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**QUESTIONS AND RESPONSES # 8**  
**PROJECT NO. F10B640005R**  
**Department of Budget & Management**  
**Pharmacy Benefit Management Services and Pharmacy Benefits**  
**Purchasing Pool Management**  
**June 28, 2016**

Ladies/Gentlemen:

This List of Questions and Responses #8, questions #91-93, is being issued to clarify certain information contained in the above named RFP.

In most instances the Department's response to the submitted questions merely serves to clarify the existing requirements of the RFP. Sometimes, however, in submitting questions potential Offerors may make statements or express interpretations of contract requirements that may be inconsistent with the Department's intent. To the extent that the Department recognizes such an incorrect interpretation, the provided answer will note that the interpretation is erroneous and either state that the question is moot once the correct interpretation is explained or provide the answer based upon the correct interpretation.

No provided answer to a question may in and of itself change any requirement of the RFP. If it is determined that any portion of the RFP should be changed based upon a submitted question, the actual change may only be implemented via a formal amendment to the RFP. In this situation the answer provided will reference the amendment containing the RFP change.

**Questions and Answers**

*91. Hepatitis C Data- Is it possible to break out the Hepatitis C data that was provided on 6/17 between Commercial and EGWP lines of business?*

**RESPONSE:** Yes, the Department has made Q1 2016 claims data for the Hepatitis C drug class separated by Commercial and EGWP plans available. The confidential data has been sent via secure file transfer to all vendors who submitted a Non-Disclosure Agreement to the Procurement Officer in order to receive the confidential documents required to propose. Potential Offerors who did not receive the Hepatitis C claims data by Commercial and EGWP plans are instructed to contact the Procurement Officer to ensure receipt.

*92. Formulary- In the Pricing Proposal, Document FA1 Attachment F, Commercial and Maryland Rx Purchasing Pool, in tab F-1 Instructions, #9 states that "The Offeror is to quote their formulary which most closely matches the State's current Formulary. The Offeror is to*

*identify those drugs which are currently on the State's formulary, and will not be included on the Formulary quoted by the Offeror. The Offeror is to grandfather those drugs that are excluded in the quoted formulary and provide a process that are able to successfully transition to formulary medications." Q-139 in FA1, Attachment P states that "You must match the State's current formulary for at least the first year of the contract." QUESTION: Acknowledging that reducing member disruption is critical to a successful transition, Offeror requests that the State limit grandfathering of existing members' (only) who would be negatively impacted by a new Offerors' formulary to a maximum of three (3) months after the effective date. Offeror would communicate formulary changes numerous times during the implementation to both members and their physicians, however utilizing the existing PBM's formulary status for any longer than three (3) months places the Offeror in a competitively disadvantaged position to the incumbent by being unable to maximize the value of Offerors' rebate contracts.*

**RESPONSE:** The Department has revised the requirement stated in Attachment P, Q-139 to limit the extent of the requirement while still requiring the Contractor to grandfather certain participants for the first Contract Year. Please see Amendment 9, Item 2.

*93. June 6<sup>th</sup> Question and Answers #5 Response, Question 84- Offeror requests re-consideration of the State's response regarding Tertiary Networks to be able to price out tertiary networks separately. While Tertiary claims are a small percentage of total claims, for the EGWP line of business the State's claims data shows that Long Term Care facility claims as a percentage of brand AWP for the EGWP line of business is very high at ~30%. This has a disproportionate impact on the Brand AWP discounts that Offeror can provide for the State, due to LTC claims having discounts in the AWP-10 range and dispensing fees of approximately \$4 a claim. Is it possible to break out LTC pricing separately from brand discounts?*

**RESPONSE:** The Department has revised the Financial Form for FA-2 to allow separate pricing for tertiary networks. Please see Amendment 9, Item 3.