



THE TEXAS A&M UNIVERSITY SYSTEM
Office of HUB & Procurement Programs

ADDENDUM 1

Date: February 26, 2021

RE: RFQ01 SBA-21-098
RFP Due Date: March 15, 2021

Respondents shall acknowledge receipt of addendum(s) on the Execution of Offer (Exhibit A).

Questions/Answers:

1. Do EGWP wrap claims have to apply to EGWP guarantees, discounts and rebates? **The only claims excluded from the guarantees, discounts and rebates have been outlined in the Price Proposal item g(4).**
2. What questions is the question below referring to?
50. What additional charges (ex. Clinical programs, ad hoc reports) are included in your quote if not covered under questions 62 and 63 above?
The correct reference should be to questions 45 and 46.
3. Confirm how coupons and copay assistance will be evaluated? **The A&M System will not be releasing details of how these items will be evaluated at this time.**
4. Section 3.10 references a draft administrative services agreement—can that document be provided for our review? **Section 3.10 states the following - the awarded Respondent will provide a first draft of the Administrative Services Agreement. Therefore, we expect the vendor that is awarded the proposal to provide the first draft.**
5. Exhibit D - Question #46 is requesting fees on a PMPM basis, therefore would it also be acceptable to provide the financial administrative fee (Commercial & EGWP) on a PMPM basis as well for consistency purposes? **Any additional fees provided in response to Questions #46 should be on a PEPM basis.**
6. Exhibit D - Question #49 – Does TAMUS currently have a 90-day network that matches mail pricing and where participants pays the same mail copays? **The current A&M System plan allows 90-day prescriptions at retail pharmacies. It is at the full copay amount and is not discounted to the 60-day copay as through mail. However, we are interested in programs that can treat these the same.**
7. Exhibit D - Question #50—There appears to be a typo referencing “questions 62 and 63 above”. Please clarify which questions are being referenced.
The correct reference should be to questions 45 and 46.
8. Exhibit D – Question #71 - Please confirm that a separate CD is not required and the Excel file can be provided within the full electronic submission. **Confirmed.**
9. Please clarify if Retail 90 pricing would apply for 31+ days supply OR for 60+ days supply. The SPD states **“Retail-Plus Network (60-90-day supply)”** for the Retail 90 benefit. **The current retail benefit has on copay for 30-day, 2 for 60-day, and 3 for 90-day prescriptions.**
10. Regarding Section 3.12 (Communications and Enrollment), Paragraph 3. Please confirm the following

underlined language is an accurate interpretation of the requirement: On a weekly basis throughout the year, the A&M System will report new employees who have enrolled in the plan. The mailing of Identification cards and new member information for Commercial members will be initiated for mailing to home addresses when the clean and accurate enrollment file is received. For EGWP, the Medicare Part D plan member is considered to be enrolled into the plan when a confirmation of enrollment is received from CMS which will initiate the mailing.

Correct.

11. HSP Subcontracting Requirement:

- Please confirm that the 11% goal should be measured against the administrative fee value. Is this annual or over 3 years? **The goal is for total services over the life of the agreement.**
- Are there any penalties for not meeting the goal? **No. For the purpose of the RFP, correct completion of the HUB Subcontracting Plan is a pass/fail.**
- Is this requirement a determining factor for winning this contract? **See response to previous question.**

12. RFP Section 3.1(a) indicates that the PBM awarded the contract will be responsible for “Benefit contracts, affirmed by the A&M System as to form and content and approved by the Texas Board of Insurance in accordance with state and federal statutes, and technical and legal assistance in the administration thereof.” To the extent the referenced “benefit contracts” include any contracts other than the Administrative Services Agreement referenced in Section 3.10, can the System provide additional detail or information as to what type of contracts are referenced here? **The contract Section 3.10 refers to the required contract documents as the Administrative Services Agreement and the HIPAA Business Associate Agreement.**

13. RFP Section 3.1(b) indicates that the PBM will be responsible for “Administrative agreements, in addition to any benefit contracts, which formalize the A&M System’s relationship with any carrier.” To the extent the referenced “administrative agreements” include any contracts other than the Administrative Services Agreement referenced in Section 3.10, can the System provide additional detail or information as to what type of contracts are referenced here? **The contract Section 3.10 refers to the required contract documents as the Administrative Services Agreement and the HIPAA Business Associate Agreement.**

14. RFP Section 3.10 states that “by May 1, 2021, the awarded Respondent will provide a first draft of the HIPAA Business Associate Agreement,” and indicates that completion is not required as part of the RFP response.” Section 3.10 later states that “the HIPAA Business Associate Agreement is attached as Exhibit F for your review.” If a bidder anticipates wanting to propose changes to the form Business Associate Agreement (BAA) at Exhibit F, would the System prefer that the bidder include a redlined version of the form BAA with its Proposal, or is it anticipated that changes to the BAA may be negotiated following contract award? **A redlined version is not required with your proposal submission but may be provided. It is anticipated that changes to the BAA if necessary would be negotiated with the awarded Respondent.**

15. RFP Section 3.10 provides: “Language should be included that Respondent will defend, release, hold harmless, and unconditionally indemnify the A&M System, each and all of its System Members, its officers and employees, and the State of Texas from: *** Any liability that arises from the acts or omissions of any officer, employee, agent, or representative of the contractor or individual or organization under contract to the contractor for specific services related to the administration of the A&M System’s benefit plans.” Likewise, Section 4.6 of the General Terms and Conditions provides: “The Respondent shall defend, indemnify and hold harmless the A&M System, its officers, employees and agents, against any and all liability of whatever nature which may arise directly or indirectly by reason of the Respondent’s performance under the resultant agreement.” Among the PBM’s obligations under the resulting contract will be to deny certain member claims as required by the plan design, and in such cases, members may allege that claims were

denied improperly, even where denial was mandated under the Plan. Accordingly, can the System confirm that the indemnification requirements under the resulting contract will extend only to liability arising out of the PBM's negligent acts or omissions, or breach of contractual obligations? **Yes**

16. RFP Section 4.10 provides: "In the event the successful Respondent fails to perform any of its duties or obligations as provided by any resultant agreement, which will include the RFP and the Respondent's response to the RFP, the A&M System without limiting any other rights or remedies it may have by law, equity or under contract, shall have the right to terminate the resultant agreement immediately." Does the A&M System anticipate, in the event that a failure or breach should occur, which failure or breach can be cured by the PBM within a reasonable time period, that the PBM would generally be permitted such an reasonable opportunity to cure the failure or breach? **There is not a specific example of a failure or breach that would cause an end to a contract. We would certainly try to work out any issues that may arise prior to terminating a contract.**
17. RFP Section 4.16 provides that "upon completion or termination of any resultant agreement, all documents prepared by the Respondent for the benefit of the A&M System shall become the property of the A&M System." There may be information contained in claims data that is considered confidential and proprietary to the PBM and exempt from disclosure under the TPIA, including costs and pricing information. Can the System confirm it will continue to maintain the confidentiality of such data post-termination, including by providing PBM with notice of any third-party requests for the information and an opportunity to assert that certain data is exempt under the TPIA? **We routinely continue to treat vendor submissions (such as proposals) as proprietary and provide the vendor an opportunity to protect the information through the AG letter ruling process. Ownership does not really change the proprietary nature of the information. However, subject to possible disclosure under the act, post-termination would need to be made on a case-by-case basis. This would need to be addressed in the resultant agreement.**
18. Can the System confirm that the records referenced in Section 4.16 (Ownership of Documents) apply only to those documents produced specifically for the System (as opposed to documents offered to PBM's book of clients, which material shall remain PBM's property)? **This would need to be determined on a case-by-case basis and properly addressed in the resultant agreement.**
19. Main RFP Document (PDF) Section 2.3 Proposal Submission Instructions

It is our understanding that our response is to be delivered electronically via email and that an alternate delivery method (due to the size of some data files required for submission) is to send our proposal on a CD or portable flash drive in lieu of the email submission. In lieu of email and a CD or flash drive, would the Texas A&M system find it acceptable for bidders to provide a secure link whereby the Texas A&M System could download all proposal files rather than submitting them via CD or flash drive? **The completed proposal is requested to be submitted by a CD or flash drive. See question 41 if file submission from a secure FTP site is requested.**
20. Exhibit D Questionnaire – Background Information Section, Question 20

Please explain what the co-annual aggregate funds are referring to in sub-question e. *What are the co-annual aggregate funds held for all clients?* **The question is asking - "if your company carries a fidelity bond, what is the aggregate amount held for all your clients?"**
21. Exhibit E Supplemental Files to RFP Instructions

Based on the explanation of valid values in the table below specific to the Employee Status line item, please clarify which employee status should align with commercial, and which employee status should align with Medicare Part D/EGWP.

Field	Valid Values
Employee Status	A – Active, I – Incapacitated (disability retiree), L – Leave of Absence, R – Retired, S – Survivor, T – Terminated, W – Working Retiree

The EGWP population would be 65 and over with a status of R for retiree.

22. Main RFP Document (PDF) Section 1.8 Schedule of Implementation

Open enrollment is in July, but the EGWP effective date is 1/1/2022.

- While Texas A&M is requesting a 90-120-day implementation timeline, what is the expectation for servicing clients prior to 1/1? **The current EGWP provider will continue as the provider through the end of the plan year 12/31.**
 - What dates would you require the pre-enrollment education phone line to be opened? What are the expected hours of operation for this telephonic education line? **It would need to be open no later than October 1st**
 - Please note: Managed Care Organizations (MCOs) can only accept an EGWP enrollment 90 days prior to the effective date (earliest 10/1 for a 1/1 effective date). **Correct. The current carrier will continue through the end of the current plan year 12/31.**
23. Please verify medical benefits start 9/1/2021 and EGWP PDP is effective 1/1/2022. **Correct**
24. Would Texas A&M be able to provide a census of all EGWP members (retirees, spouses, dependents)? **Yes. Attached. However, this is a subsection of the demographics file already provided.**
25. How do retirees enroll? Is it online and/or telephonic? Who completes the retiree’s enrollments? **Retirees enroll online through our Human Capital Management system, Workday.**
26. Assuming a new carrier is chosen, for the initial load of the retirees into the new Retiree EGWP plan, will that be automatic, and will all retirees be enrolled? If yes, how? **The A&M System has a separate plan for the EGWP population (65 Plus). Everyone in the 65 Plus plan is in EGWP, and no one in the commercial A&M Care plan is part of EGWP. The two populations will be identified separately in the integration from Workday.**
- Will the current EGWP carrier provide a file in the new carrier’s file format? **The enrollment information will come from the A&M System.**
27. Assuming a new EGWP carrier is chosen, when does member material need to be mailed, namely, welcome kits, ID cards, summary of benefits, etc.? **The member material should be mailed as required by CMS for a 1/1/2022 start date, which would be at least 60 days in advance.**
28. Will performance guarantees apply to the EGWP PDP contract? **Yes**
29. Exhibit D Questionnaire, Questions 180-218
- Do any questions outside of the Medicare Part D Requirements and Integration section of Exhibit D, Questionnaire, apply to EGWP? **Responding vendor must evaluate each question individually and determine if a separate response is necessary for EGWP.**
30. Does Texas A&M provide coverage for Part B drugs and supplies under the PDP plan? **Yes.**
31. Does the Texas A&M system provide coverage for non-Part D drugs under the supplemental coverage? **Yes.**

32. Will the Texas A&M system be sending the enrollment via a combined O65 and U65 file? If so, please explain the process used to determine who is eligible for EGWP/Part D
- The A&M System has a separate plan for the commercial members (A&M Care Plan) and the EGWP population (65 Plus). Everyone in the 65 Plus plan is in EGWP. The two populations will be identified separately in the integration from Workday.
33. Will the TAMU medical vendor work with the awarded PBM to integrate pharmacy and medical accumulators? Yes.
34. Please provide monthly volume of calls handled by the call center.
- During the 2020 plan year, the average monthly call volume was 46 calls with an average of 19 seconds answered.
35. Please provide the average number of prior authorizations, appeals, and grievances per month (or annually).
- 2,225 prior authorization reviews for 2020
 - 93 appeal reviews for 2020
 - 11 Grievances opened and closed in 2020
36. Please provide the average number of DMRs (direct member reimbursement) per month (or annually).
- 6 direct member reimbursements in 2020
37. How many of those lives meet the CMS standard for MTM (medication therapy management)?
- 1,201 retirees qualified for the program in 2020 plan year.
38. Does the plan cover SNP (special needs plan) members or is it a dual coverage/demonstration plan?
- The current EGWP plan is not directly associated with a special needs plan or dual coverage/determination plan
39. Is 30-day rebate payment required? Rebate payment requirements are outlined in item K of the Price Proposal.
40. The signed business agreement is not due until August. However, do you want a red-lined agreement submitted with the proposal? See response to question 14 above.
41. If the file is too large to email may we submit through an FTP site? Yes. A file sharing tool may be used to submit the proposal response (or a portion thereof) if large file sizes are an issue. If opting to use a file sharing tool it is recommended that a test file is sent prior to the due date to ensure we are able to access it and download the documents. It is each Respondents responsibility to ensure that the entire submittal response is received by the A&M System by the deadline stated above regardless of submission method.
42. Please complete the following regarding delegation of services for each line of business:
- See table on the following page.

	Commercial	Medicare	Medicaid
Member Subtotal by LOB	48,170	9,952	N/A
Services/Functions			
DMR	PBM	PBM	N/A
EOB (explanation of benefits)	PBM	PBM	N/A
Retail pharmacy network management	PBM	PBM	N/A
Mail order pharmacy	PBM	PBM	N/A
Specialty pharmacy	PBM	PBM	N/A
e-prescribing	PBM	PBM	N/A
Rebate contracting and management	PBM	PBM	N/A
P&T committee support	PBM	PBM	N/A
Formulary management	PBM	PBM	N/A
Clinical support services including pipeline info	PBM	PBM	N/A
Step therapy and other trend management	PBM	PBM	N/A
Concurrent and retro DUR (drug utilization review)	PBM	PBM	N/A
Prior authorization	PBM	PBM	N/A
Appeals and grievances	PBM	PBM	N/A
Member call center support: Normal hours	PBM	PBM	N/A
Member call center support: After hours	PBM	PBM	N/A
Pharmacy and prescriber call center: Normal hours	PBM	PBM	N/A
Pharmacy and prescriber call center: After hours	PBM	PBM	N/A
MTM	PBM	PBM	N/A
FWA programs	PBM	PBM	N/A
Performance guarantees including LOB-specific, client-specific measures	PBM	PBM	N/A
ID cards	PBM	PBM	N/A
Member communications, including welcome packets	PBM	PBM	N/A
Encounter reports	PBM	PBM	N/A
Vaccine program	PBM	PBM	N/A

END OF ADDENDUM NO. 1