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**Amendment #3 to Request for Proposals (RFP)  
Pharmacy Benefits Plan Management Services and Pharmacy Purchasing Pool Management  
Solicitation No. F10B0400006  
January 27, 2010**

This Amendment is being issued to amend and clarify certain information contained in the above named RFP. All information contained herein is binding on all Offerors who respond to this RFP. Specific parts of the RFP have been amended. The following changes/additions are listed below; new language has been double underlined and marked in bold (ex. **new language**) and language deleted has been marked with a strikethrough (ex. ~~language deleted~~).

Revised versions of "Attachment J - Technical Proposal" and "Attachment K – Financial Proposal" are provided with this Amendment, and incorporate all changes from Amendment #1 through Amendment #3.

1. Amend Attachment J-4, AR-66 as follows:

AR-66	<p><u><b>n.) The Contractor will provide full disclosure quarterly updates of its specialty drug list in the format shown in Section I of Attachment K-8: Drug List Analysis. The Contractor will list separately those specialty drugs added to the list and those specialty drugs deleted from the list. Included with the list of specialty drug additions or deletions noted in each of these quarterly updates, the Contractor shall provide the following:</b></u></p> <ul style="list-style-type: none"> <li><u><b>◆ The decision process used to make such changes;</b></u></li> <li><u><b>◆ The procedure used to notify those impacted by the specialty drug list changes;</b></u></li> <li><u><b>◆ Projected member impact and outcome of specialty drug list changes (e.g. number of participants, costs, savings, etc.) by drug;</b></u></li> </ul> <p><u><b>and</b></u></p> <ul style="list-style-type: none"> <li><u><b>◆ Any arrangements of the Contractor to encourage appropriate use and/or otherwise manage the utilization of the specialty drug in question, including a description of outreach efforts and outcomes.</b></u></li> </ul>	<a href="#"><u>Select one</u></a>
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2. Amend Attachment J-4, AR-91 as follows:

AR-91	<p>The Contractor will conform to the State's payment procedures for payment of administrative fees as outlined below.</p> <p>a.) The Contractor agrees to accept monthly payments of <del>PEPM</del> <u><b>PMPM</b></u> administration fees based on the State's deduction report data (calculated by the State).</p>	<a href="#"><u>Select one</u></a>
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3. Amend Attachment J-5a to correct data entry in response cells for Questions Q-26, Q-29c and Q-108.
4. Amend Attachments J-6a-f to correct date entry rules in response cells.
5. Amend Attachment J-12 as follows:

Customer Service Center			
PG-4	<u>Average Speed to Call Answer Rate</u>	a.) The dedicated toll-free customer service phone line will answer calls within the time specified. Measurement will be from the initial ring.	Quarterly

6. Amend Attachment K-1, Instruction C. as follows:

C.	5.	Along with "pass-through" pricing, the guarantees quoted in your financial proposal (Attachment K-4, lines 6 through 44 <b>17</b> ) shall apply to each Purchasing Pool Participant on an annual basis for the duration of a Purchasing Pool Participant's participation in the Maryland Rx Program. The State, as a Purchasing Pool Participant, shall enjoy the benefit of these guarantees with respect to the State's Plan.
	9.	The guaranteed AWP discount shall be applicable to only the drug-type and place of service quoted. <del>Specialty drug guarantees shall apply only to Specialty drug claims processed at identified Specialty pharmacies in the network.</del> <b><u>Prescriptions for specialty drugs sent to the mail order pharmacy shall be rerouted to a Specialty pharmacy to be filled by the specialty pharmacy and subject to the pricing guarantees provided for specialty drugs (see Attachment K-4, lines 9, 13 and 17).</u></b> Since each pricing guarantee is independent of the other pricing guarantees, any surplus in one pricing component cannot be applied to a deficit in another pricing category.
	12.	Your administrative fee per Member per month (PMPM) offer should include all services listed in <b><u>Attachment K-6: Administrative Fee Breakdown and all services identified as required in the RFP and Attachment J or you propose to include, as part of the monthly PMPM administrative fee.</u></b> Note and include separately a list of any exceptions to this rule if necessary in <b><u>Attachment K-3: Explanations.</u></b> (Note: "PMPM" means a cost for each Member, as defined in the State's RFP, on a monthly basis.)

7. Amend Attachment K-2 as follows:

F-1	Specialty drugs processed at a retail pharmacy will be included in the guarantees for retail pricing terms.	Select one
F-2	The pricing offered for generic drugs does not exclude any generic drugs and includes single source generics (e.g., those generics during their exclusivity period).	Select one
F-3	The pricing offered for brand drugs does not exclude any brand drugs.	Select one
F-4	The MAC pricing applied at Mail shall be at least equivalent to the MAC pricing applied at Retail but in no case shall it produce a higher cost to the Plan than the Retail MAC.	Select one
F-5	All PMPM fees must be quoted on a fully-loaded basis, i.e., fees must include all direct and indirect costs, general and administrative overhead, purchasing burden and profit. No other fees or charges may be added to the contract after award, nor will the Contractor be compensated on any basis other than the applicable fully loaded PMPM rate.	Select one
F-6	Offeror will provide underwriting and actuarial related contract services.	Select one
F-7	The prices and guarantees quoted in lines 6 through and including <del>14</del> <b>17</b> of each table in Attachment K-4 are guaranteed for the State of Maryland and for each Purchasing Pool Participant in the Maryland Rx Program. The applicable pricing guarantees are determined solely by the actual aggregate enrollment of the Purchasing Pool for each month. Table 1 will be applicable if actual aggregate enrollment is 149,999 members or less (i.e. 1 - 149,999 members). Table 2 will be applicable if actual aggregate enrollment is 150,000 members or more (i.e. 150,000 or more).	Select one

8. Amend Attachments K-4 and K-5, as detailed in the attached file “Attachment K – Financial Proposal (revised – Amendment # 3),” including the following revisions:
- (i) Updating the instructions of K-4 for line item references, based on the inclusion of new categories of pricing guarantees.
  - (ii) Renumbering of each line item from #8 onward on Att. K-4 and K-5.
  - (iii) Revising the required proposal format to require pricing guarantees (drug ingredient cost, dispensing fees, and rebates) for specialty drugs filled at retail pharmacies and specialty drugs filled at specialty pharmacies.

Issued and authorized by

Gabriel Gnall  
Procurement Officer

Attachments

1. Attachment J – Technical Proposal (revised – Amendment # 3)
2. Attachment K – Financial Proposal (revised – Amendment # 3)