the Mandatory Requirements, the Offeror's Proposal will be included in the next part of the evaluation process which involves the scoring of the Proposal Technical Requirements, followed by the scoring of the Cost Proposals. In the Proposal evaluation phase, the evaluation committee rates the Proposals submitted in response to this RFP based on the following listed criteria and the weight assigned to each criterion. The maximum available points allowed in this RFP are distributed as indicated in Table 2 - Scoring Breakdown.

TABLE 2 - SCORING BREAKDOWN

Criteria	Maximum Available Points
Proposal Technical Requirements	550 Points
Proposal Cost	375 Points
Finalist Interview (the selected finalists only)	75 Points
Maximum Available Points	1000 Points

DAS will apply the Veterans Friendly Business Enterprise preference as required by ORC 9.318 and OAC 123:5-1-16.

The scale below (0-5) will be used to rate each proposal on the criteria listed in the Technical Proposal Evaluation table.

DOES NOT MEET 0 POINTS	WEAK 1 POINT	WEAK TO MEETS 2 POINTS	MEETS 3 POINTS	MEETS TO STRONG 4 POINTS	STRONG 5 POINTS
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DAS will score the Proposals by multiplying the score received in each category by its assigned weight and adding all categories together for the Offeror's Total Technical Score. Representative numerical values are defined as follows:

DOES NOT MEET (0 pts.): Response does not comply substantially with requirements or is not provided.

WEAK (1 pt.): Response was poor related to meeting the objectives.

WEAK TO MEETS (2 pts.): Response indicates the objectives will not be completely met or at a level that will be below average.

MEETS (3 pts.): Response generally meets the objectives (or expectations).

MEETS TO STRONG (4 pts.): Response indicates the objectives will be exceeded.

STRONG (5 pts.): Response significantly exceeds objectives (or expectations) in ways that provide tangible benefits or meets objectives (or expectations) and contains at least one enhancing feature that provides significant benefits.

In this RFP, DAS 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 DAS received.

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

COST PROPOSAL POINTS. After technical points have been determined the Offeror's Cost Points will be calculated as follows:

Based upon the State's consultant's Financial Worksheets analysis, Cost Points will be prorated with the lowest accepted cost proposal given the maximum number of points possible. The State's consultant will evaluate all financial components of Offerors' submissions including discounts, dispensing fees, rebates, administrative and other fees on a consistent basis using the state of Ohio's current PBM arrangement as a baseline. Other acceptable cost proposals will be scored as the ratio of the lowest price proposal to the proposal being scored, multiplied by the maximum number of points possible.

FINAL STAGES OF EVALUATION. The Offeror(s) with the highest point total from all phases of the evaluation (Technical Points + Cost Points + Interview Points (if applicable)) will be recommended for the next phase of the evaluation. If DAS finds that one or more Proposals should be given further consideration, DAS may select one or more of the highest-ranking Proposals to move to the next phase. DAS may alternatively choose to bypass any or all subsequent phases and make an award based solely on the proposal evaluation phase.

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

DISCLOSURE OF PROPOSAL CONTENTS. DAS will seek to open the Proposals in a manner that avoids disclosing their contents. Additionally, DAS will seek to keep the contents of all Proposals confidential until the Contract is awarded. DAS 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.

SECTION IV: AWARD OF THE CONTRACT

CONTRACT AWARD. DAS plans to award the Contract based on the schedule in the RFP, if DAS decides the Project is in the best interests of the State and has not changed the award date.

The signature page for the Contract is included as Attachment Two of this RFP. In order for an Offeror's Proposal to remain under active consideration, the Offeror must sign, the two (2) copies enclosed, in blue ink and return the signed Contracts to DAS with its response. Submittal of a signed Contract does not imply that an Offeror will be awarded the Contract. In awarding the Contract, DAS will issue an award letter to the selected Contractor. The Contract will not be binding on DAS until the duly authorized representative of DAS signs both copies and returns one (1) to the Contractor, the Agency issues a purchase order, and all other prerequisites identified in the Contract have occurred.

DAS expects the Contractor to commence work upon receipt of a state issued purchase order. If DAS awards a Contract pursuant to this RFP and the Contractor is unable or unwilling to commence the work, DAS 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.

CONTRACT. If this RFP results in a Contract award, the Contract will consist of this RFP including all attachments, written addenda to this RFP, the Contractor's accepted Proposal and written authorized addenda to the Contractor's Proposal. It will also include any materials incorporated by reference in the above documents and any purchase orders and change orders issued under the Contract. The general terms and conditions for the Contract are contained in Supplement One 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 Offeror's proposal, as amended, clarified, and accepted by DAS; and
4. The documents and materials incorporated by reference in the Offeror'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.

SECTION V – SCOPE OF WORK REQUIREMENTS

This section describes the Project and what the Contractor must do to complete the Project satisfactorily. It also describes what the Offeror must deliver as part of the completed Project (the "Deliverables"), and it gives a detailed description of the Project's schedule. The Contractor must meet all RFP requirements and perform Work as defined in the Scope of Work.

I. DEFINITIONS.

- A. Agency. The Ohio Department of Administrative Services (DAS), Office of Benefits Administration Services (BAS).
- B. BAA. A contract between a HIPAA covered entity and a HIPAA business associate (BA) that is used to protect personal health information (PHI) in accordance with HIPAA guidelines.
- C. Business Days. All days except Saturdays, Sundays and holidays. All references to "day(s)" are to calendar days unless "business day" is specified.
- D. Calendar Year. January 1 through December 31 of the respective year.
- E. Contract Quarter. The full three (3) month period commencing on the Effective Date, and each full consecutive three (3) month period thereafter that this Contract remains in effect.
- F. Contract Year. The full twelve (12) month period commencing on the Effective Date, and each full consecutive 12 month period thereafter that this Contract remains in effect.
- G. Contractor. A successful Offeror who will perform the duties specified in the Contract.
- H. DM. Disease Management. Refers to a system of coordinated health care interventions and communications for individuals with Covered Diseases in which patient self-care efforts are significant.
- I. Eligible Person. Each person who, through affiliation with a Group, is eligible for prescription drug benefits pursuant to the State's eligibility requirements, and such person's qualified dependents.
- J. SFTP. Secure File transfer protocol.
- K. Group. A group of Eligible Persons that have the same Plan Design as designated by the State.
- L. Offeror: A company or individual submitting a Proposal in response to this RFP.
- M. On-Line System. The Contractor's real time, on-line system for adjudicating prescription drug claims submitted by retail pharmacies.
- N. PEP. Per Employee Per Month. In this context, refers to the cost of providing subject pharmacy/medical service stated as the average cost to provide that service to one (1) eligible employee for one (1) month.
- O. Plan Design. Program drug coverage, days supply limitation, Copayment/Coinsurance, Formulary (including Formulary drug selection and relative cost indication), and other Program specifications applicable to the Program designated by the State as set forth in this Contract or otherwise documented between the parties.
- P. PMP. Per Member Per Month. In this context, refers to the cost of providing subject pharmacy/medical service stated as the average cost to provide that service to one (1) eligible member for one (1) month.
- Q. Primary Eligible Participant. Each Eligible Person, excluding Eligible Persons who are qualified dependents.
- R. State. Refers to the State of Ohio, through any of its departments, agencies, or representatives.
- S. State of Ohio fiscal year: The period from July 1 of one (1) calendar year through June 30 of the following calendar year.
- T. Subcontractor. Any service provider hired under contract with the Contractor to meet the requirements of this agreement.

II. SCOPE OF WORK

The awarded Contractor agrees to be responsible for the outlined requirements identified in this RFP. In addition, the awarded Contractor agrees to stay apprised of and meet or exceed all standards, regulations, laws and ordinances as adopted by federal, state and local authorities. These laws and ordinances must include, but not be limited to, any governing body under which the State may operate now or in the future.

A. GENERAL REQUIREMENTS.

1. The Contractor shall administer the program in accordance with the State's plan design with similar clinical programs and formulary approach. The current plan design information and 2021 annual enrollment guide provided to employees of the State is available at the two following sites:

https://das.ohio.gov/Portals/0/DASDivisions/HumanResources/BA/openenrollment/2020/MyBenefits_Guide_2020-21_interactive.pdf?ver=2020-05-11-104316-427

<https://das.ohio.gov/prescriptiondrug>

2. Utilization Review, including:
 - a. Monitoring of claims for appropriate utilization of services.
 - b. Programs to incent or require appropriate utilization of services.
3. Eligibility Management, including:
 - a. Data Exchange. The Contractor shall retrieve and load an eligibility file, at a frequency determined by the State. The file is an 834 HIPAA file generated from PeopleSoft and placed on the State's SFTP site for retrieval. The Contractor shall update its system to reflect data as prescribed by the State. Eligibility information shall be processed and effective within two (2) business days of receipt of the eligibility information.
 - b. Accurately managing eligibility and providing coverages/adjudicating claims accordingly.
 - c. Timely provision of ID cards to participants.
4. Initial Review of Copay Exceptions. The Contractor must have a process and criteria for providing the initial review for copay exception requests.
5. External Funded Program. The Contractor must disclose all externally funded programs or services to the State of Ohio.
6. When interfacing with subcontractors, the Contractor shall accommodate the electronic exchange of data between the Contractor, its subcontractors, the State of Ohio, and the State's other business partners such as health plans.
7. Integration with other Contractors, including:
 - a. Providing files as required by the State to other Contractors associated with management of the health and all health programs of the State (potentially including, but not limited to, medical, behavioral health, population health management, health care flexible spending, and data warehouse).
 - b. Receiving files as required by the State from other Contractors associated with management of the health and health programs of the State.
 - c. Coordination with carved-out behavioral health contractor, including integrated accumulator tracking of deductibles/coinsurance/copays/out-of-pocket max, as well as any future plan design accumulators.
 - d. Coordination with the State's medical TPAs, including integrated accumulator tracking of deductibles/coinsurance/copays/out-of-pocket max, as well as any future plan design accumulators.

B. MARKET CHECK. The State requires offerors propose a three-year transparent financial arrangement with an annual market check, with a 1% threshold for each year of the contract term.

1. On an annual basis, the State (or its representative) may review the financial terms of this agreement to comparable financial offerings available in the marketplace.

2. Should market conditions result in a 1% or greater savings, the State or its representative will provide a report of the market check findings to the Contractor.
3. Upon receipt of such report, the Contractor will have ten (10) days to offer a comparable or better financial arrangement as compared to the market benchmark.
4. The Contractor's financial proposal must be in the form of a contract amendment and must be effective July 1 of each contract year, beginning July 1, 2022.
5. If the Contractor and the State are unable to agree to the terms of an Amendment, the State may terminate this Agreement, without penalty, on ninety (90) days written notice to the Contractor the State will calculate savings based upon the same metrics used to evaluate this proposal.
6. The State will not be required to provide the Contractor with details of other PBM financial arrangements or proposals.

C. OPEN ENROLLMENT.

1. The Contractor will provide the State with open enrollment readiness support each contract year.
2. Such support shall include training the Contractor's customer service on any changes, implementing plan design changes, accurate set up of open enrollment website, including pricing, plan design, network and formulary look up, as reasonably requested by the State and providing accurate member communications (printed materials) (as requested by the State).
3. The Contractor will perform testing of customer service calls to measure accuracy of responses.
4. The Contractor will perform testing of the open enrollment website to measure accuracy of plan design and functionality of the website.
5. All test results will be documented, reviewed and sent to the State prior to open enrollment.

D. ACCOUNT MANAGEMENT. This section contains the primary areas of management responsibility essential to this Project.

1. Account Team. The State of Ohio requires a complete account team that can provide both daily operational support and strategic planning and analysis. All account team members must have experience with large public employers and there must be, at a minimum, one (1) dedicated pharmacist licensed in the State of Ohio included as a member of this team.
2. The State requires a day-to-day, designated client service team that the State can contact for escalated member issues outside of the account team.
3. The State requires, at a minimum, the following roles within the account management team:
 - a. Account Executive responsible for the overall management of the account.
 - b. Account Manager(s) responsible for day-to-day needs of the account, with one primary point of contact.
 - c. Financial Analyst responsible for financial activities related to the State's contract
 - d. Claims Supervisor responsible for escalated claims issues and needs of the DAS team
 - e. Clinical Pharmacist(s) responsible for physician outreach, formulary updates, and program monitoring.

E. CUSTOMER SERVICE.

1. The Contractor shall commit customer service resources to the State to provide a single point of contact for members for mail, retail and specialty prescriptions.
2. The customer service staff shall be designated team committed to the State account.
3. The unit shall be knowledgeable about the details of the State's Program and responsible for responding to all member program inquiries, requests for technical assistance, and complaints concerning the Program.

4. The customer service portal shall include a single, dedicated toll-free number for use by State members only.
5. The Contractor shall, at a minimum, provide live customer service hours of Monday – Friday 8 a.m. to 9 p.m. ET, Saturday – Sunday 9 a.m. to 5 p.m. ET .
6. The Contractor's customer service center shall be supported by after-hours live service or a messaging and e-mail system with returned responses within one (1) business day.
7. The Contractor will provide on-call pharmacist support 24/7.

F. MEMBER SERVICE FOR PLAN PARTICIPANTS. Including, but not limited to:

1. All Member and Customer Services must be provided by an internal department owned, controlled and operated by the Contractor.
2. Member Service representatives available to plan participants to answer questions on the pharmacy plan coverages and/or on claims under the plan.
3. Maintaining member access through a member Portal (i.e. Website, Member Portal, or Mobile Application) with information available to plan participants, including:
 - a. Plan coverage information
 - b. Prescription history
 - c. Claims payment information
 - d. Pharmacy locator
 - e. Drug pricing tool
 - f. Transparency tool to identify cost savings opportunities for members
 - g. Prescription refill capability
 - h. Single sign on

G. WEB PORTAL. The Contractor shall provide a comprehensive custom Web portal tailored to the State of Ohio. This portal shall be branded for the State and customized to reflect the demographics and needs of the State's members. The Contractor shall track and provide quarterly reporting on mutually agreeable statistics related to member traffic to the Web site (e.g., new vs. repeat users, hits per month, areas accessing etc.).

1. Contractor shall provide Web portal connectivity, which shall be available to members 99.9% of the time (excluding scheduled down time).
2. The State expects scheduled maintenance time for the Web portal to occur during off-hours (e.g., between the hours of midnight and to 6:00 a.m. EST), not exceeding more than six (6) hours per week.
3. The Contractor shall notify the State of any scheduled down time.
4. The Contractor shall notify the State of unscheduled down times immediately or within 4 hours of each occurrence.

H. PROJECT IMPLEMENTATION AND TRANSITION.

1. Designated implementation manager and implementation support for the State.
2. Development and management of an implementation plan, including performance guarantees, to deliver services in a timely and effective manner, in agreement with the State.
3. The State requires that a designated implementation manager and support team (not part of the regular account management team) be assigned to lead and coordinate the implementation activities with the State.

4. The Contractor must include various subject matter experts (SME) during specific implementation task meetings to work directly with the State's and other Contractor's SME.
5. The SME should be able to strategize and solve problems during the meetings and alleviate the project and account managers from having to disseminate certain technical details including, but not limited to, enrollment file, SSO and communication specs.

I. MEETINGS.

1. Quarterly review meetings will be held to review the operations and financial performance of the program. These meetings will take place at the State of Ohio offices in Columbus, OH. The State expects all members of the account team to be present at quarterly meetings.
2. Monthly status meeting to be held in mutually agreeable location (virtual or in-person) to discuss monthly status report and any ongoing administrative issues.
3. All meeting materials shall be provided to the State of Ohio at least seven (7) business days before the quarterly meetings.
4. Quarterly meetings must be within 45 days of the end of each quarter.

J. REPORTS.

1. The Contractor must have the ability to collect and analyze claims data to provide actionable information on claims trends and health problems in the workforce.
2. Monthly status report within fifteen (15) calendar days after the end of each month and be submitted in a format approved by the Agency. The report shall include the following items:
 - a. Activities, utilization, and operational statistics
 - b. A report of issues and recommendations regarding current policies, procedures, and focus areas
 - c. A report on coordination status, issues, and activities with other state of Ohio contractors
 - d. Progress toward achieving recommended enhancements
 - e. Detailed call center data
 - f. A log of all open issues that includes supporting detail and resolution timeline
3. Quarterly reports provided within 45 days of the end of each quarter.
4. The Contractor shall provide detailed customer service statistics for the State of Ohio membership experience on a quarterly basis.
5. The State of Ohio shall require a quarterly report demonstrating that pass-through pricing has been achieved at retail, specialty and mail order.
6. The Contractor shall provide standard reports, including but not limited plan cost and utilization, clinical program and high cost claimant reporting to a frequency requested by the State.
7. The Contractor shall provide reports detailing the operational results of special programs at a frequency requested by the State.
8. The Contractor shall provide financial, plan and member impact reporting for any programs (including but not limited to clinical programs, formulary changes, ancillary programs) that the State may consider implementing, or any changes the Contractor makes that will impact the State and its members.
9. Contractor shall report regularly on claims experience, including the required reporting format by the 15th business day following the close of each month (see Supplement Four "TMFR").
10. Contractor shall provide ADHOC reporting to the State as requested.
11. Pharmacy utilization data shall be provided periodically, as required by the State and required contractors.

K. RETAIL PHARMACY PROGRAM. The specific features of the Retail Pharmacy Program are as follows:

1. Program Coverage. The Program coverage (Covered Drugs/Exclusions) and days supply limitation (i.e., maximum 30 days or 90 days) for each Group covered under the Retail Pharmacy Program will be as set forth in the Plan Design designated by the State.
2. Participating Pharmacy Networks. The Contractor's broad network shall maintain the following access standards: 99% of primary eligible participants will have at least one (1) participating pharmacy within the designated distance of his/her (5) digit home zip code (where a retail pharmacy exists within the designated distance).

Designated distance:

Urban = 0 - 5 miles
Suburban = 5.1 - 10 miles
Rural > 10 miles

3. Identification Cards. The Contractor shall:
 - a. Produce Identification Cards for enrolled member 18 years of age and over
 - b. Make direct reimbursement claim forms available through Contractor's Web Portal for use by Eligible Persons who have not received their Identification Cards, or have had them lost or stolen.
 - c. Make electronic ID cards available to members through the Contractor's Web Portal, Mobile App or other electronic means.
 - d. Distribute Identification Cards and accompanying materials to the designated eligible persons. All costs associated with distributing and/or mailing such materials are the responsibility of the Contractor.
 - e. Member ID cards provided by the Contractor shall use the State's employee ID numbers for members.
4. Claim Adjudication Process.
 - a. The Contractor shall adjudicate claims for prescription drug benefits in accordance with the Contractor's On-Line System and the applicable Plan Design.
 - b. Disapproved claims shall be transmitted via on-line to the submitting pharmacy with a brief explanation of the cause or causes for disapproval.
 - c. Should the State determine that a previously disapproved claim should be approved, and so direct Contractor, adjudication of the claim will be accomplished promptly by the Contractor.
 - d. The Contractor is obligated to pay Participating Pharmacies only for claims approved through the on-line System.
 - e. The Contractor shall promptly refer to the State all non-routine inquiries by insurance departments, attorneys, claimants, or other persons following the denial of any claims.
 - f. The State of Ohio, at its discretion, will provide coverage for selected pharmacy related medical supplies as well as durable medical equipment and will require the processing of these products through the Contractor's claims adjudication system provided that the product has been assigned a NDC number.
 - g. The Contractor shall not transition the State of Ohio from the claims adjudication platform that they are implemented onto during the term of this Contract without 180 days prior written notice to the State.
5. The Contractor shall provide pharmacy-related written materials as well as an in-person representative (e.g., self-produced pamphlets, articles, brochures, etc.) to participants at up to twenty-five (25) annual, statewide open enrollment meetings and/or regional wellness fairs and be available to answer questions.

L. MAIL ORDER PHARMACY PROGRAM.

1. The Program coverage (Covered Drugs/Exclusions) and days supply limitation for each Group covered under the Mail Order Pharmacy Program will be as set forth in the Plan Design designated by the State. If the Plan Design

includes coverage of over the counter (OTC) products, then the Contractor shall ensure that such OTC products are available to Eligible Persons through the Mail Order Pharmacy Program.

2. The Contractor's mail order pharmacies will not be required to dispense prescriptions for greater than a 90 day supply of Covered Drugs per prescription or refill, subject to the professional judgment of the dispensing pharmacist, limitations imposed on controlled substances and manufacturer's recommendations. Prescriptions may be refilled providing the prescription so states. Prescriptions will not be filled:
 - a. More than twelve (12) months after issuance;
 - b. More than six (6) months after issuance for controlled drug substances; or
 - c. If prohibited by applicable law or regulation.
3. Contractor's mail order pharmacies will dispense Covered Drugs to Eligible Persons, and dispense generic drugs when authorized, in accordance with (a) applicable law and regulations in the state in which Contractor's mail order pharmacy is located, and (b) the terms of this Contract and Plan Design(s).

All matters pertaining to the dispensing of Covered Drugs or the practice of pharmacy in general are subject to the professional judgment of the dispensing pharmacist.

4. Claim Adjudication.
 - a. Contractor will adjudicate and pay approved claims for prescription drug benefits in accordance with Contractor's On-Line System and the applicable Plan Design.
 - b. Should the State determine that a previously disapproved claim should be approved, and so direct Contractor, adjudication of the claim will be accomplished promptly by Contractor.
 - c. The State will pay Contractor only for claims approved through the On-Line System.
 - d. Contractor will promptly refer to the State all non-routine inquiries by insurance departments, attorneys, claimants, or other persons following the denial of any claims.
5. Pricing. The Program Pricing Terms applicable to the Mail Order Pharmacy Program are as set forth in Contractor's Proposal.

M. SPECIALTY PHARMACY PROGRAM. Contractor shall provide Specialty Drug services as required in the RFP and as described in Contractor's Proposal.

1. The State will pay Contractor for those Covered Drugs designated as Specialty Drugs as set forth in Contractor's Proposal, subject to the Copayment/Coinsurance in the applicable Plan Design.
2. Specialty Drugs may be provided by Contractor or other third-party specialty pharmacy that has a written arrangement with Contractor.
3. Following the Effective Date, new products and pricing shall be added to the list of Specialty Drugs only upon mutual agreement of the parties.
4. Program changes, including changes to the Formulary, shall not impact or change performance guarantees unless mutually agreed upon by the parties, and reduced to writing.

N. PERFORMANCE STANDARDS AND PENALTIES.

1. The performance standards and penalties as set forth in Contractor's Proposal, as amended, clarified, and accepted by the State, will apply during the Term of this Contract.
2. The Contractor shall provide the State with reports regarding Contractor's customer service performance at least once each Contract Quarter.
3. The Contractor shall provide reporting on Performance Guarantees within 90 days following the end of each reporting period. An annual reconciliation and payment is also required within 90 days after the close of the contract year.

4. Upon expiration or termination of the Contract, the Contractor shall, at the state of Ohio's request, provide mutually agreed upon post-termination services. These services shall include, but are not limited to, the following:
 - a. Provision of special reports requested by the State of Ohio.
 - b. Transmission of eligibility to the subsequent Contractor.
 5. Provision of claims history in a format as mutually agreed upon by both parties. Reports, eligibility files, open refill files, prior authorization and claims history files will be provided at no charge within 30 days of receipt of written request by the state of Ohio unless otherwise agreed upon by both parties.
 6. Payment of all rebates earned and not paid
- O. FORMULARY. The State will be a participating plan in Contractor's Formulary as set forth below for the term of this Contract. The State will provide Contractor with advance notice of each Group that will participate in the Formulary.
1. Formulary.
 - a. The Contractor shall administer the Formulary, which shall include FDA approved drugs that have been evaluated for inclusion by Contractor's pharmacy and therapeutics committee.
 - b. The drugs included on the Formulary may be modified by Contractor from time to time as a result of factors including, but not limited to, medical appropriateness, manufacturer rebates arrangements, and patent expirations.
 - c. The Contractor must notify the State of any modification to the Formulary, which notification shall include a statement as to the reason for the modification and provide at least 90days prior notice to adversely impacted Eligible Persons at no additional cost to the State.
 - d. In the event Contractor is removing a drug from the Formulary that is one of the top 15 drugs (by prescription volume) utilized by Eligible Persons, then Contractor must provide a more detailed analysis justifying the proposed removal of the drug from the Formulary.
 - e. The State agrees that Contractor will be the exclusive formulary administrator for the prescription drug benefit programs of Groups under this Contract during its term.
 - f. The State reserves the right to accept or reject any changes to the Formulary or alter the Formulary at any time.
 2. Formulary Management Programs.
 - a. Upon the review and approval of the State, Contractor may implement formulary management programs, which may include cost containment initiatives, therapeutic interchange programs, communications with Eligible Persons, Participating Pharmacies and/or physicians (including communications regarding generic substitution programs), and financial incentives to Participating Pharmacies for their participation.
 - b. The Contractor shall not implement or administer any program that results in a therapeutic interchange from a lower cost product (net of rebates) to a higher cost product (net of rebates) without the prior written consent of the State.
 3. Contractor Disclosure. Ninety days prior to implementing any program or service for which Contractor receives external funding, Contractor shall disclose the details of such program and such external funding to the State.
- P. COST CONTROL AND RECORD KEEPING.
1. The Contractor shall maintain accounting records in connection with its State-related operations under this Contract for a period of not less than seven (7) years following the end of each fiscal year. These accounting records shall be maintained in accordance with generally accepted accounting principles and with all statutory provisions as set forth by federal and state law, and must be acceptable to the State.
 2. Copies of all cost control records and reports shall be furnished to the State in compliance with mutually agreed upon reporting schedules.

3. The State of Ohio will require rebate and administrative fee reporting quarterly and payments on a quarterly basis with an annual reconciliation of the guarantees.

Q. RECORDS/AUDIT.

1. In addition to the record keeping requirements set forth in this RFP, Contractor will maintain all claims records relating to services performed under this Contract as required by applicable law.
2. Such claims records will be in their original form, on microfilm, microfiche, or other form determined by Contractor.
3. Such claims records may be audited by the State in accordance with the audit provisions set forth in this RFP.
4. The State shall have the right to audit Contractor's services and pricing under this Contract, including, without limitation, all documentation relating to the invoicing, calculation, and collection of Formulary Rebates and Additional Rebates and Fees, in order to validate Contractor's compliance with all Program requirements and contractual guarantees.
5. Contractor shall be responsible for its costs, including audit reports, systems access, and space, incurred in connection with an audit by the State.
6. The Contractor must require any auditor performing an audit to sign a reasonable confidentiality agreement.

R. DATA/CONFIDENTIALITY.

1. Confidential Information, as defined in Attachments 5 and 6, of the RFP shall specifically include, without limitation, eligibility data and prescription claims data received by the Contractor (including its mail order pharmacy) from:
 - a. The State, or any contracted Contractor of the State;
 - b. Any Eligible Person, or on behalf of any Eligible Person;
 - c. Any Participating Pharmacy or any other pharmacy; or
 - d. Any other health care provider.

All such Confidential Information is, and shall remain, the property of the State.

2. The Contractor shall, at the direction of the State, provide the State's utilization data to up to ten (10) designated State Contractors, on behalf of the, State bi-weekly, monthly, or on a reasonable periodic schedule as required by a particular Contractor. Such utilization data must be provided in an industry standard format. The data shall be provided at no additional cost.

S. STATEMENT ON STANDARDS FOR ATTESTATION ENGAGEMENTS (SSAE) NO. 18 SERVICE ORGANIZATION CONTROL (SOC) 2 TYPE 2 REPORTING (OR ISO 27001).

1. In the fourth quarter of every calendar year, the Contractor will be responsible for providing the State with a copy of its most current SSAE No. 18 report or a comparable independent third-party information security assessment report.
2. The independent third party must be a nationally recognized firm qualified to perform such audits.
3. The SSAE 18 audit must cover at least the preceding six month period for the Contractor service locations or service types for which the Contractor, in its normal course of business, has conducted SSAE No.18 SOC 2 report audits and to the extent such reports are pertinent to the Scope of Work of this Contract.
4. The audit must be a multi-customer SSAE No. 18 SOC 2 covering the common processes controlled and performed by the Contractor at primary Contractor shared service locations in administering customer accounts.
5. The scope of the Contractor SSAE No. 18 SOC 2 audits must include the elements of service including the hardware, software and services as relevant supporting the Contractor's service environment.

6. It is the sole obligation of the Contractor to remedy any written issues, material weaknesses, or other items arising from these audits as they pertain to services or capabilities provided by the Contractor to the State in conjunction with the Scope of Work in effect at the time of the SSAE No. 18 audit.
7. The Contractor must remedy these issues at no cost to the State.
8. For items that arise as a result of State policies, procedures and activities, after mutual agreement on the underlying cause, remedial activity requirements and plan, State agrees to work, and under agreed terms, to effect the required changes to the delivery model to remediate issues discovered under a SSAE No. 18 SOC 2 audit.

T. STATE RESPONSIBILITIES.

The State shall:

1. Coordinate and communicate with the Contractor in order to implement and maintain the State of Ohio Pharmacy Benefits Program.
2. Coordinate regular status meetings with the Contractor throughout the Contract Administration period.
3. Reimburse the Contractor for services rendered.
4. Reserve the right to renegotiate improvements in the pharmacy pricing on an annual basis via market check.