

**Medication Grant Program (MGP)
Request for Proposals (RFP):**

January 2020

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I. Introduction and Background

1.1 Purpose of the Request for Proposals

The New York State Office of Mental Health (OMH) is issuing this Request for Proposals (RFP) to invite eligible applicants to submit proposals to serve as a Pharmacy Benefits Manager (PBM) for the Medication Grant Program (MGP). MGP provides grants to pay for the cost of medications to treat mental illness and other services needed to prescribe and administer medications for eligible individuals. Enrollment in the program is limited to individuals who require medications to treat mental illness and who file a Medicaid/cash assistance application prior to or within seven days of discharge/release from hospitals or correctional facilities. This coverage bridges the gap between the time individuals are discharged or released into the community and the time when their Medicaid becomes available.

The PBM, at an administrative level, would build and maintain a comprehensive network of retail pharmacies throughout New York State to provide consumers convenient access to prescriptions and monitor prescription safety across all network pharmacies.

At a service level, the PBM would accept and process MGP enrollment and disenrollment applications and forward confirmation of the MGP enrollment/disenrollment to the original sender and/or the designated county MGP contact; maintain/disseminate a roster of enrollees; maintain/operate a pharmacy network; maintain/operate a medications formulary; maintain/operate a pharmacy payment system; and, maintain/operate a Medicaid claiming system.

1.2 Availability of the RFP

The RFP will be available on the OMH website and advertised through the NYS Contract Reporter.

1.3 Right to Modify RFP

OMH reserves the right to modify any part of this RFP, including but not limited to, the date and time by which proposals must be submitted and received by OMH, at any time prior to the deadline for submission of proposals. Modification to this RFP shall be made by issuance of amendments and/or addenda.

Prior to the deadline for submissions of proposals, any such clarifications or modifications as deemed necessary by OMH will be posted on the OMH website and NYS Contract Reporter. It is the applicant's responsibility to periodically review the OMH website to learn of revisions or addendums to this RFP, as well as to view the official questions and answers. No other notification will be given.

II. Proposal Submission

2.1 Restricted Period / Designated Contact

Pursuant to State Finance Law 139-j and 139-k, this RFP includes and imposes certain restrictions on communications between OMH and Vendors during the procurement process.

“Restricted Period” means the period of time commencing with the earliest written notice, advertisement, or solicitation of a Request for Proposals (“RFP”), Invitation for Bids (“IFB”), or solicitation of proposals, or any other method for soliciting a response from Applicants intending to result in a procurement contract with OMH and ending with the final contract award and approval by OMH and, where applicable, final contract approval by the Office of the State Comptroller (“OSC”).

During the “Restricted Period”, no Vendor-initiated contact with any OMH or State official shall be permitted regarding this procurement except as provided herein or as set forth in the State Finance Law. This prohibition applies to any oral, written, or electronic communication under circumstances where a reasonable person would infer that the communication was intended to influence the procurement. Violation of any of the requirements described in this Section may be grounds for a determination that the applicant is non-responsible and therefore ineligible for this contract award. Two violations within four years of the rules against permissible contacts during the “restricted period” may result in the violator being debarred from participating in OMH procurements for a period of four years.

The Office of Mental Health has identified a Designated Contact to whom all communications concerning this procurement must be made.

The Designated Contact for this RFP is:

Carol Swiderski
Contract Management Specialist II
New York State Office of Mental Health
Contracts and Claims
44 Holland Avenue, 7th Floor
Albany, NY 12229

2.2 Key Events/Timeline

Event	Date
RFP Release	1/22/2020
Letters of Intent	2/7/2020
Questions Due	2/14/2020
Questions and Answers Posted on Website	3/11/2020
Proposals Due (2:00 PM EST)	4/1/2020
Notice of Conditional Award (Estimated)	4/27/2020
Contract Start Date	09/1/2020

2.3 Letter of Intent

Agencies interested in responding to this Request for Proposal must submit a Letter of Intent to

Bid to the OMH Issuing Officer to be received by close of business (4:00 PM, EST) Friday, February 7, 2020. The Letter of Intent to Bid shall be non-binding.

Please email the Letter of Intent to carol.swiderski@omh.ny.gov:

Carol Swiderski
Contract Management Specialist II
New York State Office of Mental Health
Contracts and Claims
Attention: Medication Grant Program
44 Holland Avenue, 7th Floor
Albany, NY 12229

2.4 RFP Questions and Clarifications

All questions or requests for clarification concerning the RFP shall be submitted in writing by email to the Designated Contact at carol.swiderski@omh.ny.gov by 4:00 p.m. EST on Friday, February 14, 2020. Please reference the name of the RFP in correspondence. Questions and answers will be posted on the OMH website on Wednesday, March 11, 2020 and will be limited to addressing only those questions submitted by the deadline. No questions will be addressed by telephone.

2.5 Eligible Applicants

Eligible applicants are companies that have demonstrated experience within the behavioral health community in providing pharmacy benefit services; including but not limited to, managing formularies, managing a network of pharmacies, processing claims from pharmacies and billing claims to Medicaid.

2.6 Instructions for Bid Submission and Required Format

The submission of a bid/proposal and proof of meeting minimum qualifications constitutes a binding offer to perform said services. Such binding offer shall be firm and not revocable for a period of 120 days after the deadline for a bid/proposal submission and will continue thereafter until the Successful Applicant notifies OMH otherwise, in writing. Such deadline may be extended further by mutual agreement.

A.) Each proposal is required to contain the following narrative and budget components:

1. Preliminary Qualifications Summary
2. Transition
3. Operations
4. Turnover
5. Cost Proposal (inclusive of Transition, Operations and Turnover)

The Cost Proposal for Years 1 through 10 are separate documents available on the NYS Contract Reporter and can be downloaded in Excel format and/or Portable Document Format

(PDF). Applicants must **not** substitute their own cost proposal format. **Failure to use the provided Form formats will result in disqualification for non-responsiveness.**

For the Summary and Project Narrative page limits (see Section IX), a page is 8.5" x 11" in size and printed only on one side with a Times Roman or equivalent font size of not less than 12 and 1 inch margins. Font size may be smaller in charts, tables, and graphs. Proposals that do not meet these formatting requirements will be screened out and returned without review. If a proposal includes appendices or attachments used to extend or replace any part of the Summary or Project Narrative, those appendices or attachments will be disregarded. Applicant name must appear on all pages of proposal including budget forms.

B) Proposal Package Components

Proposal packages must include the following:

- i. Bid Submission Checklist
- ii. Attachment A – Transmittal Form (See Section 9.3a)
- iii. Attachment A1 – Contract Listing (See Section 9.4a)
- iv. Attachment B - Non-Collusive Bidding Certificate: Complete and return with bid.
Required by Section 139-D of the State Finance Law
- v. Attachment C - Vendor Responsibility Questionnaire (VRQ) and Vendor Registration Number Information: Include either hard copy VRQ or online certification. For any entity not already registered to do business with New York State entities, access the link in Attachment C for the Substitute W-9. Complete the online form electronically, download the completed form, and sign in the designated area. Return the completed W-9 with the other bid documents to the designated individual at the OMH facility. All vendors are required to have a vendor registration number to do business with New York State.
- vi. Attachment D - EEO Employment Opportunity Policy Statement: Complete and return with bid.
- vii. Attachment E - EEO Employment Opportunity Staffing Plan: Complete and return with bid
- viii. Attachment F - MacBride Fair Employment Principles: Complete and return with bid
- ix. Attachment G – Sexual Harassment and Prevention Certification
- x. Attachment H – Consultant Disclosure Form
- xi. Attachment I - MWBE/EEO Policy Statement: Complete per the instructions
- xii. Attachments J1 and J2: Complete Offeror's Affirmation of Understanding (J1), and OMH Offeror Disclosure of Prior Non-Responsibility Determinations/Attachment (J2).
- xiii. Narrative and Budget Components

Applicants must submit one (1) copy of the full proposal package along with a flash drive containing one complete (scanned as one document, not parts) PDF proposal by mail, delivery service, or hand delivery to be received by **2:00 p.m. EST on Wednesday, April 1, 2020**; each

package must include the required proposal components cited above in Section II, 2.7.

Applicants mailing proposals should allow a sufficient mail delivery period to ensure timely arrival of their proposals. Proposals cannot be submitted via email or fax. All proposals received after the due date and time cannot be accepted and will be returned unopened.

NOTE: You should request a receipt containing the time and date received and the signature of the receiver for all hand-deliveries and ask that this information also be written on the package(s).

2.7 Submission of RFP Responses

Proposals should be sealed in an envelope or boxed and sent to:

Carol Swiderski
Contract Management Specialist II
New York State Office of Mental Health
Contracts and Claims Unit, 7th Floor
44 Holland Avenue
Albany, New York 12229

Attn: RFP for Medication Grant Program

2.8 Freedom of Information Requirements

All proposals submitted for OMH's consideration will be held in confidence. However, the resulting contract is subject to New York State Freedom of Information Law (FOIL). Therefore, if a Vendor believes that any information in its bid constitutes a trade secret or should otherwise be treated as confidential and wishes such information not to be disclosed if requested, pursuant to FOIL (Article 6 of the Public Officer's Law), the Vendor must submit with its bid a separate letter specifically identifying the page number(s), line(s), or other appropriate designation(s) containing such information be kept confidential. Failure by a Vendor to submit such a letter with its bid identifying trade secrets will constitute a waiver by the Vendor of any rights it may have under Section 89(5) of the Public Officer's Law relating to protection of trade secrets. The proprietary nature of the information designated confidential by the Vendor may be subject to disclosure if ordered by a court of competent jurisdiction. A request that an entire bid be kept confidential is not advisable since a bid cannot reasonably consist of all data subject to FOIL proprietary status.

2.9 Disqualification Factors

Following the opening of bids, a preliminary review of all proposals will be conducted by the Designated Contact or a designee to review each proposal submission for completeness (see Section II, 2.7) and verify that all eligibility criteria have been met (Section II, 2.5). Proposals that do not meet basic participation standards will be disqualified, specifically:

- Proposals from applicants that do not meet the eligibility criteria as outlined in Section 2.5;

- Proposals that do not comply with the RFP required format as specified in Section 2.7; or
- Applicants that did not submit a complete Proposal (Section II, 2.7B)

III. Administrative Information

3.1 Term of Contract

Contracts will be written for a total of ten (10) years, dependent upon appropriate funding.

3.2 Reserved Rights

The Office of Mental Health reserves the right to:

- Reject any or all proposals received in response to the RFP that are deemed non-responsive, do not meet the minimum requirements or are determined to be otherwise unacceptable, in the agency's sole discretion;
- Withdraw the RFP at any time, at its sole discretion;
- Make an award under the RFP in whole or in part;
- Disqualify any applicant whose conduct and/or proposal fails to conform to the requirements of the RFP;
- Seek clarifications of proposals for the purposes of assuring a full understanding of the responsiveness to the solicitation requirements;
- Use proposal information obtained through the State's investigation of an applicant's qualifications, experience, ability or financial standing, and any material or information submitted by the applicant in response to the agency's request for clarifying information in the course of evaluation and/or selection under the RFP;
- Prior to the bid opening, direct applicants to submit proposal modifications addressing subsequent RFP amendments;
- Prior to bid opening, amend the RFP specifications to correct errors or oversight, supply additional information, or extend any of the scheduled dates or requirements and provide notification to potential applicants via the OMH website and the NYS Contract Reporter;
- Waive requirements or amend this bid upon notification to all applicants. Mandatory requirements may be eliminated if unmet by all applicants;
- Waive any requirements that are not material;
- Change any of the scheduled dates;
- Reject any or all bids received in response to this RFP;
- Make an award under this RFP in whole or in part;
- Negotiate any aspect of the proposal in order to assure that the final agreement meets OMH objectives;
- Conduct contract negotiations with the next responsible applicant, should the agency be unsuccessful in negotiating with the selected applicant within fifteen (15) business days from notification of selection for award to include completion of all required documents and signature of the contract;
- Require clarification at any time during the procurement process and/or require correction of

arithmetic or other apparent errors for the purpose of assuring a full and complete understanding of an applicant's proposal and/or to determine an applicant's compliance with the requirements of the solicitation;

- Cancel or modify awards and/or contracts due to the insufficiency of appropriations;
- Determine and decide, in its sole and absolute discretion, whether any staffing proposal from the Vendor is suitable; and,
- Use the proposal submitted in response to this RFP as part of an approved contract. At the time of contract development, awardees may be requested to provide additional budget and program information for the final contract.

3.3 Debriefing Process

A debriefing is available to any applicant that submitted a proposal in response to this solicitation. The applicant will be accorded fair and equal treatment with respect to its opportunity for debriefing. Applicants may request a debriefing regarding feedback on their own proposal within 15 business days of OMH notifying the applicant of the outcome of their proposal submission. An applicant's written request for a debriefing must be sent to the Designated Contact, as defined in Section II, 2.1 of this RFP. The debriefing shall occur within ten (10) business days of OMH's receipt of the request or as soon after that time as practicable under the circumstances.

3.4 Protests Related to the Solicitation Process

Protests of an award decision must be filed within fifteen (15) business days after the notice of conditional award or five (5) business days from the date of a completed debriefing. The Commissioner or his/her designee will review the matter and issue a written decision within twenty (20) business days of receipt of protest.

All protests must be in writing and must clearly and fully state the legal and factual grounds for the protest and include all relevant documentation. The written documentation should clearly state reference to the RFP title and due date. Such protests must be submitted to:

Ann Sullivan, MD
Commissioner
New York State Office of Mental Health
44 Holland Avenue
Albany, New York 12229

OMH will review the Notice of Protest and, within fifteen (15) business days, notify the protesting party of its Protest Determination. If OMH requires additional time, it will notify the protesting party within the above stated fifteen (15) business days. OMH may summarily deny a protest that fails to contain specific factual or legal allegations.

Upon receipt of OMH's Protest Determination, the protesting party may file an appeal with the Office of State Comptroller (OSC). The process for filing such an appeal is set forth at https://www.osc.state.ny.us/agencies/guide/MyWebHelp/Content/files/XI_17_att2.pdf#search=p

[rotest%20procedure%20](#)

3.5 Minority and Women Owned Business Enterprises and Service Disabled Veteran Owned Business Enterprises

OMH recognizes its obligation to promote opportunities for maximum feasible participation of certified minority and women-owned business enterprises (“MWBEs”) and the employment of minority group members and women in the performance of OMH contracts. In accordance with New York State Executive Law Article 15-A, OMH hereby establishes a 16% goal for Minority-owned Business Enterprise (“MBE”) participation, a 14% goal for Women-owned Business Enterprise (“WBE”) participation, and a 6% goal for Service-Disabled Veteran-owned Business Enterprises (“SDVOB”) participation on any award resulting from this solicitation in excess of \$25,000 for commodities and services or \$100,000 for construction.

With respect to MWBEs, each award recipient must document its good faith efforts to provide meaningful opportunities for participation by MWBEs as subcontractors and suppliers in the performance of the project to be described in each grant disbursement agreement and must agree that OMH may withhold payment pending receipt of the required MWBE documentation. The directory of MWBEs can be viewed at: <https://ny.newnycontracts.com>. For guidance on how OMH will determine a Contractor’s “good faith efforts,” refer to 5 NYCRR § 142.8.

In accordance with 5 NYCRR § 142.13, each award recipient acknowledges that if it is found to have willfully and intentionally failed to comply with the MWBE participation goals set forth herein and in its grant disbursement agreement, such finding constitutes a breach of contract and OMH may withhold payment from the award recipient as liquidated damages.

Such liquidated damages shall be calculated as an amount equaling the difference between: (1) all sums identified for payment to MWBEs had the award recipient achieved the contractual MWBE goals; and (2) all sums actually paid to MWBEs for work performed or materials supplied under the grant disbursement agreement.

By submitting an application, an Applicant agrees to demonstrate its good faith efforts to achieve its goals for the utilization of MWBEs by submitting evidence thereof in such form as OMH shall require.

Additionally, an Applicant may be required to submit the following documents and information as evidence of compliance with the foregoing:

A. An MWBE Utilization Plan, which shall be submitted in conjunction with the execution of the grant disbursement agreement except as otherwise authorized by OMH. Any modifications or changes to the MWBE Utilization Plan after the execution of the grant disbursement agreement must be reported on a revised MWBE Utilization Plan and submitted to OMH.

OMH will review the submitted MWBE Utilization Plan and advise the award recipient of OMH acceptance or issue a notice of deficiency within 30 days of receipt.

B. If a notice of deficiency is issued, the award recipient will be required to respond to the notice of deficiency within seven (7) business days of receipt by submitting to OMH, a written remedy in response to the notice of deficiency. If the written remedy that is submitted is not timely or is found by OMH to be inadequate, OMH shall notify the award recipient and direct the award recipient to submit, within five (5) business days, a request for a partial or total waiver of MWBE participation goals. Failure to file the waiver form in a timely manner may be grounds for

disqualification of the bid or proposal.

OMH may refuse to enter into a grant disbursement agreement, or terminate an existing grant disbursement agreement resulting from this solicitation, under the following circumstances:

- a) If an award recipient fails to submit a MWBE Utilization Plan;
- b) If an award recipient fails to submit a written remedy to a notice of deficiency;
- c) If an award recipient fails to submit a request for a waiver; or
- d) If OMH determines that the award recipient has failed to document good faith efforts.

The award recipient will be required to attempt to utilize, in good faith, any MBE or WBE identified within its MWBE Utilization Plan, during the performance of the project. Requests for a partial or total waiver of established goal requirements may be made at any time during the term of the project but must be made no later than prior to the submission of a request for final payment under the grant disbursement agreement.

Each award recipient will be required to submit a Quarterly M/WBE Contractor Compliance & Payment Report to OMH over the term of the project, in such form and at such time as OMH shall require, documenting the progress made toward achievement of the MWBE goals established for the project.

3.6 Participation Opportunities for New York State Certified Service-Disabled Veteran Owned Business

Article 17-B of the New York State Executive Law provides for more meaningful participation in public procurement by certified Service-Disabled Veteran-Owned Businesses (“SDVOB”), thereby further integrating such businesses into New York State’s economy. OMH recognizes the need to promote the employment of service-disabled veterans and to ensure that certified service-disabled veteran-owned businesses have opportunities for maximum feasible participation in the performance of OMH contracts.

In recognition of the service and sacrifices made by service-disabled veterans and in recognition of their economic activity in doing business in New York State, applicants are expected to consider SDVOBs in the fulfillment of the requirements of the Contract. Such participation may be as subcontractors or suppliers, as proteges, or in other partnering or supporting roles.

For purposes of this procurement, the Department conducted a comprehensive search and determined that the Contract does not offer sufficient opportunities to set specific goals for participation by SDVOBs as subcontractors, service providers, and suppliers to Contractor. Nevertheless, Applicant/Contractor is encouraged to make good faith efforts to promote and assist in the participation of SDVOBs on the Contract for the provision of services and materials. The directory of New York State Certified SDVOBs can be viewed at: <https://ogs.ny.gov/veterans/> Applicants are encouraged to contact the Office of General Services’ Division of Service-Disabled Veteran’s Business Development at 518-474-2015 or VeteransDevelopment@ogs.ny.gov to discuss methods of maximizing participation by SDVOBs on the Contract.

3.7 Equal Employment Opportunity

By submission of a bid or proposal in response to this solicitation, the Applicant/Contractor agrees with all of the terms and conditions of Appendix A – Standard Clauses for All New York State Contracts including Clause 12 - Equal Employment Opportunities for Minorities and Women. The Contractor is required to ensure that it and any subcontractors awarded a subcontract over \$25,000 for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "Work"), except where the Work is for the beneficial use of the Contractor, undertake or continue programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status. For these purposes, equal opportunity shall apply in the areas of recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, termination, and rates of pay or other forms of compensation. This requirement does not apply to: (i) work, goods, or services unrelated to the Contract; or (ii) employment outside New York State.

The Applicant will be required to submit a Minority and Women-Owned Business Enterprises and Equal Employment Opportunity Policy Statement, Form # 4, to the State Contracting Agency with their bid or proposal. To ensure compliance with this Section, the Applicant will be required to submit with the bid or proposal an Equal Employment Opportunity Staffing Plan (Form # to be supplied during contracting process) identifying the anticipated work force to be utilized on the Contract. If awarded a Contract, Contractor shall submit a Workforce Utilization Report and shall require each of its Subcontractors to submit a Workforce Utilization Report, in such format as shall be required by the Contracting State Agency on a monthly or quarterly basis during the term of the contract. Further, pursuant to Article 15 of the Executive Law (the "Human Rights Law"), all other State and Federal statutory and constitutional non- discrimination provisions, the Contractor and sub-contractors will not discriminate against any employee or applicant for employment because of race, creed (religion), color, sex, national origin, sexual orientation, military status, age, disability, predisposing genetic characteristic, marital status or domestic violence victim status, and shall also follow the requirements of the Human Rights Law with regard to non- discrimination on the basis of prior criminal conviction and prior arrest. Please Note: Failure to comply with the foregoing requirements may result in a finding of non-responsiveness, non-responsibility and/or a breach of the Contract, leading to the withholding of funds, suspension or termination of the Contract or other such actions or enforcement proceedings as allowed by the Contract.

3.8 Conflict of Interest

Each applicant must identify in writing any financial arrangements it has with all New York State government agencies, public agencies, and private agencies. It must also identify any individuals who will be performing services under the contract that are currently or have been employed by an OMH licensed provider of services or who were formerly employed by OMH (Note: current OMH employees are prohibited from providing services under this contract). This document will be provided as part of the Preliminary Qualifications component of the proposal (see Section 9.4.e). If the applicant fails to provide this information, or if after review it is determined that a conflict of interest exists, the bid will be disqualified.

3.9 Procurement Lobbying

OMH has issued Guidelines pursuant to the New York State Finance Law Sections 139-j and 139-k, which prohibit lobbying on procurement contracts. For purposes of the law, procurement contracts include most contracts/Purchase Orders with an estimated annual expenditure in excess of \$15,000 per year, as well as amendments and modifications to such contracts which were not contemplated by the original contract and represent a material change in the scope of the contract. The law provides that, during the Restricted Period of an agency procurement for goods or services, vendors (or Offerors) may only contact the agency's designated contact person(s), and all contacts, whether permissible or impermissible, shall be recorded.

Violation of any of the requirements described in this Section may be grounds for a determination that the applicant is non-responsible and therefore ineligible for this contract award. Two violations within four years of the rules against permissible contacts during the "restricted period" may result in a violator being debarred from participating in OMH procurements for a period of four years.

- Must limit communications with OMH during the Restricted Period of each procurement to the OMH-designated point(s) of contact. Must affirm in writing vendor's understanding of and agreement to comply with the OMH Procurement Guidelines (Attachment J1)
- Must certify whether vendor has been found non-responsible within the previous four years by any Governmental Entity for failure to comply with State Finance Law 139-k or for the intentional provision of false or incomplete information regarding its procurement lobbying law compliance (Attachment J2).
- Must designate a single point or points of contact for each procurement
- Must require OMH staff to record all Contacts from Offerors during the Restricted Period of each procurement
 - A Contact is any communication with OMH under circumstances where a reasonable person would infer that the communication was intended to influence the procurement
- Must refer all impermissible Contacts for investigation by OMH
- Must make a responsibility determination with regard to State Finance Law Section 139-j and 139-k compliance prior to award of the contract
- Must include a provision in all procurement contracts which allows OMH to terminate the contract if the vendor's certification is found to be intentionally false or intentionally incomplete.

An electronic copy of the complete OMH Procurement Lobbying Law Guidelines is located at:

<http://www.omh.ny.gov/omhweb/procurementguidelines/>

3.10 State Finance Law Consultant Disclosure Provisions

In accordance with New York State Finance Law Section 163(4)(g), State agencies must require all contractors, including subcontractors, that provide consulting services for State purposes pursuant to a contract to submit an annual employment report for each such contract.

The successful applicant for procurements involving consulting services must complete a “State Consultant Services Form A, Contractor’s Planned Employment From Contract Start Date through End of Contract Term” in order to be eligible for a contract.

The successful winning applicant must also agree to complete a “State Consultant Services Form B, Contractor’s Annual Employment Report” for each state fiscal year included in the resulting contract. This report must be submitted annually to the Office of Mental Health, the Office of the State Comptroller, and Department of Civil Service.

State Consultant Services Form A: Contractor’s Planned Employment and Form B: Contractor’s Annual Employment Report may be accessed electronically at <http://www.osc.state.ny.gov/procurement>.

3.11 New York State Workers’ Compensation Insurance Requirements:

Section 57 of the New York State Workers’ Compensation Law (WCL) requires that State and municipal entities prior to entering into a contract must ensure that the contractor applying for that contract has appropriate New York State Workers’ Compensation Insurance coverage.

Therefore, as part of your bid submission you must provide one of the following forms to meet this requirement. **Failure to submit one of these forms may result in rejection of your bid.** All New York State Workers’ Compensation Board forms can be accessed by going to:

<http://www.wcb.ny.gov/content/main/forms/AllForms.jsp>

- i. CE-200 Certificate of Attestation For New York Entities With No Employees And Certain Out Of State Entities, That New York State Workers’ Compensation and/or Disability Benefits Insurance Coverage Is Not Required:

Form CE-200 can be filled out electronically on the New York State Workers Compensation Board’s website, <http://www.wcb.ny.gov/>, under the heading “Forms.” Applicants filling electronically are able to print a finished Form CE-200 immediately upon, completion of the electronic application. Applicants without access to a computer may obtain a paper application for the CE-200 by writing or visiting the Customer Service Center at any District Office of the Workers’ Compensation Board. Applicants using the manual process may wait up to four (4) weeks before receiving a CE-200.

OR

- ii. C-105.2 Certificate of Workers’ Compensation Insurance (the contractors insurance

carrier provides this form) **PLEASE NOTE:** The New York State Insurance Fund provides its own version of this form, the U-26.3;

OR

- iii. SI-12 Certificate of Workers' Compensation Self-Insurance (To obtain this form the contractor needs to call the New York State Workers' Compensation Board, Self-Insurance Office at 518- 402-0247), **OR** GSI-105.2 – Certificate of Participation in Workers' Compensation Group Self-Insurance (The Contractors Group Self-Insurer will provide this form).

3.12 Disability Benefit Insurance Requirement:

Section 220(8) of the New York State Workers' Compensation Law (WCL) requires that State and municipal entities prior to entering into a contract must ensure that the contractor applying for that contract has appropriate New York State disability benefits insurance.

All applicants as part of their bid submission must submit one of the following forms in order to meet this requirement. **Failure to provide one of these forms may result in your bid being disqualified.**

- iv. CE-200 Certificate of Attestation For New York Entities With No Employees And Certain Out Of State Entities, That New York State Workers Compensation And/or Disability Benefits Insurance Coverage Is Not Required:

Form CE-200 can be filled out electronically on the New York State Workers Compensation Board's website, <http://www.wcb.ny.gov/>, under the heading "Forms." Applicants filling

electronically are able to print a finished Form CE-200 immediately upon, completion of the electronic application. Applicants without access to a computer may obtain a paper application for the CE-200 by writing or visiting the Customer Service Center at any District Office of the Workers Compensation Board. Applicants using the manual process may wait up to four (4) weeks before receiving a CE-200.

OR

- ii. DB-120.1 Certificate of Disability Benefits Insurance (the contractor's insurance carrier provides this form);

OR

- iii. DB-120.2 Certificate of Participation in Disability Benefits Group Self Insurance;

OR

- iv. DB-155 Certificate of Disability Benefits Self-Insurance (To obtain this form the contractor needs to call the New York State Workers Compensation Board's Self-Insurance Office at 518-402-0247).

3.13 Additional Insurance Requirement:

Prior to the start of work the **Contractor** shall procure at its sole cost and expense, and shall maintain in force at all times **during the term of this Agreement**, policies of insurance as herein set forth below, written by companies authorized by the New York State Insurance Department to issue insurance in the State of New York with an A.M. Best Company rating of —A— or better. The OMH may, at its sole discretion, accept policies of insurance written by a non-authorized carrier or carriers when Certificates and/or other policy documentation is accompanied by a completed Excess Lines Association of New York (ELANY) Affidavit; provided that nothing herein shall be construed to require the Agency to accept insurance placed with a non-authorized carrier under any circumstances.

The **Contractor** shall deliver to OMH evidence of such policies in a form acceptable to the OMH. These policies must be written in accordance with the requirements of the paragraphs below, as applicable.

Conditions Applicable to Insurance. All policies of insurance required by this agreement must meet the following requirements:

- i. **Coverage Types and Policy Limits.** The types of coverage and policy limits required from the **Contractor** are specified in Appendix G, of the contract boilerplate.
- ii. **Policy Forms.** Except as may be otherwise specifically provided herein or agreed in writing by OMH, policies must be written on an **occurrence** basis. Under certain circumstances, the OMH may elect to accept policies written on a claims-made basis provided that, at a minimum, the policy remains in force throughout the performance of the services and for three (3) years after completion of the Contract. If the policy is cancelled or not renewed during that time, the Contractor must purchase at its sole expense Discovery Clause coverage sufficient to complete the 3-year period after completion of the Contract. Written proof of this extended reporting period must be provided to the Agency prior to the policy's expiration or cancellation.
- iii. **Certificates of Insurance/Notices.** **Contractor** shall provide a Certificate or Certificates of Insurance, in a form satisfactory to the OMH, before commencing any work under this contract. Certificates shall reference the Contract Number. Certificates shall be mailed to the:

**Contract and Procurement Services
NYS Office of Mental Health
Community Budget and Financial Management
Contract & Claims Unit – 7th Floor
44 Holland Avenue
Albany, NY 12229**

Unless otherwise agreed, policies shall be written so as to include a provision that the policy will not be canceled, materially changed, or not renewed without at least thirty (30) calendar

days prior written notice except for non-payment as required by law to the OMH, Attn: NYS Office of Mental Health, Community Budget and Financial Management, 44 Holland Avenue – 7th Floor, Albany, NY 12229. In addition, if required by the OMH, the **Contractor** shall deliver to the OMH within forty-five (45) calendar days of such request a copy of any or all policies of insurance not previously provided, certified by the insurance carrier as true and complete.

Certificates of Insurance shall:

- a. Be in the form approved by OMH.
- b. Disclose any deductible, self-insured retention, aggregate limit or any exclusion to the policy that materially changes the coverage required by the contract.
- c. Specify the Additional Insured and Named Insureds as required herein.
- d. Refer to this Contract by number, the Supplemental Certificate, and any other attachments on the face of the certificate,
- e. When coverage is provided by a non-admitted carrier, be accompanied by a completed ELANY Affidavit, and
- f. Be signed by an authorized representative of the insurance carrier or producer.

Original, copies, faxed, and electronic documents (Certificates of Insurance, Supplemental Insurance Certificates and other attachments) will be accepted.

iv. Primary Coverage: All insurance policies shall provide that the required coverage shall apply on a primary and not on an excess or contributing basis as to any other insurance that may be available to the OMH for any claim arising from the **Contractor's** Work under this contract, or as a result of the **Contractor's** activities. Any other insurance maintained by the OMH shall be excess of and shall not contribute with the **Contractor's** insurance regardless of the —other insurance clause contained in the Agency's own policy of insurance.

v. Policy Renewal/Expiration: At least two (2) weeks prior to the expiration of any policy required by this contract, evidence of renewal or replacement policies of insurance with terms no less favorable to the OMH than the expiring policies shall be delivered to the OMH in the manner required for service of notice in Paragraph A.3. *Certificates of Insurance/Notices*

If, at any time during the term of this contract, the coverage provisions and limits of the policies required herein do not meet the provisions and limits set forth in the Contract or proof thereof is not provided to the OMH, the **Contractor** shall immediately cease Work on the Project. The **Contractor** shall not resume Work on the Project until authorized to do so by the OMH. Any delay, time lost, or additional cost incurred as a result of the **Contractor** not having insurance required by the Contract or not providing proof of same in a form acceptable to the OMH, shall not give rise to a delay claim or any other claim against the OMH. Should the **Contractor** fail to provide or maintain any insurance required by this contract, or proof thereof is not provided to the OMH, the OMH may withhold further contract payments, treat such failure as a breach or default of the contract, and/or, after

providing written notice to the **Contractor**, require the Surety, if any, to secure appropriate coverage and/or purchase insurance complying with the Contract and charge back such purchase to the **Contractor**.

vi. Self-Insured Retention/Deductibles: Certificates of Insurance must indicate the applicable deductible/self-insured retention on each policy. For Construction contracts – General, Environmental, and/or Builders’ Risk deductibles or self-insured retentions above \$100,000 are subject to approval from the OMH. Additional surety/security may be required in certain circumstances. The **Contractor** shall be solely responsible for all claim expenses and loss payments within the deductible or self-insured retention.

vii. Subcontractors: Should the **Contractor** engage a Subcontractor, the **Contractor** shall endeavor to impose the insurance requirements of this document on the Subcontractor, as applicable. Required insurance limits should be determined commensurate with the work of the Subcontractor. Proof thereof shall be supplied to the OMH.

3.14 Iran Divestment Act

As a result of the Iran Divestment Act of 2012 (Act), Chapter 1 of the 2012 Laws of New York, a new provision has been added to the State Finance Law (SFL), § 165-a, effective April 12, 2012. By submitting a bid in response to this solicitation or by assuming the responsibility of a Contract awarded hereunder, Applicant/Contractor (or any assignee) certifies that it is not on the "Entities Determined To Be Non-Responsive Applicants/Offerors Pursuant to The New York State Iran Divestment Act of 2012" list ("Prohibited Entities List") posted on the OGS website at: <http://www.ogs.ny.gov/about/regs/docs/ListofEntities.pdf>

and further certifies that it will not utilize on such Contract any subcontractor that is identified on the Prohibited Entities List.

Additionally, Applicant/Contractor is advised that should it seek to renew or extend a Contract awarded in response to the solicitation, it must provide the same certification at the time the Contract is renewed or extended. By submitting a bid in response to this solicitation or by assuming the responsibility of a Contract awarded hereunder, Applicant/Contractor (or any assignee) certifies that once the prohibited entities list is posted on the OGS website, it will not utilize on such Contract any subcontractor that is identified on the prohibited entities list.

During the term of the Contract, should OMH receive information that a person (as defined in State Finance Law §165-a) is in violation of the above-referenced certifications, OMH will review such information and offer the person an opportunity to respond. If the person fails to demonstrate that it has ceased its engagement in the investment activity which is in violation of the Act within 90 days after the determination of such violation, then OMH shall take such action as may be appropriate and provided for by law, rule, or contract, including, but not limited to, seeking compliance, recovering damages, or declaring the Contractor in default. OMH reserves

the right to reject any bid, request for assignment, renewal or extension for an entity that appears on the Prohibited Entities List prior to the award, assignment, renewal or extension of a contract, and to pursue a responsibility review with respect to any entity that is awarded a contract and appears on the Prohibited Entities list after contract award.

3.15 Bid Response

Neither the State of New York or OMH shall be responsible for the costs or expenses incurred by the applicant in the preparation or presentation of the proposal.

3.16 Contract Provisions

The RFP, all information submitted in the applicant's proposal and any revisions hereto, any follow up questions and answers and any RFP addenda or amendments will be included as part of the successful applicant's contract.

Changes in Federal or State law may require additions or changes in final contract requirements.

3.17 Acceptance of Terms and Conditions

A bid, in order to be responsive to this solicitation, must satisfy the specifications set forth in this RFP. A detailed description of the format and content requirements is presented in Section 2.7 of this RFP.

3.18 Disposition of Proposals

All proposals received by the due date become the property of OMH and shall not be returned. The successful proposal will be incorporated into the resulting contract and will be public record. Any proposals received after the due date will be returned to the applicant unopened.

3.19 Contract Execution

Awards made through this RFP are not final and the resultant contract is not considered executed and binding until it is approved by the Attorney General and the Office of the State Comptroller (OSC) as required by New York State Law.

3.20 Vendor Responsibility

Section 163 of the State Finance Law requires that contracts be awarded on the basis of lowest price or best value, to a responsive and responsible Offeror. The State and courts have determined that responsibility includes integrity, previous performance, legal authority to do business in New York State, and financial and organizational ability to perform the contract.

As part of the procurement process, Offerors, affiliates and any business entity of which the Offeror is a subsidiary and subcontractors (where the subcontractor is known at the time of the contract award, and its subcontract will equal or exceed \$100,000 over the life of the contract) are required to complete the Vendor Responsibility Questionnaire and submit it with its proposal.

OMH shall conduct reviews of each Vendor for responsibility and responsiveness. The OMH may, at its sole discretion, request additional information, including meeting with the Offeror.

If the Offeror is determined by the OMH to be not responsible, the OMH shall inform the Offeror of such ruling. The Offeror shall have thirty (30) calendar days to request a meeting with the OMH to explain the ruling and to demonstrate the finding to be incorrect or to correct/resolve and issues impacting the Offeror's responsibility. If the OMH's findings remain unchanged after meeting with the Offeror, the Offeror shall be removed from consideration for this contract. The Offeror that is awarded this contract shall update the Vendor Responsibility Questionnaire whenever such information changes and prior to any contract extensions and/or amendments. In the case of an assignment, a Vendor Responsibility Questionnaire must be submitted for the assignee Contractor and all Subcontractors. If the Offeror or assignee is determined, on the basis of new or previously undisclosed information, to be not responsible, the contract may be terminated, at the OMH's sole discretion.

3.21 Sales and Compensating Use Tax Certification (Tax Law, § 5-A)

Tax Law § 5-a requires contractors awarded State contracts for commodities or services valued at more than \$100,000 over the full term of the contract to certify to the New York State Department of Taxation and Finance ("DTF") that they are registered to collect New York State and local sales and compensating use taxes, if they made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000, measured over a specific period of time. The registration requirement applies if the contractor makes a cumulative total of more than \$300,000 in sales during the four completed sales tax quarters which immediately precede the sales tax quarter in which the certification is made. Sales tax quarters are June-August, September-November, December-February and March-May. In addition, contractors must certify to DTF that each affiliate and subcontractor of such contractor exceeding such sales threshold during a specified period is registered to collect New York State and local sales and compensating use taxes. Contractors must also certify to the procuring State entity that they filed the certification with the DTF and that it is correct and complete.

The selected Contractor must file a properly completed Form ST-220-CA (with OMH as the Contracting Agency within 48 hours of notification of selection for award) and Form ST-220-TD (with the DTF). These requirements must be met before a contract may take effect. Further information can be found at the New York State Department of Taxation and Finance's website.

3.22 NYS and OMH Policies

The Vendor must agree to comply with all applicable New York State and OMH policies, procedures, regulations and directives throughout the term of the contract.

3.23 Sexual Harassment Prevention Certification

State Finance Law Section 139-I requires applicants on state procurements to certify that they have a written policy addressing sexual harassment in the workplace and provide annual sexual harassment training (that meets Department of Labor’s model policy and training standards) to all its employees.

Bids that do not contain the certification may not be considered for award; provided however, that if the applicant cannot make the certification, the applicant may provide a statement with their bid detailing the reasons why the certification cannot be made.

A template certification document is being provided as part of this RFP. Applicants must complete and return the certification with their bid, or provide a statement detailing why the certification cannot be made.

IV. Evaluation Factors for Awards

4.1 Evaluation Criteria

Evaluation of proposals will be conducted in two parts: Technical Evaluation and Financial Assessment (Cost). An independent evaluator will compute the Financial Assessment score and a committee consisting of at least three technical evaluators will complete the Technical Evaluation.

Each technical evaluator will independently review the technical portion of each proposal and compute a technical score. Evaluators of the Technical Evaluation component may then meet to provide clarity or review any questions an evaluator has about a particular section of a proposal. Following any such discussion, evaluators may independently revise their original score in any section and will note changes on the evaluation sheet. Once completed, final Technical Evaluation scores will then be calculated, averaged, and applied to the final Financial Assessment score to arrive at final scores.

Any proposal not receiving a minimum final score of 70 will be eliminated from consideration.

Component	Maximum Points
Section C Project Narrative	
Pre-Qualification Review	
Pre-screening of Proposals for Completeness	5
Preliminary Qualifications	10
Subtotal	15

Comprehensive Evaluation	
Organizational Qualifications	10
Technical Qualifications	35
Subtotal	45
Total Technical Score	60
Cost Proposal	
Cost Summary (Transition, Operating, Turnover)	10
Operating Costs	30
Total Cost Score	40
Total Proposal Score	100

The proposal with the highest score will be awarded conditional approval. If the applicant selected is not able to assume operational responsibility, OMH will select the applicant with the next highest score. In case of a tie in the scoring process, the proposal with the highest score on **the cost proposal** will be ranked higher.

4.2 Proposal Evaluation

4.2.1 Pre-Screening of Proposal for Completeness

Proposals submitted by applicants will be pre-screened for completeness and eligibility. Any proposal failing to provide response requirements and/or meeting the eligibility requirements as specified in Sections 2.7 and 2.5 respectively, may be removed from further consideration and the applicant notified accordingly.

In conducting the pre-screening review, OMH reserves the right to waive minor irregularities. If such irregularities are waived, similar irregularities in all proposals will be waived.

In circumstances where an item of non-compliance is considered to be more than minor in nature and is found in a significant number of proposals, this suggesting a possible lack of clarity in the RFP, applicants will be given the opportunity to correct the identified areas of non-compliance within a specific period of time. No further opportunity for correction will be offered.

4.2.2 Preliminary Qualifications

Proposals submitted by applicants will be evaluated to determine the applicant's qualifications to fulfill the requirements of this RFP.

The evaluation will review the completeness of the Appendix A – Transmittal Form, the strength and relevant experience of the corporate organization, the strength and relevant experience of proposed staff assigned to the MGP projects, adherence to conflict of interest, and the financial viability of the corporation to perform the work described in the RFP.

Applicants must have sufficient experience in processing functions similar in size and scope to that required by the MGP.

Responses must meet the requirements described in Section 9.3.

4.2.3 Comprehensive Evaluation

Proposals meeting the requirements of the Pre-Qualification Review will first be reviewed comprehensively to assess the organizational qualifications to provide PBM services to enrollees of MGP. Secondly, the proposals will be evaluated on the applicant's technical understanding of the work required and the strength of the proposed implementation of the transition, operations and turnover components of the contract cycle.

1. Organizational Qualifications

An evaluation of the applicant's organizational qualifications will be based on a detailed assessment of the organizational capability of the prospective applicant to engage in the work outlined in the RFP. References provided by the applicant will be contacted by evaluation team members to confirm the organization experience described in the proposal.

Responses must meet the requirements described in Sections 9.4 through 9.6.

2. Technical Qualifications

An evaluation of the applicant's technical qualifications will be based on a detailed assessment of the completeness and quality of the response to the programmatic requirements outlined in the RFP.

Responses must meet the requirements described in Sections 9.4 through 9.6.

4.2.4 Cost Evaluation

Proposals will be reviewed on two criteria: overall contract cost and monthly fees.

1. Bid Summary

The applicant's cumulative total cost projected over the ten (10) year contract cycle will be compared to the equivalent lowest and highest bids submitted by all applicants. A factor will be calculated that reflects the relative position of the applicant's total cost projections to the highest and lowest bids. This factor will be applied to the evaluation points assigned to the bid summary.

2. Monthly Fee

The applicant's projected 10-year monthly fee schedule will be compared to the equivalent lowest and highest fee schedules submitted by all applicants. A factor will be calculated that reflects the relative position of the applicant's average monthly fee, for the 0-500 average monthly transactions (enrollments & terminations), to the monthly fees of the highest and lowest bids. A second factor will be calculated that reflects the applicant's monthly fee, for 1501-2000 average monthly transaction (enrollments & terminations), relative to the monthly fee of the highest and lowest bids. Both factors will be applied to evaluation points assigned to the monthly fee.

4.2.5 Scoring

The applicant's proposal will be evaluated for completeness, comprehensiveness of program description and cost.

1. Scoring will be as follows:

Prequalification Review

- A. Pre-screening – 5 POINTS
- B. Preliminary Qualifications – 10 POINTS

Subtotal – 15 points

Comprehensive Evaluation

- A. Organizational Qualifications -10 POINTS
- B. Technical Qualifications – 35 POINTS

Subtotal – 45 Points

Total Technical Score – 60 Points

Cost Proposal

- A. Bid Summary – 10 POINTS

B. Monthly Fee – 30 POINTS

Total Cost Score – 40 Points

TOTAL PROPOSAL SCORE – 100 Points

2. Cost Proposal Formulas

A. Bid Summary

Points = 10 points x lowest bid for total cost estimate / total cost estimate of bid being assessed

B. Monthly Fee

Points = 15 points x
lowest bid for
0-500 monthly transactions (enrollments & terminations) / bid being assessed for 0-500 average
monthly transactions (enrollments & terminations)

+Points = 15 points x lowest bid for
1501-2000 monthly transactions (enrollments & terminations) / bid being assessed for 1501-
2000 monthly transactions (enrollments & terminations)

Illustrative Example

The Bid Summary Budget being evaluated for applicant XYZ is \$100,000. Of all the bids, \$75,000 is the lowest.

Bid Summary Cost Formula:

$$\begin{aligned}\text{Points} &= 10 \times 75,000/100,000 \\ &= 10 \times .75 \\ &= 7.5\end{aligned}$$

The Monthly Fee Budget for 0-500 monthly transactions being evaluated for applicant XYZ is \$6,000. Of all the bids, \$4,500 is the lowest.

Monthly Fee Cost Formula – 0-500:

$$\begin{aligned}\text{Points} &= 15 \times 4,500/6,000 \\ &= 15 \times .75 \\ &= 11.25\end{aligned}$$

The Monthly Fee Budget for 1501-2000 monthly transactions being evaluated for applicant XYZ is \$8,000. \$6,000 is the lowest.

Monthly Fee Cost Formula – 1501-2000:

$$\begin{aligned}\text{Points} &= 15 \times 6,000/8,000 \\ &= 15 \times .75 \\ &= 11.25\end{aligned}$$

Applicant XYZ would receive 7.5 points for bid summary and 22.5 points for monthly fee for a total cost score of 30.

No rounding will be done in calculating the technical and cost scores. The final evaluation score, however, will be rounded to the nearest whole number. The winning bid will be the bid with the highest final points, thereby meeting the definition of best value.

4.3 Agency Recommended Award and Notification

One award will be made through this RFP to the applicant with the highest technical and cost score combined. In the case of tied final points between two or more applicants, OMH will select the proposal with the highest score on the cost proposal.

Upon completion of the evaluation process, notification of conditional award and non-award letters will be sent to all applicants. The award is subject to approval by the New York State Attorney General's Office and the New York State Office of State Comptroller before the contract is finalized.

OMH reserves the right to conduct a readiness review of the selected applicant prior to the execution of the contract. The purpose of this review is to verify that the applicant is able to comply with all participation standards and meets the conditions detailed in its proposal.

4.4 Award Termination and Reassignment

There are a number of factors that may result in the reassignment of the award. This includes, but is not limited to, meeting the requirements outlined in Section 5. A contractor will be provided notification if there is need for reassignment.

To reassign the contract, OMH will go to the next highest ranked proposal.

V. Scope of Work

5.1 Introduction

In August of 1999, Kendra's Law was signed into law (in part, this law establishes a procedure for

obtaining court orders for certain individuals with mental illness to receive and accept outpatient treatment). Section 15 of this law established a grant program, the Medication Grant Program (MGP) which provides coverage for the cost of certain psychiatric medications for those individuals with mental illness who are eligible for Medicaid and are being discharged or released from hospitals operated or licensed by NYS OMH, or being released from State prisons and local correctional facilities (jails). The coverage bridges the gap between the time individuals are discharged or released into the community and the time when their Medicaid becomes available. MGP serves to assist individuals to maintain themselves in the community by providing access to necessary medications related to their mental illness while awaiting activation of the Medicaid benefits. Once individuals have been identified as having active Medicaid coverage, they are disenrolled from MGP.

The Contractor awarded by this RFP will coordinate and administer the following activities:

- Building and maintaining a comprehensive statewide network of retail pharmacies
- Monitoring prescription safety across all network pharmacies
- Implementing and maintaining a formulary of medications approved for reimbursement as defined under the MGP program and as updated by industry standards and State and Federal requirements
- Provide prospective drug reviews
- Maintain roster of program enrollees
- Maintain/operate a pharmacy payment system to reimburse pharmacies for medication provided to enrollees at the Medicaid fee schedule
- Maintain a pharmacy provider helpline
- Maintain an enrollment helpline
- Process pharmacy claims to and remittance advices from the New York State Medicaid vendor to obtain reimbursement for medications provided for enrollees who become Medicaid eligible
- Provide reports to participating counties and OMH in various formats as defined in Section 7.13/Report Requirements of this RFP

5.2 Objectives and Responsibilities

5.2.1 Objectives:

As noted in Section I, 1.1, the aim of the Medication Grant Program (MGP) is to pay for the cost of medications to treat mental illness and other services needed to prescribe and administer medications to individuals who require medications to treat mental illness and who file a Medicaid/cash assistance application prior to or within seven days of discharge/release from hospitals or correctional facilities.

5.2.2 Responsibilities:

- 1) Reimbursement to network pharmacies for services provided to enrollees of MGP at the Medicaid fee schedule
- 2) Processing pharmacy claims and billing Medicaid for all paid pharmacy claims.

- 3) Use of the New York State Medical Assistance Program formulary
- 4) Maintaining a Prospective Drug Utilization service
- 5) Maintain an efficient operating environment that meets all the performance standards set forth in this RFP
- 6) Develop a system for enrolling and disenrolling individuals in the program
- 7) Performs all determinations of MGP pharmacy provider eligibility and enrollment functions
- 8) Develop a systems program for payment to pharmacy providers in the network via check and/or electronic file transfer
- 9) Provide the necessary mailroom services to meet the operating requirements outlined in this RFP

5.3 Current Structure of Program

The MGP is a county operated program. Counties* have the option to respond to this initiative in three ways:

- a. Participate utilizing OMH's contract Pharmacy Benefits Manager (PBM)
- b. Participate without utilizing OMH's contracted PBM
- c. Not participate in the program

* As of September 2019, 39 counties and the five boroughs of New York City are participating in the Medication Grant Program, the large majority of which are utilizing OMH's contracted PBM.

The local Departments of Mental Hygiene (LDMH) are the focus of all activities related to the MGP for counties that elect to use the PBM. These LDMH will coordinate all activities between the discharging hospital, prison or jail, the PBM, the County Department of Social Services (LDSS) and the enrollee.

Potentially eligible individuals must file a Medicaid application prior to or within seven days of discharge from hospitals or release from correctional facilities in order to enroll in the MGP. In addition to Medicaid, most applicants will need Public Assistance and Food Stamps. A one-page MGP enrollment/disenrollment form is filled out by the enrollee. The potential enrollee is identified by the hospital Discharge Planner or the Jail Transition Manager.

Transition Managers work with individuals being released from jails. The major responsibilities of transition managers are to identify individuals who will be eligible for the medication grant program, aid in filling out Medicaid applications, application for Public Assistance and Food Stamp

Services, and provide linkages to clinical, case management, housing and other essential mental health services.

The enrollee or discharge planner/transition manager forwards the Medicaid application and the MGP enrollment form to the LDMH. The date that the LDMH receives the signed, completed Medicaid application is, for the purpose of the initiation of the eligibility determination process, considered to be the filing date of the application. The Medicaid Application is forwarded to the LDSS by the LDMH along with a transmittal letter. This transmittal letter includes a section for LDSS return notification on the disposition of the enrollee's application.

The LDMH is responsible for notifying the PBM of the new enrollees. The PBM data enters enrollee notifications into their system and confirms enrollment with the LDMH. The expected turnaround time for enrollment confirmation for the PBM is less than half an hour during established business hours. The PBM sends weekly reports to participating counties and OMH confirming the roster status of enrollees.

Once the LDMH is notified by the PBM that enrollment is confirmed, an MGP card is issued by the LDMH. The card allows an individual to receive medications related to their mental illness at no cost. The MGP card is not a Medicaid card and is only valid while an individual is awaiting their Medicaid eligibility determination. Enrollees are directed to one of the pharmacies in the PBM network by the LDMH. The PBM is responsible for providing up-to-date listings of network pharmacies to participating counties.

After an individual is either found to be eligible or ineligible for Medicaid, the LDSS notifies the LDMH using the transmittal letter sent to them with the original application. If an individual is found eligible for Medicaid, they will receive a Medicaid card and the Medication Grant Card will no longer be valid. If an individual is ultimately determined not to be Medicaid eligible, then there is an expectation that the county will work closely with the individual to find other funding sources for medication such as pharmacy scholarships and then disenroll the individual from the MGP. Thus, for some enrollees, there may be a short period of continuous enrollment after the date of the determination of Medicaid ineligibility.

Once a Medicaid determination is made, the LDMH is responsible for notifying the PBM of the individual's disenrollment from the program utilizing the same enrollment/disenrollment form that was originally filed. The PBM sends confirmation of the disenrollment to the LDMH.

The PBM reimburses network pharmacies for services provided to enrollees of MGP at the Medicaid fee schedule. Pharmacy claims are processed on a bi-weekly schedule by the PBM. Following the determination of an MGP enrollee's acceptance into the Medicaid Program, the PBM bills Medicaid for all paid pharmacy claims. The PBM is responsible, in conjunction with the Office of Mental Health (OMH), to resubmit Medicaid denied claims until it is determined that Medicaid reimbursement has been appropriately rejected. All Medicaid reimbursement is used to offset MGP expenditures.

The PBM utilizes the New York State Medical Assistance Program formulary. The formulary contains only those drugs which are used to treat mental illness, those used to treat side effects of the psychiatric drugs and those shown to augment the activity of the psychiatric drugs. See Attachment P /Medication Formulary List. Restricted drugs are identified by standard therapeutic class. As updates occur to the Medical Assistance formulary, they are to be updated to the PBM files.

The PBM is responsible for maintaining a Prospective Drug Utilization service. This includes the on-line evaluation of an enrollee's prescription against client-approved criteria to identify drug therapy problems prior to dispensing. Use of hard and soft edits is expected.

5.4 Resources for Applicants

A list of acronyms used in this RFP is included in Attachment K/MGP Acronyms.

VI. Transition – This transition is expected to occur over a two-month (2) time period

6.1 Objectives

- a. Provide an efficient, orderly and controlled transition to a successor contractor
- b. Minimize any disruption of processing and services provided to potential enrollees and network providers
- c. Retain the functionality of existing systems, procedures and operating practices

6.2 Current Contractor's Responsibilities

- a. Documentation Update - during the transition period, the current contractor will review and update all documentation of procedures, processes and system design.
- b. Transfer Management and Consulting – the current contractor's turnover activities will be coordinated by a high-level team whose members are familiar with the MGP Program. The current contractor's management staff will be responsible for planning and monitoring transition progress. The current contractor is expected to participate in training efforts organized by OMH.
- c. Data Transfer – the current contractor is responsible for the transfer of system's data related to enrollment, disenrollment, active prescriptions, Medicaid billing data for MGP paid services and any other data critical to the efficient, orderly and controlled transition of the program to the successor contractor.

6.3 State Responsibilities

- a. Training – the training effort will focus on providing the successful contractor with information about all operational and system aspects of the MGP. The training objective is to become familiar with MGP operations, policies and procedures. The current contractor is expected to participate in these sessions.
- b. Supervisory Responsibility – OMH will assume supervisory responsibility for transition project management. A project manager responsible for coordinating transition activities,

maintaining the transition schedule and approving transition deliverables will be appointed. Periodic project review meetings will be held with representatives of OMH, the current contractor and the successor contractor.

6.4 Successor Contractor Responsibilities - the successor contractor is required to perform transition activities during a two-month period, including but not limited to the following tasks:

- a. Assemble Management Team – the successor contractor is required to assemble a high-level management team to oversee the transition. The management team is expected to work closely with OMH and the current contractor during the transition period. After transition activities are completed, the management team of the successor contractor will assume responsibility for the site and operations. The management team must be identified and installed at the beginning of the transition period to complete the following job functions:
 - Management of the contract
 - Liaison with OMH
 - Financial management of the contract
 - Enrollment/disenrollment of the MGP members
 - Day-to-day operations of MGP
- b. Planning – the successor contractor shall, upon selection, prepare a detailed transition plan for OMH approval. The plan should include, but not be limited to:
 - Schedule of activities reflecting items listed in Section 6.4 but not limited to:
 - Staff hiring;
 - Facility leasing/rental, equipment purchasing and supply purchasing;
 - A description of the smooth transition of prescriptions for MGP participants from existing pharmacies to new pharmacies, if the existing pharmacies are not part of the applicant's network;
 - Schedule of software and acceptance of prior contractor's database;
 - Description of quality assurance and testing of all systems required to operate the MGP; and,
 - Timetable for milestones/deliverables requirements
- c. Implement Administrative Functions – administrative functions, including accounting, purchasing, assuring confidentiality and security, must be implemented for the transition period.
- d. Train New Personnel – the successor contractor will be responsible for staffing all required functions with trained employees. The successor contractor will be responsible for training of management and non-management personnel.
- e. System Hardware – the successor contractor will be responsible for the operation and maintenance of the computer hardware necessary to support the MGP processing functions.
- f. System Software – the successor contractor must develop software to implement the MGP program and software systems to support the operational work described in SECTION VII. Specifically, systems support is required for: point of sale system, enrollment/disenrollment, MGP formulary, prospective drug utilization, pharmacy

provider network, claims processing, checkwrite, Medicaid recovery, reports, and disaster recovery. OMH requires evidence that the systems support programs have been fully tested prior to set up.

- g. Disaster Planning – the successor contractor will be responsible for developing the disaster plan, presented as part of the proposal, into a fully functional and documented arrangement during the transition process. Equipment backup should be tested for compatibility and capacity.

A backup plan must be in place and capable of being put into operation within forty-eight (48) hours of a disaster (except that enrollee applications must continue to be processed) and service must be provided during the interim period such that all areas of operational and functional requirements and the performance standards set forth in this RFP are met.

Sufficient business interruption insurance must be provided or liquid assets available to cover three (3) months of operations, measured by the contractual cost contained in the applicant's proposal.

- h. Establishment of Operating Facility – The center of computer activities may be located outside of the Albany area, including out of New York State, but within United States mainland.
- i. Assume Operational Responsibilities – the successor contractor shall assume responsibility from the current contractor without interruption of service to enrollees, network providers, counties and OMH for the maintenance and development of internal forms, manuals and procedures, and documentation and operations as described in SECTION VII.

6.5 Milestones/Deliverables

- a. Transition Plan – the successor contractor shall deliver within two weeks of the contract start date, for OMH approval, a detailed plan showing activities and staffing levels during the transition period. This plan must include a method for ensuring the complete review and acceptance of each computer program and operating procedure in the MGP system, including software under development. An important component of the transition plan will be the timely notification of the county MGP program and their referral sites of any changes in MGP management or referral processes.
- b. Completed Acceptance Process – the successor contractor must complete the process of review and acceptance of each computer program and operating procedure in the MGP system including software under development. It is expected that parallel testing of all computer production processing be performed during transition to sufficiently ensure the entire system has been transitioned satisfactorily to the successor contractor's computer system. A two-week period of parallel testing is expected at a minimum. A report documenting this activity must be provided to OMH prior to completion of the transition process.
- c. Progress Reports – Progress reports to OMH shall be submitted by the successor contractor at two-week intervals. This will begin two weeks after the signing of a

contract resulting from this RFP by the contractor and OMH. These reports should include significant events, progress of software acceptance, problems encountered, planned activities for the next two reporting periods, meetings held, and other information as deemed necessary by OMH.

- d. Final Disaster Plan – a final disaster plan, with written procedures, responsible individuals, test results, and a period test schedule, must be presented to OMH for approval prior to the completion of the transition process.

6.6 Contractor Compensation – contractor compensation for transition efforts will be based upon the total transition price contained in the applicant’s proposal which includes management team costs, start-up costs and systems development. Complete accounting reports on the successor contractor’s costs will be required by OMH. Payment of the total transition price shall be made upon successful completion of the transition function.

VII. Operations

7.1 Objectives:

- Maintain an efficient operating environment which meets all the performance standards set forth in this RFP
- Be sensitive to the special needs of individuals with mental illness served by MGP
- Be responsive to enrollees, pharmacies, counties and other users of the MGP system
- Establish an operation that can be successfully turned over to a successor contractor or OMH at the end of the contractual period

7.2 Operations Management Team

The contractor is expected to maintain a quality management team to oversee the day-to-day operational aspects of the MGP which should include the title of the key positions, lines of reporting and the number and level of staff.

7.3 Online Point-of-Sale (POS) System

The MGP point-of-sale (POS) system must meet the performance criteria in this section. The following performance standards and protocols apply to the MGP POS operation:

- a. The computer online POS system shall be operational and available to all providers for eligibility and claims capture 100% of the time between 7:00 AM and 10:00 PM, seven (7) days a week, except as specified in item 7.3f of these standards.
- b. Preventative maintenance and system updating shall be scheduled between 10:00 PM and 7:00 AM daily.

- c. The host response time for ninety-five (95%) percent of all transactions shall not exceed five (5) seconds. Host response time refers to the time required to process a transaction from when the contractor received control of the transaction to when the contractor returns control.
- d. The computer online POS system must be capable of handling the projected claim volume, and peaks of fifteen (15) inquiries per second. Additionally, the average CPU utilization rate shall not be greater than fifty (50%) percent of any one-hour period.
- e. The contractor shall develop and deliver to OMH weekly reports which shall present data substantiating that the POS system is in compliance with the performance standards presented in this section.
- f. POS computer processing downtime between 8:00 AM and 9:00 PM (peak hours) for reasons within the control of the contractor shall not exceed twenty (20) minutes per month. The computer processing downtime between 7:00 AM and 8:00 AM, together with the computer processing downtime between 9:00 PM and 10:00 PM (off peak hours), for reasons within the control of the contractor shall not exceed twenty (20) minutes per month. MGP reserves the right to grant prior written approval for scheduled processing downtime for computer upgrades, preventative maintenance and changes to the system software as they may be required.

The contractor is required to submit requests to obtain written approval at least thirty (30) calendar days prior to scheduled downtime.

If the causes for computer processing downtime are within the control of the contractor, other than that which is scheduled with prior OMH approval, OMH may assess liquidated damages. Liquidated damages will be assessed, as a non-refundable deduction from the monthly payment voucher for operations, at the rate of \$250 per minute of downtime during off-peak hours and \$500 per minute of downtime during peak hours in excess of the standards defined herein. It is the contractor's responsibility to provide to OMH sufficient information regarding the circumstance surrounding the deficiency for consideration when determining the reasonable assessment of damages.

The contractor is responsible for providing the on-line computer system. The contractor has no responsibility or control of the computer systems operated by MGP network pharmacies and their associated pharmacy software vendors with one exception, that being the proper testing and certification of their systems. The contractor shall not be liable for any liquidated damages pursuant to this section for any point-of-sale downtime caused by the MGP network pharmacies or their associated software vendors.

- g. The contractor will have the capability of providing electronic transfers of payment to pharmacy providers.

7.4 MGP Enrollment/Disenrollment

Enrollment and disenrollment in MGP are the cornerstone of the program. The contractor is expected to develop a system for enrolling and disenrolling individuals in the program. The

creation of a database in electronic form to store demographic information associated with the enrollment and disenrollment of individuals into MGP and transmit this data to OMH and counties on a weekly basis will have been developed during the contract cycle.

a. Enrollment

- MGP enrollment is the responsibility of the County through the LDMH, however, although most enrollment requests will come from LDMH, some will come from hospitals operated or licensed by NYS OMH or being released from State prisons and local correctional facilities (jails) as well.
- Enrollment requests are received by the contractor via fax or other electronic media utilizing Form MGP-001 found in Attachment N / MGP Enrollment/Disenrollment Form.
- Enrollment requests are collected, sorted and processed as they are received. If faxes are used, the fax machine is checked on scheduled intervals defined by the PBM Program Manager or his/her designee. The fax machine will be left on 24-hours a day, 7 days a week. Faxes received after normal business hours will be processed the next business day.
- The contractor will enter into a POS system all complete, readable requests that will load the enrollment record in a real-time environment.
- The contractor will make every attempt to fax the verification of enrollment to the requestor within 20 minutes of receipt, 95% of the time during normal business hours.
- Each county, hospital operated or licensed by NYS OMH, State prisons and local correctional facilities (jails) will identify to the PBM those individuals who are authorized to approve patient enrollment.
- If questions arise from the enrollment process, the contractor will make every effort to call the originating county or facility. However, incomplete or illegible requests will be returned to the requestor. All confirmations will be faxed back to the requestor.
- After receipt of the enrollment confirmation from the contractor, LDMH and designated staff in hospitals operated or licensed by NYS OMH, State prisons and local correctional facilities (jails) are responsible for issuing the MGP card to the enrollee. See Attachment O / Medication Grant Card for the facsimile of the MGP Card.

b. OMH is responsible for providing county contact information to the contractor.

c. Disenrollment

- Disenrollment is the responsibility of the County through the LDMH. All terminations notices will be sent from LDMH.
- Disenrollment notices are sent to the contractor via fax or other electronic media utilizing Form MGP-001 found in Attachment N / MGP Enrollment/Disenrollment Form.
- Disenrollment requests are collected, sorted and processed as they are received. If faxes are used, the fax machine is checked on scheduled intervals defined by the Program Manager or his/her designee. The fax machine will be left on 24-hours a day, 7 days a week. Faxes received after normal business hours will be processed the next business day.

- The contractor will enter into the POS system all complete, readable requests that will load the disenrollment record in a real time environment.
- The contractor will make every effort to call the originating county if questions arise from the disenrollment process. However, incomplete or illegible requests will be returned to the requestor. All confirmations of termination will be faxed back to the requestor.
- After confirmation of disenrollment by the contractor, LDMH is responsible for notifying the MGP enrollee of their disenrollment from the program.
- d. The contractor maintains an enrollment/disenrollment database on the applicant's computer system. This database includes enrollment/disenrollment information on all active and inactive patients for six (6) years from disenrollment from the MGP program.
- e. The contractor electronically transfers a comma delimited formatted file of the enrollment/disenrollment database to OMH and counties (if they request) on a weekly basis.
- f. The following lists the data elements required to be collected with the enrollment and disenrollment of MGP members:
 - Last Name
 - First Name
 - Middle Initial
 - Social Security Number
 - Assigned MGP Member Number
 - Date of Birth
 - Gender
 - Ethnicity
 - Address
 - County where recipient lives (last five occurrences)
 - County where recipient lives "as of date" (last five occurrences)
 - Home/Contact Phone
 - Work Phone
 - Diagnosis
 - Primary Mental Health Care Provider
 - PCP Phone Number
 - Institution of Release Code
 - Institution Sub-category Code
 - Name of Institution discharged/released from
 - Type of Institution
 - County of Institution
 - Date released from Institution
 - Date of fax for enrollment to MGP
 - MGP Enrollment Effective Date
 - Date MGP enrollment entered
 - MGP Disenrollment Effective Date
 - MGP enrollee's Medicaid ID #
 - MGP enrollee's Medicaid begin date

- MGP enrollee's Medicaid County
- g. The following lists the Medicaid Claim data elements required to be collected for enrolled and disenrolled MGP members:
 - Date contractor billed to Medicaid
 - Amount billed
 - Date paid by Medicaid to OMH
 - Amount paid, last five occurrences
 - Amount pended, last five occurrences
 - Amount denied, last five occurrences
 - Denial reason code, last five occurrences
 - Amount rebilled, last five occurrences

7.5 Pharmacy Network

- a. Description of Network – The pharmacy network for the MGP will be made up of 4,500 pharmacies, distributed in all 57 counties and 5 boroughs of New York City. The network must include independent and chain drug stores. The network of pharmacy chains should include, but are not limited to, CVS, Duane Reade, Hannaford, Kinney Drugs, Price Chopper, Shoprite, Stop and Shop, Tops, Walgreens, Walmart and Wegmans. The contractor is expected to operate a POS system within the pharmacy network. The member pharmacies submit claims via the system using the current version of the National Council for Prescription Drug Program (NCPDP) format. Changes to the network need to be reported to OMH on a monthly basis.
- b. Pharmacy Network Enrollment – On behalf of MGP, the contractor performs all determinations of MGP pharmacy provider eligibility and enrollment functions according to State regulations and guidelines. Contractor functions include:
 - Maintenance and update of appropriate forms and instructions for provider agreements, enrollment forms and disclosure of ownership statements.
 - Distribution of provider agreements and enrollment forms to appropriate registered pharmacies.
 - Receipt and processing of provider enrollment forms and signed agreements, as well as, performing the biennial recertification of enrolled providers to verify their claim volume and service levels.
 - Maintenance of a provider data profile, which includes necessary data elements to support MGP functions.
 - Maintenance of a hard copy or facsimile of provider records, which contain all enrollment forms, correspondence, record of status changes, and the provider agreement for the duration of the agreement. At the end of the agreement, these records must be transferred to the successor contractor.
 - Updating of the provider profile to exclude pharmacies from enrollment based upon Medicaid terminations or New York State licensing suspensions, as provided and/or directed by OMH.
 - Notification of provider applicants in writing per State regulations, of determinations to deny enrollment, giving reasons for the denial and explaining their rights to appeal.

- Providing representation at all State fair hearings pertaining to provider enrollments.
- Identification of inconsistent or potentially fraudulent billing practices of the providers, and notification of OMH accordingly.
- c. Pharmacy Network Communications – It is essential that the PBM develop and maintain excellent lines of communication with their network of pharmacy providers. Included should be the following:
 - A MGP Pharmacy Manual containing billing and policy material will be produced and distributed to each participating pharmacy. Updates to the manual will also be sent to each pharmacy as requested by OMH.
 - Bulletins that periodically update pharmacy providers about MGP will be sent to the providers on an as needed basis.
 - The PBM will provide network pharmacies with regularly updated lists of formulary medications.
 - The PBM will maintain a pharmacy provider help line 24 hours a day, seven days a week.
 - The PBM must provide the local departments of Mental Hygiene and/or MGP designated contacts with a list of the network pharmacy providers quarterly and upon request.
- d. Pharmacy Provider Relations – The following lists the requirements of the PBM regarding the support expected to be provided to pharmacies in the network:
 - The contractor shall respond to written, telephone and e-mail inquiries from pharmacies to resolve enrollment, billing, claims payment problems and answer any other questions.
 - The contractor shall also provide pharmacist expertise to inquiries in support of the POS Prospective Drug Utilization Review (ProDUR) system.
 - The contractor will provide sufficient toll-free number lines and sufficient telephone representatives to comply with performance standards.
 - The contractor shall also provide on-line access to the telephone representatives to the appropriate computer files in order to respond to these inquiries.
 - The contractor shall follow procedures to ensure a timely and accurate response, while also ensuring confidentiality of participant information in accordance with all applicable laws and regulations.
- e. In conjunction with OMH, the contractor will hold an annual training seminar for local MGP programs.

7.6 Formulary

- a. The intent of the MGP is to provide medications to treat mental illness. See Attachment P / Medication Formulary List for a listing of MGP therapeutic classes. The formulary includes drugs to treat mental illness, those used to treat side effects of psychiatric drugs and those shown to augment the activity of the psychiatric drugs. Medications to treat drug and alcohol dependency and HIV are not included in the formulary because they are available from other sources.

- b. The PBM will use the New York Medical Assistance formulary, which will be provided by the State's Medicaid Management Information Systems (MMIS) contractor, CSRA Inc. Currently, the formulary is accessible from the information tab of the eMedNY website in either a downloadable Adobe PDF format or a downloadable zip file which contains eight pipe delimited text files and creates the following output files: Formulary Status; Copay List; Age Limit Coverage; Gender Limit; Prior Auth Coverage; Quantity Limit Coverage; Text Message Coverage; Cross Reference. The current web address to obtain this data and review formulary file layouts as of the writing of this RFP is <https://www.emedny.org/info/formfile.aspx>. The reason for using the Medical Assistance formulary is the statutory requirement for recovering Medicaid revenue. The MMIS Contractor drug file includes an Alternate Price for a National Drug Code (ALT) and a Maximum Reimbursable Amount (MRA) for pricing. The MRA price is equal to Medicaid Fee-for-Service pharmacy reimbursement methodology for each drug type. Pharmacies are reimbursed at MRA unless there is an alternative price in the ALT field.
- c. Restricted drugs will be identified by standard therapeutic class, Generic Code Name and/or by OMH, with the consultation of the PBM. Restricted drugs and/or therapeutic classes are:
 - 00 Medical Supplies
 - 12 Amphetamine preparations
 - 13 Anti-obesity preparations
 - 33 Anti virals (and other AIDS drugs and agents to treat drug dependencies)
 - 36 Contraceptives, topical
 - 63 Contraceptives, oral
 - 86 Infant formulas
 - 99 Unclassified drug products
- d. New drugs are marketed continuously and new uses for these drugs are approved by the FDA. These changes are reflected in the New York Medical Assistance formulary. The current web address to obtain this data as of the writing of this RFP is <https://www.emedny.org/info/formfile.aspx>.
- e. The following lists the medication data elements required to be collected based on enrollee utilization of the MGP services:
 - National Drug Code (NDC)
 - Name of Drug
 - Specific Therapeutic Category
 - Quantity
 - Days Supply
 - Date Filled
 - Pharmacy name and the National Association Board of Pharmacies (NABP) number
 - County where pharmacy is located
 - Date provider submitted claim into Point-of-Sale
 - Usual and Customary Charge
 - Date paid by PBM
 - Amount paid
 - Licensing number of prescribing pharmacist

7.7 Prospective Drug Utilization Review (ProDUR)

- a. The contractor is responsible for the operation of a Prospective Drug Utilization Review (ProDUR). The objective of the MGP's therapeutic drug monitoring program is to minimize the risk of drug incompatibilities or drug induced illnesses resulting from the participant use of medications. The system must be tailored to identify specific types of problems and risks for individuals with mental illness.
- b. The contractor is responsible for recommending specific criteria for categories of ProDUR. OMH shall be responsible for the prior review and approval of all ProDUR criteria. The contractor shall be responsible for the developing, maintaining, and operating the system to screen and act on potential problems. Attachment R / Prospective Drug Utilization Review details the edits currently in place for ProDUR.
- c. Currently, MGP's on-line POS claim system contains a ProDUR denial/override process whereby on-line POS claims are denied whenever an early refill, a serious drug-to-drug interaction, therapeutic duplication, or late refill is identified. The contractor is expected to include "hard" and "soft" edits. Hard edits require the community pharmacist to discuss the prescription with the contractor prior to dispensing a medication. Soft edits must trigger a warning message to the community pharmacist. If, in the professional judgment of the pharmacist and/or prescriber, the prescription is appropriate, the pharmacist can override the denial electronically following NCPDP standards and fill the prescription as written.
- d. Currently, the First Data Bank file is used which includes Generic Code Name and/or Therapeutic class for ProDUR editing.
- e. The contractor is not responsible for implementing standard utilization review functions for MGP as program enrollment generally averages 45 days.

7.8 Claims Processing

- The contractor will be responsible for all claims processing activities. All claims processing activities must provide certain functionality and access by the type of user in conformance with the HIPAA standards for Protected Health Information, particularly regarding the 'minimum necessary' standard for viewing patient protected information. For additional information on HIPAA Standards, please refer to The Health Insurance Portability and Accountability Act (HIPAA) Privacy Rule at 45 C.F.R. Parts 160 and 164

Further such application must also follow New York law which provides greater privacy protections for OMH patients than HIPAA standards. Refer to the link below:

New York Consolidated Laws, Mental Hygiene Law – MHY § 33.13. Clinical records confidentiality

<http://codes.findlaw.com/ny/mental-hygiene-law/mhy-sect-33-13.html>

These activities include, but are not limited to the following:

- a. The contractor will process claims submitted via an on-line (POS) system. See Attachment S / Payer Data Elements for data elements required for claims processing.
- b. The PBM's POS system is expected to support the latest NCPDP standards. The contractor is responsible for keeping informed of NCPDP issues and developments. If there are any changes in the national standard, appropriate action to implement those changes into the MGP POS system must be done in a timely manner without negatively impacting provider participation and/or participant access. All changes require prior OMH approval.
- c. POS supports the following transactions:
 - Reversal Within 90 days of original claim
 - Rebill Within 14 days of date of service
 - o The contractor shall provide a test environment and assistance to providers in their network, free of charge, to test their software with MGP.
 - o A claims control system shall be used to track the progress and status of individual claims via on-line inquiry.
 - o Claims are paid utilizing the Medicaid fee schedule plus the Medicaid dispensing fee. The contractor must provide a flexible processing system which allows periodic amendments to the pricing formula based on the updated formulary database provided by the State's MMIS contractor.
 - o Claim cycles will be run every other week, the specific day to be determined by the PBM.
 - o Remittance advice shall be produced from each payment cycle which reflects the status of all claims adjudicated within that cycle. Remittance advice shall be made available to providers electronically via an X12 835 transaction or paper, if requested by the network pharmacy.
 - o Checks for paid claims for each cycle shall be generated on the same schedule as the remittance advice and be mailed or submitted via electronic file transfer to pharmacies.
 - o The paid claims history file shall be updated following a claim cycle.
 - o A cumulative pharmacy-specific accounting file shall be maintained after each payment cycle. Tax data shall be provided to the Internal Revenue Service for all provider pharmacies consistent with Federal guidelines.
 - o On-line claim files must be updated immediately with POS activity.
 - o The contractor shall process cleared checks, uncleared checks (including periodic notices to pharmacies with checks not yet cleared), stop payment orders, reissued checks, payment errors, and perform monthly bank reconciliations and other money management tasks, such as recoupments of previously paid fees or benefits.
- d. Pended Claim Resolution
Pended claims processing shall meet the following specific criteria (exclusive of pended claims requiring the completion of claim correction forms by providers):
 - o At least ninety-nine (99) percent of all pended claims shall be adjudicated within sixty (60) calendar days of receipt.

- At least ninety-five (95) percent of all pended claims shall be adjudicated within thirty (30) calendar days of the claim being pended. Those claims exceeding thirty (30) calendar days shall be printed on an exception report.
- e. The contractor shall maintain claims processing data for a period of six (6) years.
- f. The contractor shall electronically transfer a comma delimited formatted file of the claims processing data to OMH and counties (if they request) on a bi-weekly basis.

7.9 Checkwrite Procedure

- a. The contractor is required to develop a systems program for writing checks to pharmacy providers in the network. The contractor must also have electronic funds transfer capability to pay providers.
- b. The PBM issues checks to pharmacy providers. The contractor will maintain two separate accounts:
 - Provider Disbursement Account
 - Provider Receipt Account
- c. In order to manage the payment of expenditures and to track expenditures on a county-specific basis, OMH has established an escrow account with the Office of State Comptroller (OSC) specifically for the MGP at a local (Albany, NY) commercial bank. This account is referred to as the Provider Disbursement Account or zero balance account.
- d. The contractor will run a checkwrite every other week. The checkwrite will include POS claims submitted for the previous two-week period. A check file and a remittance file will be downloaded the next business day after checkwrite. The checkwrite will be balanced and summary totals will be sent to OMH for a funding request. Checks and remittances will be produced and locked in a secure area until check release is authorized by OMH.
- e. The contractor will notify OMH of the individual pharmacy claims. OMH will then review/audit the claim and will authorize the transfer of the total of the billings to the OSC escrow account. OMH will simultaneously authorize the PBM to pay the pharmacies.
- f. The bank notifies OSC of the total credit required to replenish the PBM's account and funds are electronically transferred from OSC escrow to the contractor's master funding account for payment to the pharmacies. Both the authorization to transfer funds to the zero balance account and the transfer of funds to the contractor will occur on the same business day.
- g. The contractor will mail the checks and remittances within one business day of notification from OMH that funds have been deposited to the designated provider disbursement account.
- h. A check listing file will be issued on a monthly basis and sent to OMH.
- i. The Provider Receipt Account is exclusively for the deposit of provider refunds of overpayments; and shall not be used for any other purpose. The contractor shall arrange for the periodic transfer of funds from this account to a master funding account in accordance with a schedule approved by OMH.
- j. The contractor shall complete, and provide to OMH, separate reconciliations for the disbursement and receipt accounts. Each reconciliation shall provide an exact accounting of all transactions recorded on the financial records of both the contractor and the bank during the previous month and shall also ensure the cumulative accuracy and agreement of the financial records of the contractor and the bank. The reconciliation shall be in a format acceptable to

OMH and to all participating counties and, at a minimum, be in accordance with generally accepted accounting standards.

7.10 Medicaid Recovery

- a. OMH is enrolled as a Pharmacy Provider in the New York State Medical Assistance program (referred to as Medicaid). The contractor will work with OMH, acting as its billing agent, to recover Medicaid reimbursement for MGP expenditures for enrollees in the MGP who are accepted into the Medical Assistance Program.
- b. The contractor is expected to develop a billing system program to recover Medicaid where applicable. Medicaid eligibility will be verified using Medicaid numbers collected as part of the disenrollment process through an agreement with E-Med New York. The contractor will also research and verify MGP enrollee's Medicaid eligibility through ePaces or by sending EDI 270 eligibility requests. The contractor will send a monthly bill file to CSRA INC. which will include all pharmacy claims paid on behalf of MGP enrollee's for whom Medicaid eligibility has been verified.
- c. Medicaid billing will be done under the OMH Pharmacy provider number. CSRA INC. will process the file and payments will be made to OMH.
- d. The contractor will reconcile payments made to OMH by Medicaid and contractor will notify OMH of pended items not paid in two months.
- e. Denied items may be resubmitted to CSRA INC. based on OMH and contractor review and correction.
- f. The following lists the Medicaid Eligibility data elements collected for disenrolled MGP members:
 - Medicaid ID Number
 - Date MGP notified of Medicaid eligibility
 - Date Medicaid eligibility entered into MGP system
 - Medicaid eligibility date (begin date)
 - County Medicaid applied in
 - Date Medicaid accept or deny
 - Reason code of Medicaid denial
- g. The following lists the Medicaid Claim data elements required to be collected for enrolled and disenrolled MGP members:
 - Date contractor billed to Medicaid
 - Amount billed
 - Amount paid, last five occurrences
 - Amount pended, last five occurrences
 - Amount denied
 - Amount rebilled
- h. All Medicaid recovery activities must provide certain functionality and access by the type of user in conformance with the HIPAA standards for Protected Health Information, particularly regarding the 'minimum necessary' standard for viewing patient protected information.

Further such application must also follow New York law which provides greater privacy protections for OMH patients than HIPAA standards. Refer to the link below:

New York Consolidated Laws, Mental Hygiene Law – MHY § 33.13. Clinical records confidentiality

<http://codes.findlaw.com/ny/mental-hygiene-law/mhy-sect-33-13.html>

7.11 Mail

The contractor will provide the necessary mailroom services to meet the operating requirements outlined in this RFP. Such services must support the day-to-day receipt, tracking and distribution of incoming mail. Preparation of outgoing mail includes, but is not limited to, stuffing, labeling, affixing postage, sorting, and delivery. Postage expenses will be reimbursed by OMH. The contractor is expected to prepare outgoing mail in accordance with the postal requirements to obtain the best postal rates. In addition to the routine mail activities, the contractor will be required to complete any special mailings, such as large-scale mailings to participant counties.

7.12 General Operating Requirements

a. Operating Changes Initiated by the Contractor

Changes in key personnel, operating system procedures, programs, software packages, facilities or equipment used in support of the MGP operation must be discussed with OMH prior to such changes being made. These changes must have no negative impact on users of the MGP program and must not have any adverse effect on the ability of LDMHS to meet any of their responsibilities.

b. Access

The contractor shall provide access during normal business hours for OMH staff and designees to view personnel, operating system, procedures, programs, documentation, software packages, facilities, and equipment used in support of MGP operations.

c. Confidentiality

The contractor shall maintain the confidentiality of participant, provider and manufacturer information through secure facilities, software, and documentation, in accordance with Article 6-A of the New York State Public Officers Law, as applicable. The contractor shall ensure security and confidentiality of printed checks, stored check stock and unissued checks consistent with normal business practice. All information should be used exclusively for purposes directly connected with the administration of the MGP program.

The contractor also must provide certain functionality and access by the type of user in conformance with the HIPAA standards for Protected Health Information, particularly regarding the ‘minimum necessary’ standard for viewing patient protected information.

Further such application must also follow New York law which provides greater privacy protections for OMH patients than HIPAA standards. Refer to the link below:

New York Consolidated Laws, Mental Hygiene Law – MHY § 33.13. Clinical records confidentiality

<http://codes.findlaw.com/ny/mental-hygiene-law/mhy-sect-33-13.html>

d. Disaster Backup

The contractor is responsible for maintaining a disaster backup system. This system shall be tested on a routine basis at a backup facility secured by the contractor. The contractor will attest annually to its having completed this requirement. All test results must be made available to OMH.

e. State Audit Authority

Audit staff from OMH or its designated agent are authorized to perform audits relating to the services rendered by the contractor and any subcontractors, and to access necessary records in that process.

f. Programming Resources

All modifications or enhancements to the MGP program applications software will be completed by the contractor. The contractor shall ensure that necessary programming resources are available, should any changes to the MGP program be required. Modifications of enhancements above and beyond those described in the RFP shall be reimbursed separately by OMH.

g. Equity and Purchase Rights to Hardware and Facilities

The contractor shall have the responsibility of ensuring that any and all equipment used in the MGP program is maintained and not disposed of, without prior approval of OMH, and that any leases for equipment or facilities shall be negotiated or re-negotiated to establish and preserve equity rights and purchase option rights. All leases should be made assignable to OMH at OMH's option at the end of the contract, and all equipment (except computer system and server and associated peripheral support equipment) should be transferrable to OMH at net depreciated value at the end of the contract.

h. Documentation Requirements

The contractor shall be required to furnish to OMH periodically any documentation related to the MGP operation as requested by OMH. This will include, but not be limited to, equipment purchase invoices and depreciation schedules and all purchases made under the reimbursable classification of expenses.

Description of Client Specification Document – the contractor is required to produce a detailed client specification document consistent with the requirements outlined in Part VII of this RFP. The document should include, but is not limited to, the following items:

- Table of Contents
- OMH Contact Information
- PBM Transition, Turnover, Operations, Team
- MGP Enrollment/Disenrollment Process and Procedures
- Pharmacy Network
- Formulary

- Prospective Drug Utilization Review (ProDUR)
 - Claims Processing
 - Checkwrite Procedure
 - Medicaid Recovery
 - Mail
 - General Operating Requirements
 - Reports
 - Contractor Compensation
- i. **Pharmaceutical Expertise**
The contractor is required to maintain sufficient licensed pharmaceutical expertise to support the MGP program.
- j. **Equipment**
Additional equipment above that secured in the transition phase of the contract cycle may be required. Purchase must be recorded consistent with generally accepted accounting standards.

7.13 Report Requirements

The contractor will produce a series of reports, detailed in Attachment T, and summarized below. All reports will be sorted by New York State County Code (location) and a statewide summary will be provided. All reports will be sent to OMH and participating counties.

- a. **Weekly Report –**
 - 1. **Weekly Enrollment/Disenrollment Report**
This report lists active and terminated enrollees by county.
 - 2. **MGP Recipient Enrollment Summary**
This report lists a summary of the cumulative enrollment activity by county.
 - 3. **MGP Enrollment History Summary**
This report is a historical report of the enrollment activity for the life of the MGP.
- b. **Bi-weekly Pharmacy Claiming Activity Report**
 - 1. **MGP Enrollee Expenditure Report**
This report lists the MGP enrollees by county who had paid pharmacy activity.
 - 2. **MGP Enrollee Expenditure Report**
This report is a historical report of the paid prescription activity for the life of the MGP.
 - 3. **MGP Check Register for Check Cycle**
This report lists the paid prescription activity by dispensing pharmacy for a specific check cycle period.
- c. **Monthly Reports**
 - 1. **MGP Participating Pharmacy Providers**
This report lists the active MGP participating pharmacies.
 - 2. **MGP Covered Drug Report**
This report lists the active medications for the MGP formulary.
 - 3. **MGP Population Served**
This report is a summary of the claim activity.

4. MGP Population Served Detail

This report is a detailed report of the claim activity

5. Recipient Summary Report

This report is a historical report of the enrollment activity for the life of the MGP

6. Top 25 Drugs by Dollar per Therapeutic Class

This report is a summary of the top 25 therapeutic classes dispensed by MGP participating pharmacies in descending order by the dollar amount of prescriptions paid.

d. Quarterly Reports

1. MGP Recipient Summary by County

This report is a historical report of the enrollment activity for the life of the MGP

2. MGP Quarterly Claims Analysis

This report is a snapshot of Top 25 pharmacy claims by Drug Name dispensed by MGP participating pharmacies

7.14 Contractor Compensation

a. Basis for Payment

Monthly payment shall be made for full and proper performance by the contractor of all the operations tasks and shall be based on the price offer submitted for each operational year of the agreement period. The operational year is defined below:

Years 1 – 10: September 1, 2020 – December 31, 2029

b. Components of Payment

There are two components of reimbursement to the contractor for operations. These are:

- Core Operations – include enrollment/disenrollment of participants, POS claims processing, checkwrite, ProDUR, standard reporting (including 10 hours per month of ad hoc reporting), weekly, bi-weekly and monthly statements for each participating county and OMH and monthly Medicaid billing and reconciliation.
- Reimbursable Expenses – these expenses will be included as a line item on the monthly invoice. Expenses include facility costs, postage expense, toll-free and local line charges, printing costs, provider manual expenses, bank charges and ad hoc reporting above 10 hours a month.

c. Change in Contractor Compensation

The contractor agrees to enter into renegotiations to adjust the contract requirements and corresponding price for significant changes, if and when they occur throughout the contract term, including:

- Significant changes in scope resulting from legislative and other State initiatives
- Operational efficiencies, resulting from technology advancements, policy changes, etc., agreed to and supported by both OMH and the contractor
- Modifications or enhancements requested by OMH

VIII. Turnover

This section describes the requirements for an orderly turnover of the MGP program from the successful applicant of this RFP to the contractor of the next contract RFP. The turnover period is anticipated to be two (2) months. Planning for turnover is expected to precede the turnover by twelve (12) months.

8.1 Objectives

- Provide for an orderly turnover of the MGP to either OMH or a successor contractor.
- Minimize any disruption of processing and services provided to applicants, participants, providers and operational users of the system during this turnover process.

8.2 General Guidelines

- a. Transfer of facility equipment/supplies
 - The contractor shall provide for optional assignment of the leases for the premises involved with the MGP program to OMH, or at OMH's option, the successor contractor.
 - The contractor shall identify all equipment purchased, leased, or rented under the MGP contract. The contractor shall provide for an optional purchase of such equipment by OMH, or at OMH's option, the successor contractor.
 - During turnover, a three (3) month inventory of supplies will be required of the contractor to avoid critical shortages in the immediate post-contract period. Acquisition cost information shall be provided to OMH for all supplies.
- b. Personnel
 - The contractor will be responsible for making staff available to work with the successor contractor.
 - The contractor is expected to maintain constant staffing, to encourage staff to remain during the turnover period, and to enable them to transfer their jobs to the successor contractor, where appropriate.
- c. Support
 - The contractor is expected to provide the successor contractor with all relevant information regarding the operations (including systems) of the MGP during the two (2) month turnover period.
 - After the expiration of the contract term, the contractor will provide continuing support to the successor contractor for a period of two (2) months, if deemed necessary by OMH.
- d. Data Transfer
 - It is expected that the contractor will provide all enrollment/disenrollment, claims processing and Medicaid recovery data to OMH and the successor contractor during the turnover period.
 - The contractor shall similarly transfer to OMH and the successor contractor application programs related to enrollment/disenrollment and Medicaid recovery. Documentation is also required.

8.3 Contractor Responsibilities

a. Turnover Management Team

The contractor is required to assemble a high-level management team to oversee the turnover of the MGP to the successor contractor. The management team is expected to work closely with OMH and the successor contractor during the turnover period. The management team must be identified and installed at the beginning of the turnover period.

b. Planning

As part of the planning process for re-procurement, a detailed plan shall be delivered to OMH approximately twelve (12) months prior to the end of the contract. This plan shall include the following:

- Schedule of activities reflecting, but not limited to, all items listed in Section 8.3
- Description of the transfer of facility, equipment and supplies
- Description of staffing for turnover period and staff transfer to successor contractor
- Description of turnover documentation requirements
- Detailed steps required for seamless transfer of data and systems to successor contractor
- Timetable for milestones/deliverables requirements

c. Equipment/Supply Inventory

The contractor is responsible for inventorying all equipment purchased, leased or rented. Details regarding undepreciated values must be included.

d. Personnel

The contractor is expected to provide an organization chart, including a detailed description of all staff associated with the operation of MGP. The contractor is required to provide turnover training for the successor contractor's management in the operation and maintenance of the MGP program.

e. Documentation

The contractor shall compile documentation supporting all aspects of MGP operation noted below:

- Online Point-of-Sale (POS) System
- MGP Enrollment/Disenrollment
- Pharmacy Network
- Formulary
- Prospective Drug Utilization Review
- Claims Processing
- Checkwrite Procedure
- Medicaid Recovery
- Mail
- Disaster Planning
- System Hardware
- System Software
- System Databases
- Reports
- Other

8.4 Milestones/Deliverables

- a. Turnover Plan
The contractor shall deliver a detailed plan as outlined in Section 8.3.b twelve (12) months prior to the end of the contract.
- b. Progress Reports
Progress Reports to OMH shall be submitted by the contractor at a two-week interval beginning two weeks after the signing, by the successor contractor and OMH. These reports should include significant events, progress on systems transfer, problems encountered, planned activities for the next two reporting periods, meetings held, and other information as deemed necessary by OMH.
- c. Completed Turnover Process
 - The contractor must provide databases, programs, and documentation to the successor contractor in an acceptable manner. A mutually signed document between the two contractors, attesting to the agreed turnover materials must be provided to OMH at the end of the turnover period.
 - It is expected that parallel testing of all computer production processing will be performed during the turnover period to sufficiently ensure the entire system has been turned over satisfactorily to the successor contractor's computer system. A two-week period of parallel testing is expected at a minimum.

8.5 State Responsibilities

- a. OMH will assume responsibility for turnover project management. A project manager responsible for coordinating turnover activities, maintaining the turnover task schedule, and approving turnover deliverables will be appointed. Periodic project review meetings will be held with the representatives of OMH, the contractor and the successor contractor.
- b. Leases, Fixed Assets, Supplies and Inventory
OMH will oversee transfer of all lease rights, fixed assets, supplies and inventory from the contractor to OMH or a successor contractor.

8.6 Contractor Compensation

The applicant of this RFP must offer a fixed price for the turnover task. Full payment, in one lump shall be made by OMH to the contractor upon review and determination that all milestones/deliverables relating to the turnover task have been properly achieved or furnished. Payment will not be made for the turnover task, if the successful contractor of this RFP is awarded the subsequent contract.

IX. Proposal Requirements

9.1 Introduction

Applicants must submit proposals in accordance with Sections 2.7 and 2.8. All response requirements detailed below must be addressed in order for a proposal to be considered complete. These requirements are made for the purpose of enabling the evaluators to consistently review the proposals. Failure to conform may be sufficient to find the proposal nonresponsive and be rejected.

9.2 Content of Proposal

The applicant's proposal should reflect the applicant's knowledge of the subject area and its ability to provide PBM services for the Medication Grant Program. Therefore, it is strongly recommended that the applicant provide references and information that supports its response (e.g. cite previous experience, references, and/or biographies).

It is the sole responsibility of the applicant to examine the entire RFP, seek clarification of any requirement that may not be clear (refer to Section 2.4), and check all responses for accuracy and completeness prior to the submission of the proposal.

Nothing in the applicant's proposal shall negate the requirements of this RFP.

A proposal that does not comply with these requirements, as well as those set forth elsewhere within this RFP, will be deemed unresponsive and may be disqualified from the procurement process. No updated/corrected submission will be accepted after the bid due date.

9.3 Preliminary Qualifications

The purpose of providing summary information about the applicant's organization, personnel and financial viability is to determine the applicant's qualifications to fulfill the requirements of this RFP. Included in this section of the applicant's response are: a transmittal form, corporate description, personnel description and resumes, financial viability and conflict of interest statement.

a. Transmittal Form/Attachment A – a template of the Transmittal Form has been provided and should be placed on corporate letterhead. The Form must contain the signature of an individual legally authorized to bind the applicant.

The Transmittal Form includes the following components and for those statement components, the appropriate checkbox should be chosen:

- The name, title, signature, address, telephone, fax numbers and email address of the chief executive officer, or another individual authorized to legally bind the applicant.
- A statement that the signatory has the legal authority to bind the applicant.
- The name and address, including email address, of the individual within the applicant's organization to whom notices should be sent relative to this RFP.

- A statement that no attempt has been made, or will be made, by the applicant to induce any other person or firm to submit or not submit a proposal in response to this RFP.
- A statement that the applicant has read, understands, and is able and willing to comply with all standards and participation requirements described in this RFP.
- A statement indicating that the applicant maintains a statewide pharmacy network in a minimum of 4,500 pharmacies statewide.
- A statement attesting to the accuracy and truthfulness of all information contained in the applicant's proposal.
- A statement that the applicant accepts OMH's sole right to alter the timetable as set forth by this RFP.
- Contract Listing – Provide a list of three (3) active and/or previous Pharmacy Benefits Management contracts. Include any NY State Agencies, if applicable (ATTACHMENT A1)

b. Corporate Description – Provide a summary description (five (5) page maximum) of your corporate organization. The description is to include:

- Corporate mission, including goals and strategies.
- Top level organization chart which indicates the reporting relationships with the organizations proposed as part of this RFP.
- Number of years the firm has been in business and years involved with pharmacy benefits management.
- Brief history of corporate involvement with pharmacy benefit management systems and other functions similar to that required by this RFP.
- Description of the corporation's ability to fulfill the requirements of this RFP.

c. Personnel Description and Resumes – List names and resumes of key personnel to be responsible for MGP transition, operations and turnover (identify which function the individual(s) will be involved with). Resumes should include the following:

- Name
- Title/Level
- Years with firm
- Pharmaceutical program experience (most recent first and identifying any part-time experience, include job titles)
- Other claims processing experience (most recent first and identifying any part-time experience) – e.g. Medicaid, Medicare, Blue Cross/Blue Shield, Private Insurance Company, including self-insurance claims
- Other related experience (government contracts, multi-processor computer installations, large manual operations)
- Education and Certification
- Technical Experience (hardware and software experience)

d. Financial Viability – Provide the following to demonstrate the applicant's financial viability:

- Provide current audited financial statements for the past two (2) years.
- Provide a surety bond and letter of credit.

- Provide full disclosure of all significant litigation affecting the corporation, whether as a defendant or as plaintiff, at any time during the past three (3) years and results or status of that litigation, and whether this litigation will have any material impact on meeting the requirements of this RFP.
- Provide copy of business interruption insurance policy.

e. Conflict of Interest - Identify in writing the following:

- Any financial arrangements with all New York State government agencies, public agencies, and private agencies.
- Identify any individuals who will be performing services under the contract that are currently or have been employed by an OMH licensed provider of services or who were formerly employed by OMH (current OMH employees are prohibited from providing services under this contract).

9.4 Transition

This section is designed to address the qualifications of the applicant for the transition of the pharmacy benefits component of MGP from the existing provider, to the successful applicant of this RFP. OMH encourages firms to submit only those corporate experiences which directly relate to the work defined in the RFP.

a. Organizational Qualifications/Corporate Experience

1. Summarize your organization's experience in assuming transitional responsibility for PBM systems from another corporate entity.
2. Provide references (no more than two) who can be contacted regarding your organization's experience in assuming transition responsibilities for pharmacy benefit management. Please provide name, title, phone number and email address.

b. Technical Qualifications – This section is designed to measure the applicant's understanding of the work required to transition current MGP operations from the existing contractor to the successful applicant of this RFP.

1. Assemble Management Team: on an organization chart, define the proposed MGP transition organizational structure. Include the titles of the key positions, lines of reporting and the number and level of staff. Describe the process for creating a transition team and include a two (2) month timetable of activities. Describe how the team will address functions described in Section 6.4.a.
2. Planning: create a plan that addresses points cited in Section 6.4.b.
3. Implement Administrative Functions: define the process to be followed for the implementation of administrative functions during the transition period described in Section 6.4.c.
4. Train New Personnel: describe the training plan and phase-in of management and non-management personnel described in Section 6.4.d.
5. System Hardware: describe the purchase, use and maintenance of system hardware to be used in the MGP as described in Section 6.4.e.

6. System Software: in developing a response to the requirements listed below, refer to Section 6.4.f and Section 7 of this RFP for an elaboration of the software requirements of the MGP.
 - a. Describe systems development activities in the following operation areas:
 - online point-of-sale (POS) system
 - enrollment/disenrollment
 - pharmacy provider network
 - formulary
 - prospective drug utilization review (Pro DUR)
 - claims processing
 - checkwrite procedure
 - Medicaid recovery
 - mail
 - report requirements
 - disaster recovery
 - b. Provide a timetable that demonstrates implementation of this systems development work within the two (2) month transition period.
 - c. Include a description of required parallel operations with the current contractor assuring OMH that there will be a smooth transfer of data and systems functionality to the successful contractor. Describe the evidence the contractor will provide to OMH to assure that systems have been fully tested prior to start up.
 - d. Describe the control systems that will ensure the design, development and implementation of quality software. This description should include:
 - specific documentation standards
 - walk-throughs
 - approval cycles
 - testing procedures
 - library control
 - adherence to standards
7. Disaster Planning
Describe in detail the features of the proposed disaster contingency arrangements described in Section 6.4.g. This plan should include, at a minimum:
 - identification of backup facility and equipment to be used for disaster backup and testing schedule and process
 - definition of off-site storage requirements
 - description of data center operations to address RFP operational requirements
 - arrangements to acquire interruption insurance
8. Establishment of Operating Facility
Describe the facility and location of all other activities associated with the operational aspects of the MGP.
9. Assume Operational Responsibilities
Describe the process that the applicant will use to assume operational responsibility from the current contractor without interruption of service to enrollees, providers,

counties and OMH.

10. Milestones/Deliverables

Create time table and description of the applicant's plan to meet the milestones/deliverables described in Section 6.5.

9.5 Operations

This section is designed to address the qualifications of the applicant for operations of the pharmacy benefits component as described in Section VII. OMH encourages firms to submit only those corporate experiences which directly relate to the work defined in the RFP.

a. Organizational Qualifications

1. Summarize your organization's experience in assuming operational responsibility for PBM systems from another corporate entity.
2. Provide references (no more than two) who can be contacted regarding your organization's experience in operational responsibilities for pharmacy benefit management. Please provide name, title, phone number and email address.

b. Technical Qualifications

This section is designed to measure the applicant's understanding of the work required to operate MGP. Operational requirements are presented in Section VII of this RFP.

1. Operations Management Team

On an organization chart, define the proposed MGP operations organizational structure. Include the titles of the key positions, lines of reporting and the number and level of staff.

2. Describe how the requirements of Section 7.2 – 7.14 will be operationalized after the transition activities have been completed.

- online point-of-sale (POS) system
- enrollment/disenrollment
- pharmacy provider network
- formulary
- prospective drug utilization review (Pro DUR)
- claims processing
- Checkwrite procedure
- Medicaid recovery
- mail
- general operating requirements (operating charges, access, confidentiality, disaster backup, state audit authority, programming resources, equity purchase rights, documentation, pharmaceutical expertise, and equipment)
- report requirements
- disaster recovery

9.6 Turnover

This section is designed to address the qualifications of the applicant for the turnover of

the pharmacy benefits component of MGP from the successful applicant of this RFP to the successful applicant of the next contract RFP. The turnover period is anticipated to be two (2) months. Planning for the turnover is expected to precede the turnover by twelve (12) months. OMH encourages firms to submit only those corporate experiences which directly relate to the work defined in the RFP.

a. Organizational Qualifications

1. Summarize your organization's experience in turning over operational responsibility for PBM systems to another corporate entity.
2. Provide references (no more than two) who can be contacted regarding your organization's experience in turnover responsibilities for pharmacy benefit management. Please provide name, title, phone number and address.

b. Technical Qualifications

This section is designed to measure the applicant's understanding of the work required to turnover MGP operations to the successful applicant of the next contract RFP.

Turnover requirements are presented in Section VIII of this RFP.

1. Turnover Management Team

On an organization chart, define the proposed MGP turnover organizational structure. Include the titles of the key positions, lines of reporting and the number and level of staff. Describe how the team will be assembled and its responsibilities.

2. Planning

Describe a plan that addresses points cited in Section 8.3.b.

3. Equipment/Supply Inventory

Describe the process of inventorying all equipment reflecting requirements detailed in general guidelines Section 8.2.a. Describe the accounting methodology for calculating the depreciated value of such equipment consistent with Section 8.3.c.

4. Personnel

Describe a plan that addresses the requirements of Section 8.2.b and Section 8.3.d.

5. Documentation

Describe a plan that addresses the requirements in Section 8.3.e.

6. Support and Data Transfer - Confirm contractor commitment to the points addressed in the general guidelines found in Section 8.2.c and d.

7. Milestones/Deliverables

Create a timetable and description of the applicant's plan to meet the milestones/deliverables described in Section 8.4.a-c.

9.7 Cost Proposal

A separate offer price must be provided for the applicant's transition, operations, and turnover proposals, organized by each year of the anticipated five year contract. Corporate allocations, and mark-up must be applied at the same rates and calculated in the same manner throughout the applicant's entire cost proposal.

Applicants are required to utilize the following templates provided (instructions are provided for each):

- Cost Summary Worksheet
- Direct Salary Expense Worksheet
- Overall Total Summary Worksheet

Do not create a format. Failure to use these templates may result in the disqualification of the proposal.

a. Cost Proposal for Transition

This section is designed to provide a detailed description of the applicant's expected costs associated with activities described in the Transition component of their bid.

Costs include:

- management team personnel
- systems development personnel
- start-up personnel
- 2-month office rental/lease
- furniture purchases
- equipment purchases
- duplicating expenses
- telephone installation fees and monthly charges
- networking and systems changes
- insurance costs
- travel expenses
- any other that the applicant identifies as appropriate to transition activities

b. Cost Proposal for Operations

This section is designed to provide a detailed description of the applicant's expected costs associated with activities described in the Operations component of their bid.

1. Core operations includes enrollment and disenrollment of participants into MPG, POS claims processing, checkwrite, ProDUR, standard reporting (includes 10 hours per month of ad hoc reporting), weekly, biweekly and monthly statements for each participating county.

A schedule that reflects a monthly fee based on a varying range of MGP enrollment and disenrollment transactions must be provided by the applicant.

The MGP total monthly transaction ranges are: 0-500
501-1000
1001-1500
1501-2000

The total number of transactions per month shall be calculated by the sum

total of transactions for each day of the month.

The applicant is required to estimate the costs based on a maximum of 2,000 monthly enrollment/disenrollment transactions.

2. Reimbursable Expenses

Reimbursable expenses shall be paid to the PBM when incurred by the PBM in carrying out tasks required by the agreement. These expenses will be included as a line item on the monthly invoice. Reimbursable expenses include: facility costs (cost for office and storage facility in Albany area), postage, toll free and local line changes, printing, provider manual, bank changes and ad hoc reporting above 10 hours per month. An estimate of reimbursable costs must be provided in the cost proposal for operations.

C. Cost Proposal for Turnover

Costs include personnel and non-personnel expenses associated with turnover activities.