

October 20, 2005

## Summary

### **State of Maryland Pharmacy Benefits Purchasing Pool Management and Pharmacy Benefits Plan Administration Services Request for Proposal Pre-Proposal Conference**

**State Highway Administration Complex  
Office of Traffic & Safety Training Room  
Connelley Drive, Hanover, Maryland  
October 17, 2005**

#### **Solicitation No. F10R6200071**

The pre-proposal conference began at approximately 2:10 a.m. The pre-proposal agenda was distributed to attendees and the eligibility census file was made available to attendees who signed a properly filled out “Confidentiality and Non-Disclosure Agreement”.

- I. **Welcome and Introduction** – Ed Bannat, Procurement Officer, Department of Budget and Management (DBM).

Mr. Bannat introduced the panel: Diane Bell, Director of Operations, Employee Benefits Division; Jake Pyzik, Director, Fiscal Management, Employee Benefits Division; Tecia Pierce, Special Projects Manager, Employee Benefits Division; Aon Representative, Dave Johnson; Janice Montague, DBM’s Minority Business Enterprise (MBE) Liaison Officer, Sherry Lynn Burke, Legal Counsel and Cathie Phelps, Procurement Analyst, were also in the audience representing the State of Maryland.

Transcript – Bill Bodenstein of Conference Recording Services recorded the Conference. He informed the attendees that a transcript of these proceedings would be available after October 20, 2005 for a fee of \$25 per copy. He stated that it could be sent via Fed-Ex for an additional fee.

The following is a summary of the pre-proposal conference.

Sign-in Sheet – Mr. Bannat welcomed the attendees to the pre-proposal conference and reminded everyone to sign the attendance sheet. The attendance sign-in sheet was distributed at the end of the conference.

- II. **General Procurement Information** – Mr. Bannat gave an overview of the RFP highlighting the following.
  - a. eMaryland Marketplace – Mr. Bannat discussed information about the new State of Maryland regulations that require that the awardee of a state

contract be registered on eMaryland Marketplace and pay a fee to eMaryland Marketplace.

- b. Proposal Due/Closing Date – The closing date for submission of proposals is Monday, November 14, 2005 at 2:00 p.m. local time. **IMPORTANT: If a proposal is late, even by a minute, it will not be accepted!!! There are no exceptions to this rule, so give yourself plenty of time.**
- c. Duration of Contract – The contract duration is for a five-year period.
- d. Questions – Mr. Bannat requested sending questions by e-mail for quicker response.
- e. Revisions to the RFP – Mr. Bannat stated that addenda/amendments to the RFP might be issued. Offerors must acknowledge receipt of all addenda/amendments to the RFP in the transmittal letter of the technical proposal.
- f. Multiple or Alternative Proposals – Multiple or alternative proposals will not be accepted.
- g. Subcontractors – Subcontractors must be identified in each proposal.
- h. MBE – The MBE goal for this procurement is 5 percent of the administrative fees. Mr. Bannat stressed how much emphasis the State of Maryland is giving MBE attainment and he asked the MBEs in the audience to stand up and identify themselves and their company. Also, he stated that Attachments D-1 & D-2 must be submitted with your proposal. This is **IMPORTANT: If your proposal doesn't contain a completed D-1 and D-2, your proposal will be eliminated from further consideration!!! There are no exceptions to this rule, so make sure your filled-out D-1 and D-2 are included with your proposal. This is very important!!!!** Janice Montague reported that under a new guideline, all MBEs must be identified at the time of the proposal. A good faith effort must be made to meet the MBE goal for this solicitation. There are a host of certified MBEs available (at least 15 for this solicitation) on the MDOT's website. She said that vendors could contact her at DBM for help with their search.
- i. Oral Presentation – Oral Presentations will take place two to four weeks after the proposal closing date.
- j. Attachment A (Contract) – Attachment A in the RFP is an illustration of the State's contract. When the recommended awardee is determined, the State will send a contract to them. The recommended awardee will have to sign and return the contract within five days after notification. Then is not the time to take exception to the terms and exceptions of the contract.

Any exceptions to the terms and conditions in the contract must be identified now in the Executive Summary of the technical proposal.

- k. Attachment B (Proposal Affidavit) – Mr. Bannat clarified the meaning of the terms “Domestic” and “Foreign”. He explained that “Domestic” means a company incorporated in the State of Maryland, and “Foreign” means a company incorporated in another state. He further explained that all businesses must register to do business with the State of Maryland, whether a domestic corporation or a foreign corporation, and have a resident agent. The Proposal Affidavit must identify the resident agent and be properly signed.
- l. Verification of Registration and Tax Payment – Mr. Bannat stressed that in order to do business with the State of Maryland, the business must be registered with the Department of Assessment and Taxation and be in good standing to do business with the State of Maryland.
- m. Electronic Funds Transfer – If selected for award, the Electronic Funds Transfer form (Attachment I) must be completed and submitted. All payments to vendors will be via electronic funds transfer.
- n. Technical Proposal - One unbound original, eight bound copies and three electronic copies (CDs) of the technical proposal must be submitted in a sealed envelope separate from the financial proposal.
- o. Financial Proposal – Financial proposals must be submitted in a sealed envelope separate from the technical proposal. One unbound original, eight bound copies and three electronic copies (CDs) of the financial proposal are required.

III. **Scope of Work** – Diane Bell gave an overview of the State’s Prescription Drug Plan and the Maryland Purchasing Pool Member Plan Design. She highlighted the awardees responsibilities that included eligibility tracking, purchasing pool participants, claims administration, members’ services, clinical and cost management programs and network management, reporting requirements, participant communications, HIPPA requirements, and purchasing pool eligibility, Medicare Part D, Alternative Cost Strategies and Maryland prescription program management.

The following was emphasized:

- The Account Manager should be dedicated to serving the State account, but could have other clients, however, an account services representative must be on site eight hours a day, five days a week.
- Participant communications such as pharmacy card must not display the participants’ social security number.
- The contract awardee will be required to attend all benefits coordination training and open enrollment fairs. The Benefits Coordination training

will probably be held in March and April and the Open Enrollment Fairs in April through June held throughout the State. Many employees attend the fairs but those who can't, receive a description of the plan in their Open Enrollment booklet.

She reminded the participant to not include any financial information in the Technical Proposal.

- IV. **Financials** – Jake Pyzik reported on the Financial Proposal of the RFP. He explained that the State pays claims on a weekly basis, so we need a weekly invoice from the vendor(a fax), broken down into the different categories; active employees, retired, direct pay and satellite employees. The State would wire the funds to the vendor within 24 hours on the next business day. Administrative fees will be paid monthly and the payment will be based on the State's deduction report data (calculated by the State). An outside auditor will review payments annually.
- V. **Electronic RFP Demonstration** – Dave Johnson, Aon representative; explained how to complete the electronic portion of the technical and financial RFP (Attachments J and K). He said that many sections have a yes/no drop-down box. He then explained Attachment N, which contained the Plan Design and the required data needed for the mandatory reports. Mr. Johnson also asked the vendor to update the Aon's Request for Information with Mr. Bannat.
- V. **Question and Answers** – Several questions were asked and answered during the conference, but Mr. Bannat cautioned that only written answers should be relied upon. Therefore, if you need clarification, be sure to send in a written question. Mr. Bannat stated that he had already received questions prior to the conference and he would provide an email response to these questions and the future questions that he receives. He will send his response to all vendors who are on his email list. He asked that the attendees submit their questions to him via email since email is much easier to process.
- VI. **Conclusion** – Mr. Bannat concluded the conference by thanking everyone for coming and again reminding them to make sure 1) their proposals were delivered on time and 2) that their proposals contained filled-out D-1 and D-2 Attachments.

The pre-proposal conference adjourned at approximately 4:40 p.m.

Edward Bannat  
Procurement Officer