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**Amendment #2 to  
Request for Proposals (RFP)  
Audit Services for State Employee and Retiree Health and Welfare Benefits Program  
Project No. F10B6400003  
June 27, 2016**

Ladies and Gentlemen:

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 revisions are listed below; new language has been double underlined and marked in bold (ex. **new language**) and language deleted has been marked with a strikeout (ex. ~~language deleted~~).

1. Amend RFP §1.2, Abbreviations and Definitions, as follows:

**24. Employer Group Waiver Plans (EGWP)** - Means a prescription drug plan that provides the standard Medicare Part D prescription drug coverage around which a commercial prescription drug plan is wrapped. This plan is only available to Medicare-eligible retirees and Medicare-eligible dependents. This plan is managed by a Pharmacy Benefit manager (PBM) who contracts directly with Medicare to be a Part D provider. **The EGWP plan is scheduled to end 12/31/2019.**

2. Amend RFP §3.1.6 Prescription Drug Benefits Plan as follows:

**3.1.6 Prescription Drug Benefits Plan**

3.1.6.1 The prescription drug plan is self-insured and is administered by a PBM. Two commercial plans and an Employer Group Waiver Program (EGWP) are administered by the PBM. The State pays separate administration fees plus claims for the two plan types. The two commercial plans are (1) all active and non-Medicare eligible retirees, and (2) all active employees who are members of the SLEOLA bargaining unit. The EGWP plan is a Medicare Part D wrap plan offered to Medicare-eligible retirees and dependents. **The EGWP plan is scheduled to end 12/31/2019.** All plans include an extensive national retail network as well as access to a voluntary mail order program and specialty pharmacies.

3. Amend RFP §3.2.7 Audit of Manufacturers' Agreements, Payments and Rebates as follows:

A. The Contractor shall conduct a complete and reliable audit of all manufacturers' agreements, payments and rebates to verify and ensure that the State receives all payments due to the State and that such payments are timely and accurate as defined in the forthcoming PBM RFP F10B6400005R. **Contractor shall audit the number of manufacturer agreements necessary to reach a threshold of not less than 80% of total rebate dollars paid to the State.**

4. Amend Attachment L-Audit Period/Audit Cycle as follows:

See Attachment L with revisions to correct end dates from 1/31/2019 and 1/31/2010 to 12/31/2019 and 12/31/2020 and providing descriptive information regarding the EGWP plan audit being removed from Audit Period 1/1/2020-12/31/2020.

Should you require clarification of the information provided in this addendum, please contact me at (410) 260-7570 as soon as possible.

Sincerely,



Joy Epstein  
Procurement Officer

**ATTACHMENT L – AUDIT PERIOD/AUDIT CYCLE**

<b>Audit Period</b>	<b>1/1/2016 12/31/2016</b>	<b>1/1/2017 12/31/2017</b>	<b>1/1/2018 12/31/2018</b>	<b>1/1/2019 12/31/2019</b>	<b>1/1/2020 12/31/2020</b>
<b>Audit Cycle</b>	<b>1/01/2017 12/31/2017</b>	<b>1/1/2018 12/31/2018</b>	<b>1/1/2019 12/31/2019</b>	<b>1/1/2020 12/31/2020</b>	<b>1/1/2021 12/31/2021</b>
<b>1. Medical Plans</b>					
<b>a) PPO -</b>					
Operational/Claims/PGs/Contract/Clinical/Internal Audit Reviews					
* CareFirst BCBS (two plans)	x	x	x	x	x
* United Healthcare Options	x	x	x	x	x
<b>b) EPO -</b>					
Operational/Claims/PGs/Contract/Clinical/Internal Audit Review					
* CareFirst BCBS (two plans)	x	x	x	x	x
* United Healthcare Select	x	x	x	x	x
<b>c) IHM -</b>					
Operational/PGs/Contract/Clinical/Internal Audit Review					
* Kaiser Permanente	x	x	x	x	x
<b>d) POS -</b>					
Operational/PGs/Contract/Clinical/Internal Audit Review					
* CareFirst	x	x	x	x	x
<b>2. Dental Benefit Plans</b>					
<b>a) DPPO -</b>					
Operational/Claims/PGs/Contract/Clinical, RFP Section 3.3.8 A 3/Internal Audit Review, RFP Section 3.3.9 A 1-5.					
* United Concordia	x	x	x	x	x
<b>b) DHMO - Operational/PGs/Contract/Internal Audit Review, RFP Section 3.3.9 A 1-4.</b>					
* Delta Dental	x	x	x	x	x
<b>3. Prescription Drug Plan</b>					
ESI until 12/31/2017, then subsequent Contractor afterwards					
*Audits of Manufacturers' Agreements, Payments and Rebates/Operational/Claims/PGs/Contract/Clinical/Internal Audit Review/ <u>EGWP for Audit Periods 1-4</u>	x	x	x	x	x
<b>4. Flexible Spending Accts</b>					
CYC until 12/31/2016, then subsequent Contractor afterwards					
* Operational/Claims/PGs/Contract/Internal Audit Review	x	x	x	x	x