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PHARMACY BENEFITS MANAGEMENT SERVICES

CHANGES

The changes are reflected in bold text. Remove and replace the following paragraphs:

A. INTRODUCTION:

(Section II, Exhibit A – Scope of Work, paragraph 1.1)

1.1 The City of Phoenix (hereinafter referred to as “Phoenix” or the “City”) is responsible for administering Benefit Option Plans (hereinafter the “Contract” or “Benefit Plan”) for City Eligible Employees, Eligible Non-Medicare Retirees, and their Eligible Dependents as defined by the City (Plan Participants). The Benefit Plan is self-funded for all eligible participants. Pharmacy coverage is a separate, carved-out plan from the medical coverage. **Effective January 1, 2023 all Plan Participants (City active and non-Medicare Retirees) will utilize the same pharmacy provider, Elixir Rx Solutions, LLC.**

B. PLAN PARTICIPANT GRIEVANCE AND APPEALS:

(Section II, Exhibit A – Scope of Work, paragraph 17.7)

17.7 Contractor shall adhere to the appeals process agreed to by the City and stipulated in the Summary Plan Description. Contractor shall meet all timeframes and reporting for all levels of appeals with responses and results, including external review when applicable. Processes shall be kept current and made available to the City at any interval requested by the City.

C. FINANCIAL AND PRICING:

(Section II, Exhibit A – Scope of Work, paragraph 18.37)

18.37 Contractor shall provide a quarterly Rebate reconciliation report by drug with associated Claim counts, and shall pay Rebate guarantees within sixty (60) Days of the last day of the quarter in which the associated Claims were incurred, with a full annual reconciliation provided within **ninety (90) Days** of the end of each Contract year. Contractor shall reconcile the Rebate pass-through percent against the guaranteed Rebates and provide documentation of its calculation and the result to the City within **ninety (90) Days** of the end of each Contract year. Any shortfalls, if applicable, must also be paid to the City within one hundred twenty (120) Days of the end of each Contract year. Annual payment for reconciled rebates is due to the City one hundred twenty (120) Days after **the end of each Contract year.**

D. ACCOUNT MANAGEMENT TEAM:

(Section II, Exhibit A – Scope of Work, paragraph 20.21)

20.21 Representatives from the account management team shall participate/attend up to twenty (20) open enrollment meetings in various locations throughout the **Metropolitan Phoenix Arizona area.** This shall be offered as part of the base Administrative Fees and with no additional cost to the City.

E. PERFORMANCE GUARANTEES:

(Section II, Exhibit A – Scope of Work, paragraph 24.4)

24.4 Contractor shall place minimum total annual administrative **fees** at risk for all performance guarantee standards in place as shown on Attachment 33 - Financial Template, Performance

F. ATTACHMENT C2 – Retirees Jan-Dec 2021 Claim File:

Attachment C2 has been revised to include the Tier Indicator (see column H). Remove and replace this attachment.

G. ATTACHMENT 34 – RFP Questionnaire:

Attachment 34, Tab 22 Reporting has been revised to include the missing information for Question 2C, Row 9. Please reference the revision to paragraph C when completing this cell.

C. Annual reports, within 60 days after the close of the plan year.



H. CONTRACTOR WORKER ACCESS CONTROLS, BADGE, AND KEY ACCESS REQUIREMENT:

(Section II, Exhibit E – Supplemental Terms and Conditions, paragraphs 5.1 and 5.2)
Remove and replace this section in its entirety with provisions 5.1 and 5.2.

5. CONTRACTOR WORKER ACCESS CONTROLS, BADGE, AND KEY ACCESS REQUIREMENT:

- 5.1 Contractor and Subcontract Workers Background Screening:** Contractor agrees that all Contractor and subcontracts' workers (collectively "Contract Worker(s)") pursuant to this Agreement will be subject to background and security checks and screening (collectively "Background Screening") at Contractor's sole cost and expense, unless otherwise provided for in the scope of work. Contractor's background screening will comply with all applicable laws, rules and regulations. Contractor further agrees that the background screening is necessary to preserve and protect the public health, safety and welfare.
- 5.1.1** Contractor shall provide a completed Contract Worker Badge/Key/Intrusion Detection Responsibilities Agreement for each Contract Worker who requires a badge or key.
- 5.2 Background Screening Risk Level:** The City has established two levels of risk: Standard and Maximum risk. If the scope of work changes, the City may amend the level of risk, which could require the Contractor to incur additional contract costs to obtain background screens or badges.

I. BACKGROUND SCREENING – STANDARD RISK:

(Section II, Exhibit E – Supplemental Terms and Conditions, paragraphs 6.1 through 6.7)

Exhibit E has been revised to change the background screening requirement to **STANDARD RISK** (previously was Maximum Risk). Remove and replace this section in its entirety with provisions 6.1 through 6.7.

6. BACKGROUND SCREENING – STANDARD RISK

- 6.1 The current risk level and background screening required for this agreement is STANDARD RISK.**
- 6.2 Standard Risk Level: A standard risk background screening will be performed when the Contract Worker's work assignment will:**
- 6.2.1 Require a badge or key for access to City facilities; or**
 - 6.2.2 Allow any access to sensitive, confidential records, personal identifying information or restricted City information; or**
 - 6.2.3 Allow unescorted access to City facilities during normal and non-business hours.**
- 6.3 Requirements:** The background screening for **standard** risk level will include a background check for real identity/legal name and will include felony and misdemeanor records from any county in the United States, the State of Arizona, plus any other jurisdiction where the Contractor worker has lived at any time in the preceding seven years from the Contract Worker's proposed date of hire.
- 6.4 Contractor Certification; City Approval of Standard Risk Background Screening:** Unless otherwise provided for in the Scope of Work, Contractor will be responsible for:
- determining whether Contract Worker(s) are disqualified from performing work for the City for **Standard** risk level background checks; and,
 - submitting pass/fail results to the City for approval; and,
 - for reviewing the results of the background check every three to five years, and,
 - to engage in whatever due diligence is necessary to make the decision on whether to disqualify a Contract Worker; and,
 - Submitting the list of qualified Contract Workers to the contracting department; and,
 - If, upon review of the background information, the City will advise the Contractor if it believes a Contract Worker should be disqualified. The Contractor will evaluate the Contract Worker and if the Contractor believes that there are extenuating circumstances that suggest that the person should not



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be disqualified, the Contractor will discuss those circumstances with the contracting department. The contracting department decision on disqualification of a Contract Worker is final.

- For sole proprietors, the Contractor must comply with the background check for himself and any business partners, or members or employees who will assist on the contract and for whom the requirements of the Agreement apply.
- By executing this Agreement, Contractor certifies and warrants that Contractor has read the background screening requirements and criteria in this section, and that all background screening information furnished to the City is accurate and current. **Also, by executing this agreement, Contractor further certifies and warrants that Contractor has satisfied all background screening requirements for the standard risk background screening, and verified legal worker status, as required.**

6.5 Terms of This Section Applicable to all Contractor's Contracts and Subcontracts: Contractor will include Contract Worker background screening in all contracts and subcontracts for Services furnished under this agreement.

6.6 Materiality of Background Screening Requirements; Indemnity: The background screening requirements are material to City's entry into this agreement and any breach of these provisions will be deemed a material breach of this Agreement. In addition to the indemnity provisions set forth in this agreement, Contractor will defend, indemnify and hold harmless the City for all claims arising out of this background screening section including, but not limited to, the disqualifications of a Contract Worker by Contractor. The background screening requirements are the minimum requirements for the Agreement. The City in no way warrants that these minimum requirements are sufficient to protect Contractor from any liabilities that may arise out of the Contractor's Services under this Agreement or Contractor's failure to comply with this section. Therefore, Contractor and its Contract Workers will take any reasonable, prudent and necessary measures to preserve and protect public health, safety and welfare when providing Services under this Agreement.

6.7 Continuing Duty; Audit: Contractor's obligations and requirements will continue throughout the entire term of this Agreement. Contractor will maintain all records and documents related to all background screenings and the City reserves the right to audit Contractor's records.



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QUESTIONS AND ANSWERS

The following are questions submitted and are represented as they were received:

Item No.	Question	Answer
1	(a) Please confirm the total number of employees and total bellybuttons that the plan covers. Please include retirees if any that are part of the plan.	(a)32,473. See Exhibit A – Scope of Work, paragraph 1.3.
2	(a) The RFP has a portion of the Mail Order and Specialty utilization through OptumRx. Please explain the Nature of the arrangement, if any, the City has with Optum Rx. (b) Please confirm it is the intent of the City to have exclusive Mail Order and Specialty with the PBM who is awarded the business.	(a)The City is contracted with United Health Care (UHC) for the non-Medicare retirees and OptumRx is the PBM through 12/31/2022. As of 1/01/2023 the PBM services are carved out from UHC. Plan participants will be included in the Elixir PBM arrangement effective 1/01/2023. (b) Yes.
3	Can you confirm that Multiple Quotes are permitted for this Bid, as we have not found any language in the RFP that does not allow for multiple quotes?	No. Each offeror may submit one offer.
4	Is a PBM permitted to submit an independent bid and then also be included as the PBM that is contracted with a GPO, if the GPO files the bid?	No. See Exhibit E, Paragraph 1: Non-assignability.
5	If a GPO files a bid, is it permitted to rely on the services provided by the PBM to satisfy all bidding requirements and obligations?	No. See response to Question #4.
6	Will the City of Phoenix consider a bid proposal submitted by a GPO requiring City of Phoenix to execute a participation agreement with the PBM that incorporates the terms of the GPO-PBM master agreement?	No. See response to Question #4.
7	Has the City engaged a Broker Agent, Advisor or any third	Yes, the City's consultant is Foster & Foster Consulting Actuaries, Inc.



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	parties to manage the RFP process?	
8	Is the current contract you have with Elixir available to the public?	Yes, see the City's Public Records site: https://www.phoenix.gov/cityclerk/services/public-records-search Agreement Number: 154218
9	Is there a Consultant fee? If so, what is it?	No.
10	Who is your TPA?	<u>Actives</u> Banner Health and Aetna Health Insurance Company (Banner Aetna). Blue Cross Blue Shield of Arizona, Inc. <u>Non-Medicare Retirees</u> United HealthCare Services, Inc.
11	How many plan designs do you currently offer?	This information can be found in RFP Attachments D1 Medical Summary Plan Documents (SBCs) and D2 Medical Summary Plan Documents (SPDs)
12	What is the HSA participation member count?	As of January 1, 2022 there are 4,616 active HSA accounts. The City does not have data for non-Medicare retirees.
13	What is the Annualized drug spend?	This information can be found in RFP Attachments C1 Pharmacy Claims Data File (Actives) and C2 Pharmacy Claims Data File (Retirees)
14	What is the Annualized claims count?	This information can be found in RFP Attachments C1 Pharmacy Claims Data File (Actives) and C2 Pharmacy Claims Data File (Retirees)
15	Is an onsite Account Manager from PBM a requirement for this RFP?	An Account Manager is required to be on-site only if requested by the City for meetings. See Exhibit A - Statement of Work, paragraph 20.4.6, for on-site staff requirements.
16	Name specific pain points/concerns you are hoping to address.	Specific pain points/concerns were not included in this solicitation. See Exhibit A – Scope of Work, paragraph 1.4
17	Is the PBM Agreement outlined in the RFP to be final or will we be able to add terms not noted later?	No. If applicable, proposed changes need to be submitted as an exception. See RFP Section I - Instructions, Paragraph 8. Exceptions.
18	The City is requesting we submit a bond for 10% of the value. We are the ones at risk for drug spend as we pay prior. A bond should not be necessary. Can you confirm a bond is not required?	A performance bond is required.
19	What format should Exceptions be listed in?	Excel, Word or PDF.
20	Most Favored Nations: Is this a mandatory requirement?	See response to Question 17.



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	Will bids be considered that do not offer one?	
21	Can the City confirm that they are not looking for EGWP offers?	The City is not looking for EGWP offers. Retirees are not covered by EGWP.
22	What time zone is used for the times listed in the schedule of events?	All times are local Phoenix Arizona time.
23	Can you confirm that exceptions submitted should include any exceptions for all documents and requirements that have been sent as a part of the RFP for the City?	See response to Question 17. Exceptions do not apply to Attachments A through I, which are provided for informational purposes only.
24	It appears that performance guarantees are in two different sections of the City of Phoenix (the City) PBM RFP – Attachments 33 and 34. Some questions are duplicative, while others seem to vary. Do we need to address both, or simply respond in one place?	A response is required in each Attachment.
25	Section 2 of the RFP spells out that a Broad Network offering is required. However, other areas of the RFP suggest a narrow network is permissible provided the network access requirements are met. Can an Offeror provide both pricing options, and if so, may we use the two formulary worksheets to provide Narrow and Close Network options? Our Network and Specialty guarantees wouldn't be impacted by the formulary.	The City will consider additional pricing for a Narrow Network in addition to the required Broad Network pricing. If a Narrow Network is proposed, no substitutions or deviations from the City's Attachments and solicitation requirements are allowed. If applicable, submit an additional Attachment 33A completed in its entirety for the additional network proposed.
26	Can you confirm that the city's Non-Medicare Retiree population is covered by EGWP? We didn't see EGWP pricing tables provided in the original pricing documents.	No, Retirees are not covered by EGWP. See response to Question 21.
27	Can you provide more clarity regarding account management team participation in the 20 open enrollment meetings statewide? Specifically, we would like more information on the planned locations.	See the Changes Section, paragraph D of this Addendum (page 1), paragraph 20.21.



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28	There is no formulary or tier data on the claim files for performing a disruption analysis. Will we be able to receive claim files with formulary/tier data to perform the required disruption analyses?	See Attachment C1, this information is under Brand/Generic/Specialty Column (O). See the Changes Section, paragraph F of this Addendum (page 1). Attachment C2, this information is under Brand/Generic/Specialty Column (H).
29.	Will we be receiving instructions on uploading both confidential and non-confidential information when we receive the upload link?	See RFP Section I, paragraph 21. Public Record. There are no additional instructions.
30.	What is the 'contract value' used by the City of Phoenix to determine the value of the bond requirement? The bond requirement is to be 10% of the 'contract value', is that based on the annual pharmacy spend per year? Please explain so that we provide the appropriate amount in the bonding letter.	The contract value will be the Contractor's combined total of all projected fixed fees, administrative expenses, and clinical program fees over the five-year contract term. Pass-through expenses are not included in the contract value for the purposes of bonding.
31.	Can you please provide further detail regarding the City's current processing of rebates at point of sale (POS)? Main items we are looking for guidance on: a. Did the City have to pre-fund Elixir with dollars to pay for rebates not yet accrued or received for the rebates at POS? b. There is typically a 2-quarter lag in initial rebate payments, so the new PBM would have to provide rebate money upfront, which has not been accrued or collected yet, to provide the rebates at POS. Would the City pre-fund the new PBM with the dollars necessary to provide rebates at POS? The City will recoup this money over the contract term and post-contract term.	(a), (b), (c) No



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Item No.	Question	Answer
	c. One alternative would be for the new PBM to provide rebates at POS after the initial 6-9 months, when rebates have been accrued and not yet paid. The new PBM would keep these rebates in an escrow account and apply them to POS adjudication going forward. Is this alternative acceptable to the City?	
32.	Would the City be open to accepting a traditional financial offering? If no, would we be automatically disqualified? If not disqualified, how would this impact the overall score in the proposal?	No. The Contractor shall provide pass-through rates. See Exhibit A, Scope of Work, Section 1.5. Non-responsive offers will not be considered.
33.	Exhibit A – Scope of Work. Please confirm all sections and requirements in the Scope of Work are in place with the incumbent today.	This is a new solicitation for PBM services which differs from the existing agreement with Elixir.
34.	Exhibit A – Scope of Work - 1.1 – Please confirm the date should reflect January 1, 2023, and not 2024.	See the Changes Section, Paragraph A of this Addendum (page 1), paragraph 1.1.
35.	Exhibit A – Scope of Work – 10.10. Please provide more detail and examples of the type of support provided by the Patient Assistance Program that is in place today.	Patient Assistance Program access is provided to the plan participants, by a selected Third-Party provider of these services. The Patient Assistance Program strives to provide medications at a deeply discounted, or no cost, for the plan and member, based on third party foundation rules and requirements.
36.	Attachment 33 Financial Template. For the Retail 90 Network, is the expectation to match the current 90 day retail pharmacy arrangement that's in place today (i.e. CVS, Fry's and Target)?	Provide a 90-day retail network option to meet or exceed the needs of the plan participants.
37.	Attachment 33 Financial Template. Please expand on the two (2) copay assistance guarantees referenced-- (Guaranteed Copay Accumulator Program Savings and Guaranteed Patient Assistance (Full Deferral) Savings), and provide examples of how it works today	The first is a guarantee on financial impact for the Co-Pay Accumulator programs. The second refers to the Patient Assistance Program financial impact. No additional information is available at this time.



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	with the incumbent. This will help ensure bidders are providing the appropriate comparisons.	
38.	Section 17 - PLAN PARTICIPANT GRIEVANCE AND APPEALS in SECTION II – PROFESSIONAL SERVICES CONSULTING AGREEMENT mentions a city-developed dispute resolution process. Can the city please provide details regarding that process?	See the Changes Section, Paragraph B of this Addendum (page 1), paragraph 17.7)
39.	Does HB 2285, Section 44-1753 apply to the City of Phoenix?	Yes.
40.	RFP Section 21 (Public Records) states, “To the extent necessary for the evaluation process, information marked as “confidential” will not be treated as confidential.” Can the City please confirm that this sentence is intended to mean that the information marked confidential shall be shared with the proposal evaluators and not that the City will disclose such information to other bidders of the public generally?	Yes. “To the extent necessary for the evaluation process, information marked as “confidential” will not be treated as confidential” refers to the evaluation panel.
41.	Section 2.1 of the Professional Services Consulting Agreement states that Claims invoices are to be issued “bi-monthly.” Please confirm that “bi-monthly” for purposes of this provision means two times per month.	Yes.
42.	Section 8.1 of the Professional Services Consulting Agreement states: “All data, regardless of form, including originals, images and reproductions, prepared by, obtained by, or transmitted to Contractor in connection with this Agreement is confidential, proprietary information owned by the City.” Similarly, Section 4 of Exhibit E	Section 8.1 refers to all confidential data. Section 4 of Exhibit E refers to works of hire created by the Contractor for the City.



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Item No.	Question	Answer
	<p>(Supplemental Terms and Conditions) of the Consulting Agreement states: "All documents [etc.] created by Contractor in the performance of this Agreement are to be and remain 'works for hire' under Title 17, United States Code, and the property of the City and all copyright ownership and authorship rights in the work(s) shall belong to the City pursuant to 17 U.S.C. § 201(b)." Please confirm that these statements apply only to such data, documents, work, etc., to the extent they are created specifically for the City in connection with the Services provided by Contractor, and not, for example, to material prepared by Contractor for the benefit/use of multiple clients across its book of business.</p>	
43.	<p>Section 36 of the Professional Services Consulting Agreement requires Contractor to provide a performance surety "in the amount of 10% of the total contract amount." Can the City advise how the "total contract amount" is to be calculated for purposes of the surety (i.e., would that amount equal the total administrative fees to be paid to the PBM during the course of the contract, the total claims payments net of rebates, or some other measure)?</p>	<p>See response to Question 30.</p>
44.	<p>Section 12.11 of Exhibit A (Scope of Work) to the Professional Services Consulting Agreement requires the PBM to make the City whole for overpayments, even if such overpayments are not recovered. Can the City please confirm that this obligation would only apply to overpayments resulting from the negligent or willful acts or</p>	<p>Not confirmed.</p>



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	omissions of the PBM or its failure to comply with the contract (e.g., the PBM would not be responsible for an overpayment if it properly adjudicated a claim based on the information provided on a given date, but the information was later retroactively changed)?	
45.	(a) Section 20.16 of Exhibit A (Scope of Work) to the Professional Services Consulting Agreement provides: "Contractor shall comply with the City's fiduciary language: in performing its obligation to process and adjudicate Claims, Administrative Services Other (ASO) and provide network contracts, Contractor and any subcontractors or independent contractors are obligated to act on behalf of the City in matters which affect City's Benefit Plan." As a PBM, we act as a fiduciary for our clients solely in connection with claims adjudication and appeals related to the coverage of prescription drug benefits, and not in connection with network contracts, which are negotiated on behalf of our book of business and not individual clients. (a) To the extent the City expects its PBM to act as a fiduciary for any purpose other than claims adjudication and pharmacy benefit appeals, please clarify what the City would expect the nature of such fiduciary responsibilities to encompass.	(a) See Exhibit A – Scope of Work paragraph 20.16 and the response to Question 17, if applicable.
46.	Section 5.1.1 of Exhibit E (Supplemental Terms) to the Professional Services Consulting Agreement states: "Contractor shall provide a completed Contract Worker Badge/Key/Intrusion Detection	The worker access controls, badge and key access requirement applies to the on-site staff. The background screening requirements apply to all staff assigned to the resulting contract.



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	<p>Responsibilities Agreement for each Contract Worker who requires a badge or key.” Other than the full-time on-site representative described in Section 20.4.6 of Exhibit A (Scope of Work), does the City anticipate that any other Contractor Employee will be required to submit the agreement referenced in Section 5.1.1?</p>	
47.	<p>Section 6.5 of Exhibit E (Supplemental Terms) to the Professional Services Consulting Agreement states: “The background checks will be conducted prior to any employee entering to work and will be based upon information provided to the Police Department including, but not limited to: name, address, date and place of birth, social security number, INS number if applicable, and a copy of a valid photo identification. The information will be provided to the Human Resources Department at least five business days (excluding weekends and holidays) in advance of the need for access. The form will be provided by Human Resources Department. A designated Human Resources Department representative will conduct the security check.” (a) Bidder was under the impression that the background screenings of Contract Workers described in Section 6 were to be performed by Contractor, not by the City or its Police Department. Can the City advise what information Section 6.5 would require be provided to the “Police Department” and what the purpose of providing such information would be?</p>	<p>See the Changes Section, paragraphs H and I of this Addendum (pages 2-3) – RFP Sections 5 and 6.</p>



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48.	Attachment 34-RFP Questionnaire-Tab (9) Network & Provider Management. – Please provide a census file that can be utilized to evaluate bidder’s ability to commit to the access standards requested.	A Census file is not available. Please utilize the member information provided in Attachments C1 and C2 (Actives and Retires Claim File).
49.	Please provide membership and employee counts broken out for Actives vs. Retirees.	See Exhibit A - Scope of Work, Introduction, Section I, paragraph 1.2.
50.	Please provide the Pharmacy ID/NCPDP for the pharmacies associated with the below 340B pricing arrangement: <i>7.10 The City has previously contracted with the local children’s hospital to pass through discounted (e.g. 340b pricing) for a hemophilia patients. Contractor shall administer and support the custom pricing arrangement at no charge and allow the medications to be dispensed to the local pharmacy on an exception basis notwithstanding Contractor’s specialty pricing. Is this handled through the Medical Benefit or the Pharmacy Benefit?</i>	NABP 0357132
51.	Will electronic signatures be accepted on all the signature pages?	Yes.
52.	Tab (1) Attachment Checklist of the RFP Questionnaire Requires Attachment 11 – Specialty Formulary (including biosimilar medications); however, the actual question on Tab (7) Specialty Pharmacy Services requires that Attachment 11 be a list of all biosimilar medications covered under your formulary. Does the RFP want us to include our full specialty formulary or only a list of biosimilars?	Yes, full Specialty Formulary, including biosimilars
53.	Please provide your preventive drug list.	See Attachment A, City’s Maintenance Drug list.



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54.	Please provide a census file.	See response to Question 48.
55.	Please provide your current PBM contract.	See response to Question 8.
56.	Please confirm exclusive Specialty and Mail arrangements.	Confirmed.
57.	Based upon our preliminary analysis of the data, there was mail and specialty utilization with OptumRx. Please explain the nature of the relationship with OptumRx.	Please refer to Question 2.
58.	Please provide the approximate quantity of annual prior authorizations.	<u>2020 Calendar Year</u> 1337 prior authorizations 228 1 st Appeal level <u>2021 Calendar Year</u> 1485 prior authorizations 232 1 st Appeal level
59.	Do you currently have a Patient Assistance Plan or Co-pay program in place today? If so, who is the vendor?	Yes, through the current Elixir agreement.
60.	Are the Non-Medicare retirees subject to the same specialty network as the employees?	Yes
61.	Is there a charge for clinical PA's under the current program?	Yes
62.	What services does the onsite Account Manager currently provide to the City?	See response to Question 15. See Exhibit A - Scope of Work, paragraph 20.4.3.
63.	How do you define 'designated' in terms of assigned resources, i.e., account team members, customer service team, etc.?	See Exhibit A – Scope of Work, paragraph 1.11 and Exhibit E – Supplemental Terms and Conditions, paragraph 2. Key Personnel.
64.	Section II, Exhibit A – Scope of Work: a. Please provide additional details on the microsite the City has in place today. 13.Security 13.12 Contractor agrees to develop and support a microsite (online web portal) for the City that will be available by October 1, 2023 and will be maintained through the course	(a)The City does not currently have a microsite.



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	<p>of the contract. Microsite is targeted for prospective Plan Participants during open enrollment and new hires during the calendar year to assess prescription drug information. At a minimum, the microsite shall provide the ability to price a drug (based on our contract rates), look up drug for Formulary and benefit status, print a replacement ID card and look up a network pharmacy.</p> <p>13.13 Contractor agrees that this microsite can be accessed either via computer or a smart device.</p>	
65.	<p>Section 3 Table of Contents.</p> <p>Can the page numbering start over at each section in the PDF, or does our entire submission need to be numbered consecutively?</p>	The City does not have a preference.
66.	<p>Attachment 34 RFP Questionnaire. (6) Formulary & Clinical Mgt Tag.</p> <p>#9 what is your prior authorization overall approval rate?</p> <p>a. The drop down option of '1-10+' does not align with the question.</p> <p>#17 How many formularies do your offer? Confirm that you offer the following: A) Open formulary PDL</p> <p>B) Closed or managed formulary drug list</p> <p>b. We are not able to provide a response for A. and B. as the response box only allows a single number to be entered.</p>	(a)(b) Include N/A or Not applicable in the next blank column, of the same row.



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Item No.	Question	Answer
67.	Attachment 34 RFP Questionnaire. (8)Mail Order Tab. #7 Describe your process to administer a mandatory mail-order provision. a. The drop down option in this response box only allows for 'Yes' or 'No'. There is not an option for 'Not Applicable'.	Include N/A or Not applicable in the next blank column, of the same row.
68.	Please confirm there is no broker/ consultant fee payable, as we did not see anything specified within the RFP.	See response to Question 9.
69.	Attachment 34 RFP Questionnaire. (10)Administrator Operations. #10A Are plan changes able to be made internally or are they sent to the leased PBM to be made? a. The drop down option in this response box only allows for 'Internally' or 'Externally'	Include your response in the next blank column, of the same row.
70.	Attachment 34 RFP Questionnaire. (16)Plan Participant Services #24 How do you utilize AI tools for people calling your call center or communicating through your website? We are not able to provide a response to this question as the drop down box only allows 'Yes' or 'No'	Include your response in the next blank column, of the same row.
71.	a. How many lives are in each group, retirees vs actives? b. Please confirm that commercial pricing should be provided for both groups and no Part D pricing is expected.	(a)See response to Question 49. (b)Confirmed
72.	The claims data does not have a formulary status or tier field and that information is required to run a formulary disruption. We understand that the City's	See response to Question 28.



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Item No.	Question	Answer
	Active and Retiree plans both utilize a standard formulary under a 3-tier plan design. Please either provide revised claims data inclusive of formulary status or tier field info or confirm what the 3 tiers are and how they are identified in the current claims data.	
73.	There are 2 sets of Performance Guarantees: one in the Financial workbook and another in the RFP Questionnaire and many of the PG requests overlap. Should we populate the same responses in both tabs or will a revised file inclusive of ALL PGs be sent out?	Please complete the information in each Attachment, revised files will not be provided.
74.	What is the current annual PA volume?	Refer to Question 58.
75.	Will a census file with member zip codes be provided?	See response to Question 48.
76.	The performance guarantees listed in Exhibit 33 Financial Template and the performance guarantees listed in Exhibit 34 RFP Questionnaire seem to overlap and have multiple duplications. In addition, Section 24 of the Consulting agreement refers to Exhibit 33 as the performance guarantee document. Please clarify which exhibit supersedes.	Please complete the information in each Attachment.
77.	If we have a formulary/clinical alternative between open and closed, will the city consider that option?	The City will consider additional options. No substitutions or deviations from the City's Attachments and solicitation requirements are allowed. If applicable, submit an additional Attachment 33(A) completed in its entirety for the additional network proposed.
78.	Is the city open to additional clinical programs with the open formulary?	See response to Question 77.
79.	How does the City plan to address the fact that no PBM terms are within the contract provisions contained in this RFP?	See response to Question 17.



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Item No.	Question	Answer
80.	<p>Section II – Exhibit A SOW, 1.15 The Contractor must have a ready to use data system, accessible to the City via a web portal and with customization, if applicable, for the City’s requirements as necessary, to electronically receive and provide eligibility information that matches the data. This includes a public-facing web portal for eligible Plan Participant and authorized client use. The portal must securely interface directly with web portal data system used by the City staff prior to January 1, 2024 effective date. The medical plan year begins on January 1 and ends on December 31. Open Enrollment begins annually in October.</p> <p>a. Please further define ‘ready to use data system’ and the City’s intent of this requirement.</p> <p>b. The City provides eligibility information to the PBM, which is loaded into the PBM system (system of record for claims processing) and then feeds the PBM member web where authorized members can access plan information. Is the web portal data system used by the City staff the system where eligibility is managed/stored?</p> <p>c. Further, is the expectation to “securely interface directly” related to having this information sent to the PBM on the 834 eligibility file as part of the file transfer process?</p>	<p>(a)See Exhibit A – Scope of Work 1.15.</p> <ul style="list-style-type: none">• to electronically receive and provide eligibility information (files)• public-facing web portal for eligible Plan Participant• portal must securely interface directly with web portal data system used by the City (ie Benefits public facing portal) <p>(b)No.</p> <p>(c)See Exhibit A – Scope of Work, paragraph 15.14.</p>



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Item No.	Question	Answer
81.	<p>Section II – Exhibit A SOW 15.8 Contractor shall provide an administrative manual for the program that provides the information necessary for the City team Plan Participants to operate the program. The manual shall be provided at the time of implementation and shall be updated on an ongoing basis by the account management team and/or by the City. This manual shall be provided as part of the base Administrative Fees and with no additional cost to the City. The manual shall provide the information listed in paragraph 20.27</p> <p>a. Please confirm ‘time of implementation’ is near the time at go-live and not at the start of implementation. Early phase of implementation will include time to further vet any City specific details necessary for completing the manual.</p>	Confirmed.
82.	<p>Section II – Exhibit A SOW 21.3 Contractor shall provide online, real time, Claim system access to the City or its designee, including the ability to override Claims, and access to historical Claims data for up to six (6) years following termination of the Agreement.</p> <p>a. As a standard practice, following the termination of an Agreement, data is returned to the client and the claims processing system is decommissioned following a run out period which is usually no more than 3 months past the term date. Would the City consider changing the requirement to the contractor will provide all historical claims data to the new vendor or City following termination?</p>	See response to Question 17.
83.	Section II – Exhibit A SOW	See the Changes Section, paragraph E of this Addendum (page 1), paragraph 24.4.



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Item No.	Question	Answer
	24.4 Contractor shall place minimum total annual administrative expenses at risk for all performance guarantee standards in place as shown on Attachment 33 - Financial Template, Performance Guarantees Tab. a. What does "minimum total annual administrative expenses at risk" mean?	
84.	Section II – Exhibit A SOW 24.8 Penalties associated with required performance guarantees will be assessed as the Penalty Calculation and Assessment details. At no time will quarterly or monthly measurements be re-averaged to alter results. a. What are the "Penalty Calculation and Assessment details"? Also OptumRx requests clarification regarding how could "quarterly or monthly measurements be re-averaged to alter results"? OptumRx wishes to understand what the request is here.	The goal is to understand whether or not the Contractor will be able to meet the performance standard stated and how much (dollars at risk) will be paid to the City in the event the performance standard is not achieved. See 24.8 At no time will quarterly or monthly measurements be re-averaged to alter results.
85.	Section II – Exhibit A SOW 24.9 Contractor shall measure the service performance standards for all customers using the same process platform applied to Contractor's complete book-of-business. a. What does "for all customers using the same process platform" mean?	All clients utilizing your organization's call center will have performance guarantees measured in the same manner. All clients utilizing the claim adjudication platform will have performance guarantees measured in the same manner for all.
86.	Exhibit 33 Financial Template, Performance Guarantee Tab, Row 21, Data Feed Accuracy . A report that summarizes all eligibility and accumulator (OOP & HDHP if applicable) file errors will be sent to the client on a quarterly basis. a. Is the intent of the report to capture the failed exchange of a full file or a summary of the detail level of each failed record in the file?	The intent of the Data Feed Accuracy report is to identify all errors in order to correct them.



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Item No.	Question	Answer
87.	Exhibit 33 Financial Template, Performance Guarantee Tab 'Multiple Rows' a. What does "January 31 st Annually for the previous calendar year" mean within the "Payment Allocation" column?	Any shortfalls will need to be identified and compensation provided to the City by January 31, of the year following the measurement period.
88.	Exhibit 33 Financial Template, Performance Guarantee Tab Row 12, Payment Accuracy and System Performance – 99.5% will be priced accurately. a. Please clarify what type of payment the "Payment Accuracy & System Performance" guarantees applies to, or whether the "Payment Accuracy & System Performance" guarantee and the "Claim Payment Accuracy" guarantee are measuring the same type of payment in which case one of these metrics would not apply	Claims are required to be adjudicated at the agreed upon discount rates and fees, and payment to the pharmacy providers are required to be accurate at a minimum of 99.5% of the time. All financial payments, billing, credits and other transactions will need to be accurate at this rate.
89.	Exhibit 34 RFP Questionnaire, (22) Reporting Tab, Question 2, Row 9: a. The row shows "-22", is this an error and if so what should be responded to in this field.	See the Changes Section, paragraph #G of this Addendum (page 1, Attachment 34, Tab 22 Reporting).
90.	Could you confirm that a firm will not be disqualified if it hasn't been in business for 10 years.	Paragraph 2. Minimum Qualifications establishes the minimum qualifications required for this solicitation. Offerors who do not meet these requirements will be disqualified from further consideration of the solicitation process.
91.	Please clarify if the term of the contract is 3 or 5 years.	5 years. See RFP Section I, paragraph 1.1, and Section II, paragraph 1.1.
92.	Is there a retail 90 program in place today?	Yes.
93.	Section 1.1 states: Effective January 1, 2024 all Plan Participants will utilize the same pharmacy provider, Elixir Rx Solutions, LLC. a. Please provide additional detail. Is Elixir the current incumbent?	(a) Yes (b) The selected Contractor will begin services 1/01/2024 as per 1.1 RFP Process - Instructions



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Item No.	Question	Answer
	b. Will all scripts be filled through this pharmacy starting 1/1/24?	
94.	Section 7.10 states: The City has previously contracted with the local children's hospital to pass through discounted (e.g. 340b pricing) for hemophilia patients. a. Please provide the NABP for this pharmacy.	See response to Question 50.
95.	Section 18.37 states: Contractor shall provide a quarterly Rebate reconciliation report by drug with associated Claim counts, and shall pay Rebate guarantees within sixty (60) Days of the last day of the quarter in which the associated Claims were incurred, with a full annual reconciliation provided within one hundred twenty (120) Days of the end of each Contract year. Contractor shall reconcile the Rebate pass-through percent against the guaranteed Rebates and provide documentation of its calculation and the result to the City within one hundred twenty (120) Days of the end of each Contract year. Section 18.43 states: All proposed guarantees, including Rebates, shall be evaluated, reported, and reconciled sixty (60) Days after each calendar quarter end against the City's actual Claims experience. Contractor shall pay all proposed guarantees, including Rebates, ninety (90) Days after the end of each calendar quarter and year end period. a. Please clarify if rebate guarantees should be paid quarterly within 60 or 90 days. Please clarify if rebate guarantees should be reconciled and paid annually within 90 days or 120 days.	The information in 18.43 is accurate and rebate guarantees shall be paid as indicated in this paragraph. See the Changes Section, paragraph C of this Addendum (page 1, Exhibit A – Scope of Work, paragraph 18.37.



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Item No.	Question	Answer
96.	Please confirm the intent of the contract period, as there was reference to a three-year term within the RFP. Is the request for a 5 year proposal, or would this be for a 3 year proposal with years 4 and 5 as optional?	See response to Question 91.
97.	Given pricing/rebates will be provided for the active/retiree population combined, please confirm requirement for reprice/disruption for each population as specified within the financial template. a. Please confirm the membership for the active population as well as the non-Medicare retirees, understanding that the total membership is 32,473	See response to Question 49.
98.	Please elaborate on the following item, listed below. Is the intent for an NBNR (no bill, no remit) setup specific to certain drugs for several patients, on an ongoing basis? a. The City has previously contracted with the local children's hospital to pass through discounted (e.g. 340b pricing) for a hemophilia patients. Contractor shall administer and support the custom pricing arrangement at no charge and allow the medications to be dispensed to the local pharmacy on an exception basis notwithstanding Contractor's specialty pricing.	(a) The City has insufficient information to respond to this question. Currently the City uses a letter of agreement and exception process.
99.	There were two references to pass-through pricing, one which specified pass-through at retail and one which specified retail, mail order, and specialty delivery channel. Please clarify. a. Contractor shall provide pass through and transparent pharmacy benefit management	The Contractor shall provide pass-through rates. See Exhibit A, Scope of Work, Section 1.5.



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Item No.	Question	Answer
	Service with: Pass-Through network rates at retail reimbursements. b. Pass-Through Pricing shall be available on all drugs covered by the City Benefit Plan and dispensed through the retail, mail order, and specialty delivery channel to Plan Participants under this Benefit Plan.	

The balance of the specifications and instructions remain the same. Offeror must acknowledge receipt and acceptance of this addendum by returning the entire addendum with the proposal submittal.

Name of Company: _____

Address: _____

Authorized Signature: _____

Print Name and Title: _____