

Refer to RFP 70513



PIMA COUNTY NOTICE OF REQUEST FOR PROPOSALS (RFP)

Solicitation Number: 70513

Title: Self-Insured Medical Benefits and Related Administrative Services

DUE IN AND OPENS: NOVEMBER 26, 2012 AT OR BEFORE 2:00 P.M. LOCAL ARIZONA TIME (MST)

Submit Proposal to:

Pima County Procurement Department
130 West Congress, 3rd Floor, Receptionist
Tucson, Arizona 85701

Pre-Proposal Conference: Nov. 8th, 2012 AT 9:00 A.M. LOCAL AZ TIME (MST)

PIMA COUNTY BOARD OF SUPERVISORS HEARING ROOM
ADMINISTRATION BUILDING, EAST
130 W. CONGRESS, 1ST FLOOR
TUCSON, AZ 85701

REQUEST FOR PROPOSAL/SOLICITATION: Pima County is soliciting proposals from Offerors qualified, responsible and willing to provide the following Services in compliance with all solicitation specifications and requirements contained or referenced herein.

GENERAL DESCRIPTION: Self-Insurance benefits to eligible employees of Pima County and approved outside agencies, dependents, domestic partners and to COBRA participants and their legal dependents, as defined by the Internal Revenue Service (IRS). As per specifications called for herein, respondents are invited to submit proposals for any combination of the following Service Categories:

- A) Third Party Administrative Services (TPA)
- B) Excess Loss or Stop Loss Coverage (SL)
- C) Pharmacy Benefit Management Services (PBM)
- D) COBRA Administration Services
- E) Flexible Spending, Dependent Care and Qualified Transportation Benefits Programs (QTBP) Administration Services
- F) Employee Assistance Program Services (EAP)

You may download a full copy of this solicitation at www.pima.gov/procure/ifbrfp.htm by selecting the solicitation number. Offerors are required to check this website for addenda prior to the Due In and Opens Date and Time to assure that the proposal incorporates all addenda. Prospective Offerors may also pick up a copy, Monday through Friday excluding legal holidays, 8 am to 5 pm LOCAL ARIZONA TIME (MST), at the address listed above.

PIMA COUNTY NOTICE OF REQUEST FOR PROPOSALS (RFP) (Cont'd)

A **Pre-Proposal Conference** will be held for the purpose of clarifying requirements and answering prospective offeror questions. It is the responsibility of Prospective Offerors to familiarize themselves with all requirements of the solicitation and to identify any issues at the conference. Attendance is optional and encouraged.

Proposals shall be submitted as defined in the Instructions to Offerors, in accordance with the Standard Terms and Conditions, and all solicitation documents either referenced or included herein. Failure to do so may be cause for rejection as *non-responsive*.

Offerors must complete and return those documents identified in the Instructions to Offerors Submission of Fee Proposals and Questionnaires. Proposals may not be withdrawn for 180 days after opening except as allowed by Pima County Procurement Code.

OFFERORS ARE REQUIRED TO READ THE ENTIRE SOLICITATION, INCLUDING ALL REFERENCED DOCUMENTS, ASSURE THAT THEY CAN AND ARE WILLING TO COMPLY, AND TO INCORPORATE ALL ASSOCIATED COSTS IN THEIR PROPOSAL.

Questions and Deviation requests shall be submitted in writing to Procurement Department, Attention: Jennifer Moore, Jennifer.Moore@pima.gov

All submittals shall reference the Solicitation Number and Title; Questions or Deviation Requests submitted within 8 days of the solicitation *Due In and Opens Date and Time* may not be answered.

Fax: (520) 791.6509 email: Jennifer.Moore@pima.gov USPO Mail to the following address:

Pima County Procurement Department, 130 W. Congress, 3rd Floor, Mailstop # DT-AB3-126; Tucson, AZ 85701

VERBAL REQUESTS FOR CLARIFICATIONS OR INTERPRETATIONS WILL NOT BE ACCEPTED.

Jennifer Moore, CPPB
Commodity/Contracts Officer

Publish: The Territorial: October 23, 24, 25, & 26, 2012

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<i>EXHIBIT I</i>	Current Pima County Employee Census
<i>EXHIBIT II</i>	Current Pima County Medical Plan Designs - COC's can be obtained on Pima County Website: http://www.pima.gov/hr/EmployeeBenefits/
<i>EXHIBIT III</i>	Current Pima County Enrollment by Plan/Tier and Rates
<i>EXHIBIT IV</i>	Most Current 24 Months of Paid Medical Claims for Pima County
<i>EXHIBIT V</i>	Most Current List of Large Claimants
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<i>EXHIBIT VII</i>	Current Pima County EAP Benefits
<i>EXHIBIT A</i>	Bidders Fee Proposal Forms (Excel File)
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PIMA COUNTY NOTICE OF REQUEST FOR PROPOSALS (RFP)

Statement of Purpose - As per specifications called for herein, respondents are invited to submit proposals for any combination of the following Service Categories:

- A) Third Party Administrative Services (TPA)
- B) Excess Loss or Stop Loss Coverage (SL)
- C) Pharmacy Benefit Management Services (PBM)
- D) COBRA Administration Services
- E) Flexible Spending, Dependent Care and Qualified Transportation Benefit Program (QTBP) Administration Services
- F) Employee Assistance Program Services (EAP)

Pima County Reserves the right to award one contract for all service categories or any combination therein. The County intends to award contract(s) to successful Contractor(s) in order to implement and effectively operate its self-insured medical and pharmacy benefit program. Additionally the County may award contract(s) for service that include: COBRA, FSA, Qualified Transportation BP and Employee Assistance Program (EAP) Service Categories.

Pima County will accept “bundled” or “unbundled” responses. “Unbundled” respondents are those proposers providing individual response(s) to individual Service Categories. “Bundled” respondents are typically those that have the capability of providing more than one of the required services categories. Respondents intending to use any subcontractors for any portion of their proposal shall include the required subcontractors’ information in responding to the minimum requirements. Failure to provide such information may cause your proposal to be deemed **NON-RESPONSIVE and not considered for further evaluation**.

PROPOSED CONTRACTS TO BE AWARDED

The County intends to award contract(s) to successful vendor(s) in order to implement and effectively operate its self-insured medical and pharmacy benefit program. Any successful vendor must be able to integrate its services and data with other vendor systems. Please note the specific questions related to who your company can integrate with for an unbundled self-insurance model. Those vendors who are capable of providing all services outlined in the RFP are encouraged to provide fee proposals on the entire Scope of Services.

PROPOSED CONTRACTS TO BE AWARDED

The County anticipates awarding six contracts as follows:

- A) **Third Party Administrative Services (TPA)** for self-insured medical benefits. This includes but is not limited to enrollment administration, claim adjudication, case management, disease management, provider network/network access, utilization review services and wellness services/benefits.
- B) **Excess Loss or Stop Loss Coverage (S/L)**. As this is the County's initial venture into self-insurance, it is the County's intent to procure excess loss coverage to insure excess risk or claims above a specific level (individual stop loss). The County will also consider the procurement of excess loss coverage associated with its entire covered population (aggregate stop loss). All proposals must include complete medical and pharmaceutical claims as part of the stop loss protection.
- C) **Pharmacy Benefit Management (PBM)**. This includes retail outpatient pharmacy network, claims adjudication, specialty drug program, drug utilization review, Maximum Allowable Cost (MAC) pricing and complete transparency on all pricing, rebates and any sub-vendor contingent payments.
- D) **COBRA Administration**. The County currently utilizes Process Works, a United Healthcare subsidiary, for its COBRA administration. Pima will consider alternative COBRA vendors who may be able to perform this function in an integrated fashion at an affordable rate.
- E) **Flexible Spending, Dependent Care and QTBP Account Administration**. Pima currently utilizes ASI to administer its employees FSA accounts. Pima will consider alternative FSA vendors who may be able to perform this function in an integrated fashion at an affordable rate.
- F) **EAP - Employee Assistance Program**. The County utilizes Optum, a United Healthcare Company Subsidiary for its Employee Assistance Program. The current program is structured as a 5 visit per issue per year program and includes training and education to County management. It is a comprehensive EAP that includes Legal, and Financial Resource Services as well as Child and Elder Care Services. The EAP is available for all benefit eligible participants (approximately 6,200 employees) and not just those enrolled in the self-insured medical plan. There is also Critical Incident Services available for the workforce. An EAP summary of services is attached as **Exhibit VII**.

INTRODUCTION

Introduction

Pima County Government (the County) currently has approximately 6,200 benefit eligible active employees with approximately 5,300 employees covered by its medical insurance program. Total member enrollment including dependents is approximately 13,000.

Pima County also allows five local outside agencies to purchase coverage through the County’s benefit plans. Below are the current numbers of subscribers in each category.

Pima County Employees	5322
Outside Agencies	
PAG	42
Metro Water	0
Marana Water	3
Sptd of Schools	22
Southwest Fairs	16
TOTAL Actives	5405
COBRA	155
TOTAL ENROLLED	5560

The County’s medical and prescription drug benefits are fully insured with United Healthcare of Arizona. In order to be benefit eligible, active employees must be scheduled to work 20 hours or more per week in a regularly classified position. Benefits become effective the first day of the month following 30 days after the hire date or qualifying event date. Eligible employees have a choice between a PPO and a High Deductible Health Plan (HDHP) with a Health Savings Account (HSA) for those who may qualify for an HSA and the same HDHP without an HSA for those who are not eligible for the HSA component. For purposes of this request for proposal(s) please assume the current plans offered to employees will be continued other than any changes or regulatory modifications pursuant to the Patient Protection and Accountable Care Act (PPACA) or any other Federal or State of Arizona Healthcare Reform requirement. United Healthcare’s subsidiary OPTUM currently administers the County’s Employee Assistance Program (EAP).

Introduction (Cont'd)

The anticipated effective date for the services outlined in this proposal is July 1, 2013. Open enrollment will occur in the preceding April or May timeframe. The current employee census is attached as **Exhibit I** along with the current plan designs as **Exhibit II**. Enrollment by plan and by tier along with current fully insured rates is provided as **Exhibit III**. Summary paid medical claims by plan for the latest 24 months are provided as **Exhibit IV**. Large claimants are provided as **Exhibit V**. Summary paid pharmacy claims for latest 24 months is provided as **Exhibit VI**. The current EAP program benefits are outlined in **Exhibit VII**.

The County currently administers its payroll in house. The County is in the process of outsourcing this function to a third party. ADP is being used for benefit administration. Health Savings Accounts are administered by Chase Bank. Currently, there are no plans to seek alternative banks to administer and service the HSAs. Thus, this RFP will exclude these services. COBRA services are currently administered by Process Works, a United Healthcare subsidiary. Flexible Spending Account administration is currently being performed by ASI. This RFP does incorporate the opportunity for vendors to propose on the COBRA and FSA administration.

The current medical plan vendor, United Healthcare, provides the County an annual wellness allowance fund to continue our efforts to actively engage and promote wellness activities and solutions to improve the health and well being of our workforce. This is a significant strategic initiative in which the County wishes to continue to invest to improve the health and productivity of its employees and covered dependents.

While health is in part a personal responsibility, the County can positively influence the choices our employees and their dependents make by improving access to care and providing an integrated approach to health benefits. An overall objective of the County is to partner with vendor(s) who offer state of the art case management, disease management, and wellness initiatives.

CBIZ has a consulting contract with the County to provide employee benefit and related consulting services that are relevant to this RFP. CBIZ also provides ongoing consultative services to the County. All rates, fees or other forms of compensation associated with this RFP shall be submitted net of commissions. CBIZ is compensated directly by the County and pursuant to a direct Consulting Agreement. Accordingly, all proposals must be net of commissions.

INSTRUCTIONS TO OFFERORS

1. PREPARATION OF RESPONSES

All proposals shall be made using the forms provided in this package. All prices and notations must be printed in ink or typewritten. **No erasures are permitted.** Errors may be crossed out and corrections printed in ink or typewritten adjacent to error and shall be initialed in ink by the person signing the proposal. Typewritten responses are **preferred**.

All proposals shall, as appropriate, indicate the registered trade name, stock number, and packaging of the items included in the proposal.

2. PRICING and OFFER DOCUMENTS

Throughout this solicitation document, the meaning of *proposal* and *offer* are intended to be synonymous.

Offerors shall complete and submit their offers utilizing the forms provided by this solicitation. Requested information and data shall be provided in the precise manner requested. Product descriptions shall provide sufficient information to precisely document the product being offered. Failure to comply may cause the proposal to be improperly evaluated or deemed non-responsive.

The proposal/offer certification document must be completed and signed by an authorized representative certifying that the firm can and is willing to meet all requirements of the solicitation. Failure to do so may be cause to reject the proposal as non-responsive.

All unit prices shall remain firm for the initial term of the executed agreement, with the exception that should offeror, during the term of the agreement, offer to another buyer pricing for like or similar quantity, products or services at a price more favorable than those given to the County, that offeror shall offer that more favorable pricing to the County effective on the date offered to other buyer.

Instructions To Offerors (Cont'd)

3. GENERAL SPECIFICATIONS & DEVIATIONS

The specifications included in this solicitation are intended to identify the kind and quality of goods and/or services to be provided without being unnecessarily restrictive, and as required to provide the information needed for the development of consistent and comprehensive proposals.

Failure to perform appropriate research, discovery, examine any drawings, specifications, and instructions will be at the offeror's sole risk.

Items included in the proposal shall meet the specifications and requirements set forth by the solicitation.

Deviation requests shall specifically document and clearly illustrate the deviation to the particular specification or the requirement set forth by this solicitation and fully explain the requested deviation's impact on the end performance of the item.

Deviation requests shall be submitted prior to the initial solicitation due date. Requests submitted within 8 days of the solicitation due date may not be answered. Acceptance or rejection of said deviation request shall be at the sole discretion of the County and in accordance with the County Procurement Code.

Offerors are advised that conditional offers that do not conform to or that request exceptions to the published solicitation and addendums may be considered non-responsive and not evaluated.

4. OFFERORS MINIMUM QUALIFICATIONS/REQUIREMENTS:

In order for proposals to be evaluated and considered for award, proposals must be deemed ***Responsive and Responsible***. To be deemed "***Responsive***", the submitted offer documents shall conform in all material respects to the requirements stated by the solicitation. To be deemed "***Responsible***", offerors shall document and substantiate their capability to fully perform all requirements defined by the solicitation. Factors considered include and may not be limited to experience, integrity, perseverance, reliability, capacity, facilities, equipment, credit and other factors required to provide the performance defined by the solicitation.

Instructions To Offerors (Cont'd)

All Respondents/Offerors shall certify that they possess the minimum qualifications/ requirements contained in The Minimum Requirements Questionnaire on pages 34-35 (applicable to all six Service Categories). Offeror shall provide the requested documents that substantiate their satisfaction of the Minimum Qualifications/Requirements. Failure to provide the information required by these Minimum Qualifications/Requirements and required to substantiate *responsibility* may be cause for the offeror’s proposal to be rejected as *Non-Responsive and/or Non-Responsible*.

Respondents to Pharmacy Benefit Management services shall also respond to the Minimum Requirements on pages 65-79

5. EVALUATION AND AWARD CRITERIA

A Pima County Evaluation Committee shall evaluate proposals deemed ***Responsive and Responsible***. Proposals shall be evaluated according to the evaluation criteria set forth herein. Evaluation of cost shall be made without regard to applicable taxes.

<u>Evaluation Criteria</u>	Evaluation Criteria Description	Maximum Possible Score 100%
<u>Qualifications:</u>	As guided by the Questionnaire, the respondent(s) shall respond to the questions designated as pertaining to Qualifications of the Firm and Key Personnel. Responses shall demonstrate their expertise in the specialized service categories in support of the self-insurance needs of the County. The respondent(s) shall demonstrate their ability to meet or exceed the requirements of the Scope of Services based upon their historical performance and market place acceptance of other large self-insured clients.	15%
<u>Statement of Work: General and Specific Interrogatories</u>	As guided by the Questionnaire, the respondent(s) must clearly state how work will performed, delineating contractors and county’s responsibilities based on the specified scope of service(s) within the requirements of the RFP.	50%
<u>Performance Guarantees:</u>	As guided by the Questionnaire, the evaluation panel will take in to consideration the creativity and innovation in respondent’s ability to provide meaningful performance guarantees to deliver superior service from its top professional staff. Economic penalties for failure to deliver must be clearly stated. If applicable to Service Category.	5%
<u>Cost:</u>	Per Employee Per Employee (PEPM): Total Cost: Maximum Percentage (95%)	30%
	All Other Categories Total Cost: Maximum Percentage (5%)	

Instructions To Offerors (Cont'd)

The evaluation criteria will be used by the evaluation panel when scoring the offeror's answers to the questions contained in the following sections of the RFP.

- A. TPA Services Questionnaire and Fee Proposal Forms
- B. Excess Loss/Stop Loss Coverage – Questionnaire and Fee Proposal Forms (Two Options)
- C. Pharmacy Benefit Management Services – Questionnaire and Fee Proposal Forms
- D. COBRA Administrative Services – Questionnaire and Fee Proposal Form
- E. Flexible Spending, Dependent Care/QTBP Administration Services – Questionnaire and Fee Proposal Forms
- F. Employee Assistance Program Services (EAP)-Questionnaire and Fee Proposal Forms

Offeror should respond in the form of a thorough narrative to each specification as guided by the Questionnaire. The narratives along with required supporting materials should be evaluated and scored accordingly. Forms provided and requested for inclusion in this proposal shall not be modified.

Top scoring respondents to the Third Party Administrative Service Category and Pharmacy Benefit Management Services will be requested at a subsequent date to provide a GEO Access report of your Provider Network along with specific fee schedules you utilize to pay providers. Maximum Possible Score: 100%

Top scoring respondents to the Third Party Administrative Service Category will be invited to participate in a claims sampling. The sampling may include running claims through your system to determine how claims would be paid based upon network and pharmacy discounts. The sampling may include cost data analysis of Generic and Brand Name drugs and maximum fee allowance for the most frequent CPT (Current Procedural Terminology) codes chosen by Pima County. The Commodity/Contracts Officer will notify finalists of the date and, time for the claims sampling. Maximum Possible Score: 100%

Oral Presentation– applicable to all six service categories

The Commodity/Contracts Officer will notify finalists of the date, time and location of the oral presentations. The presentation will include the demonstration of any function, product or system capability included in the proposal.

Instructions To Offerors (Cont'd)

County reserves the right to request additional information and/or clarification. Any clarification of a proposal shall be in writing. Recommendation for award will be to the responsible and responsive offeror(s) whose proposal is determined to be the most advantageous to the County taking into consideration the evaluation criteria set forth in this solicitation.

The County may conduct discussions with the Offeror to clarify the Offer and Agreement details provided that they do not substantially change the intent of the solicitation.

If an award is made, the County will enter into an agreement with the one, or more Offeror(s) that are deemed to be the most responsive and responsible offer(s) by executing and transmitting a contract.

SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE (Professional Services Excluded)

Any contract funded in any amount with federal funds is not eligible for this preference.

For those proposals whose cost does not exceed \$500,000 per contract year, a 5% bid preference will be given to firms submitting SBE Certificates issued by the City of Tucson WITH THEIR BID; said certification is subject to verification and acceptance by the County. If the certification is accepted by the County, the bid will be evaluated at 95% of the Total Price Proposed amount to determine the low and responsive bid. If an award of contract is made, the contract will be formed utilizing the Unit Prices, Total Price Proposed or as negotiated. **To be eligible for the price preference, SBE firms must include with their proposal documents a copy of their current SBE certificate document** which may be acquired from the City of Tucson; Office of Equal Opportunity Programs, (520) 791-4593 (520) 791-2639 TTY, 201 N. Stone Ave. , 3rd Floor North , Tucson , AZ 85701.

Their SBE website, which typically includes an SBE Directory & Application forms listing of firms holding SBE Certification, is located at: www.pima.gov/procure/sbe/SBEDir.pdf

The process of acquiring SBE Certification may take several weeks. Please contact the Pima County Vendor Relations Division at (520) 740-3296 for assistance or further information.

Instructions To Offerors (Cont'd)

6. SUBMISSION OF OFFERS

Offerors are to complete, execute and submit **one original and three [3] hard copies** of the required documents **and an electronic version in Microsoft format on four (4) Flash Drives**. The submittal shall include all information requested by the solicitation, and utilize without modification the forms provided by the solicitation.

The proposal shall be bound and indexed in the order as indicated below.

- Certification Form
- Proposal Submittal Checklist Form
- Minimum Requirements Questionnaire fully completed as requested.
- All Attachments for each Service Category proposed must include applicable Questionnaire, and
- Fee Proposal, including the required documentation

The proposal shall be submitted in three ring binders, per Service Category, and indexed in the exact order as indicated above. **NOTE:** *Unnecessarily elaborate responses beyond that sufficient to present a complete and effective response to the solicitation are not desired. Do not provide general answers or reference to sales literature.*

Multiple proposals by Service Category, from a vendor is permissible, however, each proposal must conform fully to the requirements for proposal submission. Each such proposal must be secured and contained separately, submitted and labeled as Proposal # – Applicable Service Category for example:

Proposal # 1/2 – Service Category: Third Party Administrative Services

Proposal # 2/2 – Service Category: Pharmacy Benefit Management Services

Instructions To Offerors (Cont'd)

In order to be considered, proposals must be received and time stamped at the specified location at or before the Due In and Opens Date/Time as defined by the *Request for Proposals*. No proposal will be accepted via facsimile or email. The “time-stamp” provided by the County shall be the official time used to determine the timeliness of the submittal. Proposals and modifications received after the Due In and Opens Date/Time will not be accepted, or will be returned unopened. Timely submittals will be opened and recorded promptly after the Due In and Opens Date/Time.

Proposals must be signed by an authorized agent of the offeror and submitted in a sealed envelope marked or labeled with the offeror’s firm name, solicitation number, title, solicitation due date and time, to the location and not later than the Due In and Opens Date/Time specified by the *Request for Proposals*.

Proposals and modifications received after the closing time specified will not be accepted. Facsimiles of proposals will not be accepted.

Failure to comply with the solicitation requirements may be cause for the offeror’s proposal to be rejected as *non-responsive* and not evaluated.

7. BEST AND FINAL OFFER

County reserves the right to request additional information and/or clarification with responsible offerors who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and conformance to, the solicitation requirements.

County also reserves the right to request best and final offer(s). The request shall set forth the date, time, and place for the submission of best and final offers. If offerors fail to respond to the request for best and final offer or fail to submit a notice of withdrawal, their immediate previous offer will be construed as their best and final offer.

8. COMPLIANCE WITH AGREEMENT

County will execute an agreement with the successful offeror or offeror(s) by issue of a blanket contract, purchase order or contract. The offeror agrees to establish, monitor, and manage an effective administration process that assures compliance with all requirements of the agreement. In particular, the offeror agrees that they shall not provide goods or services in excess of the executed agreement items, item quantity, item amount, or agreement amount without prior written authorization by revision or change order properly executed by the County. Any items provided in excess of the quantity stated in the agreement shall be at the

Instructions To Offerors (Cont'd)

Offeror's own risk. Offerors shall decline verbal requests to deliver items in excess of the agreement and shall report all such requests in writing to the Pima County Procurement Department within 1 workday of the request. The report shall include the name of the requesting individual and the nature of the request.

9. INQUIRIES & NOTICE OF RECOMMENDATION FOR AWARD (NORFA)

Results of this procurement will not be given in response to telephone inquiries. Interested parties are invited to attend the public opening at the time and date stated in this solicitation. A tabulation of submittals will be on file at the Procurement Department. No oral interpretations or clarifications made to any respondent as to the meaning of any of the solicitation documents will be binding on Pima County. If a prospective respondent believes a requirement of the solicitation documents to be needlessly restrictive, unfair, or unclear, the respondent shall notify the Pima County Procurement department in writing identifying the solicitation number, page and paragraph number and clearly stating the issue and suggested solution prior to the *Due In and Opens* date set for receipt of the bid or proposal. Responses from COUNTY will be made by written addendum and sent to all known potential respondents. Issues identified less than 8 days prior to the *Due In and Opens* date may not be answered.

Interested parties are invited to attend the public opening of submissions at the time and date stated in this solicitation.

10. VENDOR RECORD MAINTENANCE

By submitting a response to this solicitation, the submittor agrees to establish and maintain a complete Pima County Vendor record, including the provision of a properly completed and executed "Request for Taxpayer Identification Number and Certification" document (Form W-9), within ten calendar days of the solicitation due date. The Vendor also agrees to update the information within ten calendar days of any change in that information and prior to the submission of any invoice or request for payment. The preferred method for creating or updating this record is via the Internet utilizing the Pima County Vendor Self Service (VSS). The registration requires that the Vendor establish and maintain email functionality. In addition to providing the means for a Vendor to create and maintain their Vendor record, VSS also provides for email notice to the vendor regarding solicitations published by the County for commodities of interest as defined by the Vendor record. Internet links for Vendor Registration are located at the Procurement Internet page: <http://www.pima.gov/procure/venreg.htm>.

END OF INSTRUCTIONS TO OFFERORS

SPECIFIED SCOPE OF SERVICES AND GENERAL INSTRUCTIONS FOR RESPONSES

Any proposing vendor may propose on any or all of the six potential service categories (potential contracts). Some vendors may wish to competitively bid on all sections of this RFP (integrated/bundled solution), while other vendors whose core business limits its ability to proposing on less than all categories of this RFP will still be deemed responsive and are encouraged to respond to the specific categories which represent their core business activities (unbundled solution). The County will determine which vendor or vendors comprise the best long term solution to its self-insurance needs. Accordingly, the questionnaire along with pricing submission forms will be presented independently within this RFP.

SPECIFIED SCOPE OF SERVICES

A) Third Party Administration (TPA Services) !

The successful vendor must:

Claim Administration and Payment

- 1) Provide complete claim administration to include receipt of claims and payments processed in accordance with the County's plan designs.
- 2) Coordinate, interface and integrate data with medical management, utilization review, pre-certification/authorization and other resources to make benefit determination pursuant to the County's benefit plan(s).
- 3) Perform coordination of benefits and subrogation services with other benefit plans (including Medicare and Medicaid where applicable) and third parties as needed or requested.
- 4) Perform all communication processes whether oral or written with providers of care or plan participants to ensure any and all information is gathered to accurately and timely pay claims.
- 5) Provide any and all notices to plan participants regarding denial of benefits along with review or appeal instructions for the participant including external review and appeals processes in addition to internal review processes.
- 6) Serve as the County's claim fiduciary relative to all benefit determinations including all levels of appeals with no litigation provisions.
- 7) Provide all EOB (explanation of benefits) to all plan participants as a result of claims processed.
- 8) Provide all IRS 1099 forms as required to claim dollar recipients.
- 9) Provide and operate fraud detection and reduction programs.

SPECIFIED SCOPE OF SERVICES

A) Third Party Administration (TPA Services) Cont'd.

Communication and Educational Services

- 1) Provide a web based portal for access by participants to review their individual and enrolled dependent claim activity as well as access health information and wellness services to benefit themselves or their families.
- 2) Bilingual communication is required for written materials and open enrollment support services.
- 3) Working in conjunction with the County, prepare and sometimes distribute benefit materials, reports or presentations as well as attendance at open enrollment meetings.
- 4) Provide HIPAA compliant web based access to authorized County employees and designated business associate(s) for claims data, financial and statistical reports and any other data readily available to employers relative to your standard reporting tools and resources.
- 5) Working in conjunction with the County, integrate the County's non-Medicaid Benefit Programs into a comprehensive Benefits Guide summarizing all benefit programs offered to participants. TPA agrees to prepare and distribute those to participants via hard copy and/or web. Please refer to our current benefits guide indicated below:
<http://www.pima.gov/hr/EmployeeBenefits/Open%20Enrollment/2012-2013%20Benefits%20Guidebook.pdf>

Participant Services (Customer Service)

- 1) Provide toll free or local phone number access to all participants for questions or concerns relative to eligibility, claim issues, provider network services, pharmacy benefit services, benefit coverage, grievance and appeals services and general concerns.
- 2) Provide Nurse Line or equivalent services 24 hours per day throughout the plan year to participants who have care access questions or seek general healthcare advice.
- 3) Provide call center customer service resources that must be available at a minimum from 7:30am through 6:00pm Arizona time. Ideally extended hours should be made available.

SPECIFIED SCOPE OF SERVICES

A) Third Party Administration (TPA Services) Cont'd.

Eligibility and Participant Enrollment Services

- 1) Enroll, terminate, and manage qualifying events and changes pursuant to the County's eligibility definitions.
- 2) Provide online enrollment and eligibility services as well as agree to accept electronic data eligibility files and formats from the County's employee information management systems.
- 3) Administer HIPAA Certificates of Creditable Coverage and Privacy Notices.
- 4) Provide COBRA Notification of Rights to new enrolled participants.

Data Reporting

- 1) Provide enrollment, demographic and eligibility data at least monthly in a report format.
- 2) Provide financial reporting of paid claims (not incurred), by disease category, by provider type paid, by service/benefits category, in-network versus non-network and other data sorting as is standard industry practice.
- 3) Integrate PBM and Stop Loss recovery data into reporting packages.
- 4) Please attach information on your standard reporting package.
- 5) Provide access to your reporting systems by authorized County staff and designated business associate(s) to be defined by the County and the vendor.

SPECIFIED SCOPE OF SERVICES

A) Third Party Administration (TPA Services) Cont'd.

Case Management

- 1) Provide resources directly or through your vendor to coordinate health care services amongst differing provider disciplines and locations on behalf of participants.
- 2) Provide education to participants to better manage their care and risk factors to avoid duplication of services and result in better health outcomes.
- 3) Help explain to participants various treatment options that may exist for them along with probable outcomes.
- 4) Provide educational and other resources to participants that may be available beyond their plan coverage.

Utilization Management and Concurrent Review Services

- 1) Provide services that review the acuity of the care provided to participants.
- 2) Utilizing clinically trained personnel, provide initial and ongoing precertification or prior authorization services that help manage inpatient care, mental and behavioral health services, and rehabilitative services. Assist in precluding non-value added care.
- 3) Provide review services that request care related to clinical trials, organ transplantation, specialty medications and infusion coverage.

Disease Management

Provide disease management programs and services in the following areas at a minimum: Asthma, Obesity, Chronic Obstructive Pulmonary Disease (COPD), Coronary Artery Disease (CAD), Congestive Heart Failure, High Risk Pregnancy, Diabetes, Depression, and Low Back Pain and management thereof. Additional disease management services you provide should be delineated.

SPECIFIED SCOPE OF SERVICES

A) Third Party Administration (TPA Services) Cont'd.

Contracted Provider Network(s)

- 1) Provide a comprehensive provider network (meaning both breadth of services and geographic coverage) that offers the most competitive discounts for participants in Pima County along with a network within Arizona and the United States as well.
- 2) Ensure there are quality measurement standards and metrics that enable participants to compare and contrast various providers relative to quality scores and cost efficiencies.
- 3) Provide a network that balances choice of providers with effective cost management of claims. Unit pricing transparency will be key for Pima County participants because of the volume of HDHP/HSA enrollment.
- 4) Provide all Pima County participants the lowest available unit cost rate available pursuant to your provider contracts.

Customer Appeal Process

- 1) Provide continued education to participants relative to their rights and responsibilities to appeal any denied, limited, or excluded coverage determination.
- 2) Provide management oversight of internal review processes as well as external review processes while maintaining complete claim fiduciary responsibilities with no liability to the County.
- 3) Provide independent review organizations for claim or coverage appeals.

Health Savings Account Integration

- 1) The County does not anticipate changing its banking vendor at this time. That said; please provide online integrated HSA administration where claims and account balances at the bank are integrated and available for transaction claim processing purposes.

SPECIFIED SCOPE OF SERVICES

A) Third Party Administration (TPA Services) Cont'd.

Participant Wellness and Preventive Health Screening Services:

- 1) Provide an integrated online HRA (Health Risk Assessment) where claim data can be uploaded into the participants HRA record.
- 2) Provide a 24 hour/365 day Nurse Line for participants to access services.
- 3) Provide education and communication notices to participants for age/gender screenings or immunizations.
- 4) Provide Flu shots onsite either pro bono or at a reduced rate. To the extent you have flu shots arranged and available as a preventative service, please explain who you utilize as part of your network.
- 5) Provide resources and materials to support the County's health fairs and/or open enrollment periods.

Participant Wellness and Preventive Health Screening Services: Cont'd

- 6) Coordinate with the County's existing Wellness Programs to enhance communications, provide specific disease or illness initiatives and health improvement measurement tools. Work with the County resources to leverage existing community resources to improve participant health and wellbeing.
- 7) Provide complimentary discount programs or services to participants to promote wellness (e.g. discounted gym rates, nutritional tools, weight management services, etc.).

SPECIFIED SCOPE OF SERVICES
(Excess Loss/Stop Loss)

B) Excess Loss/Stop Loss

The successful vendor must:

Excess Loss/Risk Management Services:

- 1) Provide a liability transfer of specific and aggregator risk management services for individual participants and the County as a whole.
- 2) Coverage must include all medical, pharmaceutical and ancillary medical claims associated with the County's plan of benefits or coverage available to participants and their covered dependents.
- 3) Please ensure you address which provider networks are preferred or favored for County participants that you believe result in lower claim incidence and thus lower risk thresholds for the County.
- 4) Please note to complete both contract types of coverage options outlined in the fee proposal section of this RFP.

SPECIFIED SCOPE OF SERVICES
(Pharmacy Benefit Management Services)

C) Pharmacy Benefit Management Services

The successful vendor must:

- 1) Provide a comprehensive network of retail pharmacies conveniently located throughout the County. Pharmacy network should also include national pharmacy chains so participants can access drug benefit nationwide.
- 2) Provide participant eligibility and enrollment in conjunction with benefit coverage.
- 3) Provide claim adjudication services for all pharmaceutical services to participants.
- 4) Provide Rx ID that is integrated with the medical ID card.
- 5) Provide mail order and specialty drug services to participants.
- 6) Provide Drug Utilization Review (DUR) services along with prospective and concurrent review services.
- 7) Provide proactive formulary management, rebates and claims processing for both mail order and retail Rx's on a fully transparent basis.
- 8) Provide web based systems for participants and the County including toll free numbers for direct customer service.
- 9) Provide comprehensive pharmacy utilization reporting by distribution channel, drug therapeutic classes, brand, preferred brand, single source generics and generics.
- 10) Provide seamless integration with the TPA, utilization or disease management vendors.
- 11) Provide MAC pricing management.

SPECIFIED SCOPE OF SERVICES
(COBRA and FSA Administrative Services)

D) COBRA and FSA Administrative Services – General Information

The County currently utilizes Process Works, a United Healthcare subsidiary for COBRA administration and ASI for FSA administration. FSA services at the County include Dependent Care, Parking, Comprehensive Medical Flexible Spending Accounts (PPO and Non HSA HDHP enrollees) and Limited Purpose Flexible Spending Accounts (HSA enrollees). The following is the County’s current enrollment or participation in these service categories.

COBRA Enrollees	Approximately 155
FSA Dependent Care Participants	Approximately 31
QTBP Parking Participants	Approximately 27
QTBP Transit Participants	Approximately 32
FSA Comprehensive Medical Participants	Approximately 119
FSA Limited Purpose Participants	Approximately 31

In addition, the above table represents a total of 209 participants.

SPECIFIED SCOPE OF SERVICES
(COBRA and FSA Administrative Services)

D) COBRA (Cont'd)

The successful vendor must:

- 1) Provide election notices and applications for enrollment.
- 2) Provide premium administration and collection to include available coupons or billing invoices along with ability for electronic payment of premium. Submit premiums collected to County for its self-insured plans and submit premiums to individual carriers for its fully insured plans.
- 3) Provide Notice of Termination as well as Termination of Continuance of Coverage Letters/Documentation.
- 4) Provide Notification of Rate Changes and Annual open enrollment information to those currently enrolled and those who may be in pending status. Provide electronic notification to carriers or third party administrators of enrollment changes.
- 5) Provide Conversion Notices if required.
- 6) Provide HIPAA Certificates of Creditable Coverage (COCCs) for COBRA coverage participants.
- 7) Provide a toll free number for COBRA participants.
- 8) Transition current COBRA participants as well as those who are in their pending time horizon relative to COBRA election at no additional cost.
- 9) Provide timely notification to the vendor selected as the TPA and County regarding premium payments through a weekly paid through report to ensure claims are processed smoothly.
- 10) Provide educational service support along with the County regarding the Arizona State retirement system(s) program available to former County employees who are eligible to receive a subsidy from the State retirement systems.

SPECIFIED SCOPE OF SERVICES
(COBRA and FSA Administrative Services)

D) COBRA (Cont'd)

11) Provide regular (at least monthly) reporting to the County relative to the COBRA Administrative Services you provide.

12. Provide online system capability where County can review COBRA notifications, enrollment and payment status for participants along with County ability to run said reports.

SPECIFIED SCOPE OF SERVICES
(COBRA and FSA Administrative Services)

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The successful vendor must:

- 1) Provide processing of all eligible claim submissions.
- 2) Provide the ability to provide reimbursement on a direct deposit basis.
- 3) Provide enrollment educational materials, claim forms and customer service support to participants with a toll free phone and fax number.
- 4) Provide the use of debit cards for payment of transactions.
- 5) Provide all required non-discrimination testing required by law.
- 6) Provide the County with management reports including forfeitures.
- 7) Provide participants with statement of account in both online and printed formats.

SPECIFIED SCOPE OF SERVICES **(Employee Assistance Program)**

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The successful vendor must:

- 1) Provide 24 hour access to EAP services. Professional staff of EAP must be able to provide intake, assessment and triage as needed to County participants.
- 2) Provide participants a toll free crisis telephone line for counseling intervention on an as needed basis.
- 3) Provide detail confidential evaluation and assessments for up to 5 EAP counseling services per issue per year. Provide appropriate referrals to specialized providers based upon participant need(s).
- 4) Provide educational and communication materials to the County and eligible participants. NOTE: Benefit Eligible (not necessarily benefit enrolled) County employees and dependents are eligible to receive EAP benefits regardless if they are enrolled in the County's medical plan.
- 5) Provide training for the County Human Resource Staff, Directors, Managers and/or Supervisors relative to how to best utilize an EAP including participant referrals, difficult employees, crisis interventions, and early detection mechanisms.
- 6) Provide an integrated model of care that coordinates with and refers to programs for medical and behavioral health.

INSTRUCTIONS FOR COMPLETION OF QUESTIONNAIRE

Please limit your responses in the questionnaire section of the RFP to 500 words maximum per question. We ask you to be concise in your responses.

- All RFP responses will be incorporated into any final contract.
- Where applicable, we respectfully request you provide a simple “yes” or “no” to the beginning of each of your responses. This will enable the reviewers to clearly understand the intent of your response. Questions have been worded to facilitate this request.
- If you believe the question is not applicable to you as a vendor, please state so along with the appropriate rationale.
- Provide your answers in Microsoft format for any electronic submissions that augment your hard copy submissions.

BIDDERS FEE PROPOSAL RESPONSE FORMS AND INSTRUCTIONS

- Please complete each cell – columns and rows in the Excel file – Exhibit A – Bidders Fee Proposal Forms provided and attached for electronic submission that augment your hard copy submission.
- If your response is zero (\$0) because the item is included in your base fee or it is provided at no additional cost to the County, simply put zero (\$0) in the cell. If you leave a cell blank (incomplete) the item will be considered as offered free of charge.
- If your organization does not provide the service or you do not wish to bid on a service category (TPA, Excess Loss PBM, etc.) simply complete the Bidders Fee Proposal Form with the comment “no bid” on this component within the comment section. This will ensure all bidders complete all bid forms. This process will allow specialized service providers to be considered only for their service category for which they wish to be considered.
- Any and all comments, explanations or written dialogue that you wish to state to support your bid pricing must be included within the comment section contained in the Excel file and limited to 1000 words. Any references to attachments or exhibits outside the bidders form will be ignored.
- If you add, delete or change any rows or columns of the bidders form, unless specifically instructed, your proposal may be rejected as non-responsive.

Refer to RFP 70513

- In the absence of any deviation expressed in the comment section, your organization is bound by the terms and conditions outlined in the RFP.

MINIMUM REQUIREMENTS QUESTIONNAIRE

NOTE: All respondents must complete this section and submit as a part of proposal. *Responding No to any questions will result in your proposal to being non-responsive and not considered for further evaluation.*

Minimum Requirements: In order for your proposal to be deemed responsive all bidders must respond to these 15 questions.

- 1) Do you agree all rates and fees are net of commissions or fees paid to third parties?
- 2) Do you agree any fee proposed will remain fixed and not subject to change based on enrollment changes?
- 3) Do you agree to execute a Pima County approved contract if you are the successful awardee? Do you agree to include the County's standard hold harmless or indemnification language to protect the County?
- 4) Do you agree to your fees being guaranteed for at least the initial 12 months of the contract or longer if proposed?
- 5) Will you agree to provide renewal pricing for your services 6 months prior to the County's renewal?
- 6) Do you agree to handle all customer service issues that relate to your services provided to the County and its participants? For example, claim resolution, claim appeals, healthcare provider network issues, and care management issues, etc.?
- 7) Do you agree the County may terminate with or without cause and with no financial penalty at any time provided at least 30 days notice is given.
- 8) Upon any termination by the County, do you agree to cooperate with the County, its employees or contracted agents along with any subsequent service provider in order to effectively and efficiently transition services? Do you agree to provide these transition services at no additional cost?
- 9) The County reserves the right to audit any vendor relative to its self-insurance medical programs. Do you agree to not charge any fees or expenses incurred by you to provide data and cooperate with an audit should it occur? The County will bear the cost of any third party audit.

MINIMUM REQUIREMENTS QUESTIONNAIRE (Cont'd.)

- 10) Do you agree not to assign, transfer or subcontract any portion of the services associated with this RFP without the prior written approval of the County? (Prior approval is not required for wholly owned subsidiaries of a common parent or control group of the respondent.)
- 11) Do you agree in writing to be held responsible and accountable for the services of your subcontractors including their overall performance? List all subcontractors and briefly describe their line of business and tasks performed pursuant to Service Category Scope of Services:
- 12) Do you agree to obtain, hold or maintain any and all State of Arizona and Federal licensure for your organization to operate in Arizona and provide the services outlined in this RFP for the County?
- 13) Does your company certify that it is HIPAA compliant?
- 14) Do you agree to maintain strict adherence to all Federal HIPAA Privacy and Security regulations?
- 15) Do you agree to pay fines that may be assessed to the County resulting from your company's noncompliance with HIPAA regulations along with all costs to remedy any breach your company initiated?

Responding No to any questions will result in your proposal to being non-responsive and not considered for further evaluation.

THIRD PARTY ADMINISTRATIVE SERVICES (TPA) QUESTIONNAIRE

TPA services include claim and enrollment administration, provider network contracting and management services, utilization and disease management, and wellness services or benefits.

Response must follow each question and where applicable state yes at the beginning of response.

Qualifications of the Firm

- 1) Please provide all pertinent information relative to your organization. Name, address of corporate office, local Pima County office (if applicable), ownership of your company, etc.
- 2) Who will be the County's account service team? Please provide resumes or equivalent background experience. What dollar authority levels do these team members possess to resolve any service issues or performance breakdowns? Where are they located?
- 3) What is your company's financial rating (if applicable)? Has it been raised or lowered in the past four years? Please explain.
- 4) Has your company been merged, purchased or otherwise been acquired by another organization within the past three years? Is your company planning or anticipating IT System changes, downsizing, and office closures or staff reductions? If so, explain how those changes will impact this contract (e.g. service center consolidation, IT platform changes, major software updates, etc.).

General Interrogatories

- 5) What are the days and hours of operations for your servicing unit for our account? Where is it located? Do you provide multi lingual service? If so, please describe.
- 6) Do you have a single point of contact system whereby an employee may obtain resolution to a question or specific issue? Please describe if this does not exist and describe how the employee is treated? Directed to self-serve through website(s)? Warm Telephonic Transfer? Other means/methods?

Third Party Administrative Services (TPA) – Questionnaire (Cont’d)

General Interrogatories (Cont’d)

- 7) Are you willing to attend onsite County meetings at no additional costs including out of pocket costs (travel/lodging) as needed?
- 8) How much lead time do you require to periodically install our account? (Load benefit designs, test systems, load sub-vendor interfaces, etc.)
- 9) Will you serve as the County’s claim fiduciary? Please price your fee accordingly.
- 10) Can you administer the current and future regulatory requirement of PPACA? Including the new Standard Summary of Benefit Coverage (SBC)?
- 11) Will you provide the County any resources to support its Wellness Initiatives? Please state the annual amount or any other resources you wish to commit, such as designated staff, equipment, or other wellness resources.
- 12) Will your company provide an implementation incentive payment or credit to offset costs associated with our transition to self-insurance? If so, please elaborate and indicate on the proposal fee forms where indicated.

Third Party Administrative Services (TPA) – Questionnaire (Cont'd)

PPO Network Interrogatories

- 1) Please describe the medical provider network you propose utilizing for the County along with rationale as to why if you have multiple networks available to you. If your organizations fee proposal form is applicable to more than one provider network please state so here as well as on the fee proposal form.
- 2) If your organization owns the provider network component, please state so. If you contract or rent another organization's PPO please state whether this is a direct contract or with a third party.
- 3) Describe the termination provisions of the PPO contract if you do not own the PPO component. Can you guarantee the County access to your proposed PPO network during the duration of any contract term with the County?
- 4) Outside of Pima County and the State of Arizona, do you contract directly with providers and thus have national network coverage or do you use other indirect PPO provider networks? Any fee(s) for all network rentals associated with your bid must be disclosed and included. If there are provider discounts that are kept by out of state networks please disclose.
- 5) Describe how you handle both non-emergency and emergency services outside the state of Arizona or the United States.
- 6) If your PPO network provides specialty sub-networks for specialized medical needs, please describe these networks in detail. For example, organ transplantation, specialized cancer care, burn centers, fertility centers, etc. State whether these providers are located in Arizona.
- 7) Identify whether your PPO contracts with a hospital(s) in Pima County. If so, identify which hospitals and campuses.
- 8) Identify whether your PPO contracts with a medical group(s) in Pima County. If so, identify which groups.

Third Party Administrative Services (TPA) – Questionnaire (Cont’d)

PPO Network Interrogatories (Cont’d)

- 9) What anticipated changes do you plan in 2013 and beyond in the size, make up or mix of your provider network in Pima County that may impact the County’s access to healthcare services?
- 10) Do you plan to operate or joint venture an Accountable Care Organization (ACO) model of care delivery in Pima County? If so, describe how this will impact the County’s cost, access to care and improved quality performance.
- 11) Are any of your PPO provider’s capitated such as laboratory, chiropractic or behavioral health services? Please disclose all capitated arrangements including the services provided, the name of the capitated provider and the capitation amount along with any guaranteed fee increases beyond 2013.
- 12) Please describe all of your urgent care centers, convenience care clinics that provide extended hours of care within Pima County.
- 13) Please describe whether you have nurse lines, telemedicine or other care delivery resources participants can access from the convenience of their homes or after hours in lieu of commuting to a facility or provider office.
- 14) Please describe any and all telephonic or electronic media resources available to County enrollees to access health care information, resources or actual non-emergency care delivery or advice.
- 15) Do your provider contracts contain language whereby the provider cannot bill the County’s self-funded plan for services rendered to its participants if the Provider fails to bill within a specified time frame (e.g. 90 days)? Do your contracts also prevent the Providers from billing the participants due to their late billing practices? No balance billing allowed.

Third Party Administrative Services (TPA) – Questionnaire (Cont’d)

PPO Network Interrogatories (Cont’d)

- 16) Please include an electronic version of your PPO Directory within Pima County in an Excel format without enabled protection.
- 17) Please explain how you will transition care from the existing provider network if the County was to change provider networks.
- 18) Please explain your procedure if a provider drops out of the network. How do you transition County employees from the provider no longer offering services to a provider in the network?

NOTE: The County may request at a subsequent date a GEO Access report of your Provider Network along with specific fee schedules you utilize to pay providers. We may also perform a claims re-pricing of sample claims for both medical and pharmacy claims. This provider network comparison(s) along with claim analysis may occur after the initial scoring of the RFP responses.

TPA REPORTING REQUIREMENT GRID FORM			
The County will require reporting by TPA's on a regular and accurate basis. Please acknowledge you will meet the following minimum reporting requirements.			
Paid Claims Reports	Frequency?	Online Access?	Ability to Provide?
	D-Daily M-Monthly Q-Quarterly A-Annually	YES or NO	YES or NO
By Plan of Benefits			
By Payment Type			
By Payment Provider Category			
By Status of Enrollee (Active/COBRA) (Employee/Dependent)			
By Specific Provider/Comparatives			
By Member With Cost Sharing			
By Pended Status			
By Denied Status			
Claim Financial Measure Reports	Frequency?	Online Access?	Ability to Provide?
	D-Daily M-Monthly Q-Quarterly A-Annually	YES or NO	YES or NO
Claim LAG			
In Network Utilization			
Out of Network & Out of State Utilization			
Large Claimant by Plan by Member			
Clinical Diagnosis/Prognosis of Large Claimants			
Utilization/Population Management Reports	Frequency?	Online Access?	Ability to Provide?
	D-Daily M-Monthly Q-Quarterly A-Annually	YES or NO	YES or NO
Precertification			
Case Management-Including Notes			
Case Management Status of Large Claimants			
Utilization/Risk Stratification			
ROI Savings			
Clinical Compliance/Non-Compliance			
Disease Management Categories			
Medical Benchmarking Reports	Frequency?	Online Access?	Ability to Provide?
	D-Daily M-Monthly Q-Quarterly A-Annually	YES or NO	YES or NO
County Versus Other County's/Gov't Entities			
County versus Pima County Employers or State of Arizona Specific Employers			
County Versus TPA's Book of Business			

TPA REPORTING REQUIREMENT GRID FORM (Cont'd)			
The County will require reporting by TPA's on a regular and accurate basis. Please acknowledge you will meet the following minimum reporting requirements.			
Wellness Reporting	Frequency?	Online Access?	Ability to Provide?
	D-Daily Q-Quarterly M-Monthly A-Annually	YES or NO	YES or NO
Utilization of USPSTF type A and B Recommendations			
Tracking of County's Wellness Programs Within Your Claim/Utilization Data			
Provide ROI Savings Matrix			
Reporting of Wellness Outreach Efforts for Screenings and Preventative Services			
Other Reporting	Frequency?	Online Access?	Ability to Provide?
	D-Daily Q-Quarterly M-Monthly A-Annually	YES or NO	YES or NO
Enrollment by Plan Option			
Enrollment by Coverage Tier			
Enrollment by Department			
PBM Payments Integration			
Stop Loss Reimbursement Payments or Recoveries			
COB or Subrogation Recoveries			

AD HOC REPORTING	
	YES or NO
Can the County or our Designated Consultant Generate Reports Directly?	
Is there a cost to create Ad Hoc Reports?	
If yes, please explain your fees below:	
COMMENTS:	

This form must be completed and submitted as a part of proposal.

Third Party Administrative Services (TPA) – Questionnaire (Cont’d)

Additional Questions:

- 1) Are you planning to implement any new claim systems or software enhancements within the next 3 years? If so, explain how this will benefit or impact the County.

- 2) Will you provide authorized County employees and authorized business associates online access to your claims reporting systems?

- 3) Please confirm whether you can administer the County’s eligibility and current plan designs. Please ensure you have carefully reviewed **ALL** plan of benefit design(s) offered to County participants. If you confirm “Yes” you agree you will not require the County to alter any of its eligibility or benefits in order to accommodate your systems, policies or procedures. If “no”, please state specifically what you will not be able or willing to process or adjudicate with or without system modifications together with your proposed methodology to address the issue.

- 4) Please describe what specific claim system you propose to use for the County. Also discuss how you monitor inquiries from Providers, County employees/dependents, and claimants through resolution.

Comments: Please provide any exceptions to the reporting requirements requested above:

Third Party Administrative Services (TPA) - Questionnaire (Cont'd)

TPA Administrative Questions:

- 1) Please describe your claims and administrative billing process. Please attach a sample invoice.
- 2) Do you have a secure web based eligibility system which the County may utilize to manage, add, delete, and make changes to enrollment records? How often are changes uploaded? Are eligibility inquiries real time? Can you accept electronic eligibility files?
- 3) Please describe your banking/funding requirements to fund claim payments. If you require a minimum account balance please state so. When do you draw or request funds: when drafts are issued or when drafts clear?
- 4) Please describe your options for funding processed claims? Weekly? Bi-Weekly? Other?
- 5) How do you train your staff on Federal and State benefit legislative changes or regulatory rulings?
- 6) Will you agree to bill the fees to pay all third parties on behalf of the County if the County pursues an unbundled self-funded approach? (i.e. Stop Loss/PBM/network rental fees?)
- 7) Who do you utilize for your Independent Review Organization relative to claims appeals?
- 8) How do you manage coordination of benefit issues and subrogation efforts? What procedures/process do you employ to determine other coverage or reimbursement ability from third party recoveries? Do you use pre or post payment methodology?
- 9) Please state which Excess Loss/Stop Loss carriers you are approved/appointed to work with and represent. Do you agree to receive and coordinate the County's data between the TPA and Excess Loss carrier at no cost to the County?
- 10) Please state which PBM's you are approved/appointed to work with and represent. Do you agree to receive and integrate claims data from the County's PBM at no additional cost to the County?

Third Party Administrative Services (TPA) - Questionnaire (Cont'd)

TPA Administrative Questions (Cont'd)

- 11) Please state which provider network(s) you are approved/appointed to work with and represent. Please ensure to include any network rental or access fee that may be required to administer the County's claims.
- 12) If you have preferred PBM, Excess Loss/Stop Loss and Provider Network Partners, please state who these vendor partners are and how your preferred relationships benefits the County and its employees.
- 13) Please disclose any and all add on or extra fees that you charge the County that **are not** included in your proposed fee to the County for any services you provide. To the extent you do not disclose add on fees or compensation items you are agreeing that there are no extra billings for any services performed under this RFP.

Third Party Administrative Services (TPA) – Questionnaire (Cont’d)

Claim Processing Administrative Capabilities:

- 1) Please state your firm’s location(s) that will be servicing the County’s claim payments. How many clients, total lives and total claims are currently being issued and processed at this location?
- 2) Please attach a copy of your current Explanation of Benefit Form(s) that you will be using for the County. Can you provide consolidated (Super EOB’s) for County participants?
- 3) How do you identify and recover overpayments to providers (COB) or third party recoveries (subrogation)? Do you do this in house or do you subcontract these functions? If the latter, do you agree that these fees are part of your administrative fees? If not, please state how much you or your subcontractor retains. Please list the names of any subcontractor you utilize.
- 4) How do you manage claim appeals? Please discuss with specificity your instructional process and procedures you utilize to communicate to beneficiaries and with Independent Review Organizations, (IRO) etc. Do you include IRO fees in your administrative fees? If not, how do you propose billing for this service?
- 5) For any claim that required additional information prior to payment (for example, ER notes, operative reports, ambulance data, etc.), do you pend these claims or deny them? Do these deferred claims show up anywhere in your online reporting tools? If not, how and where can they be reviewed? What is the maximum amount of time you will pend a claim before resolving it as adjudicated or denied?
- 6) Utilizing the data over the most recent 90 days of the service center location you are proposing for the County, please provide the following actual statistical data:
 - a) What percentages of your claims are processed utilizing EDI.
 - b) What percentage of all claims submitted are processed within 7, 14, 21 and 30 days (use date received to EOB issued as a parameter).
 - c) What is your average number of days to process a clean claim? What is your average number of days to process all claims received?

Third Party Administrative Services (TPA) – Questionnaire (Cont'd)

Loss Control's and Reimbursement Guidelines:

- 1) How do you propose administering subrogation claims for the County?
- 2) How do you propose administering coordination of benefit claims for the County?
- 3) Please describe your hospital bill internal audit procedures to detect upcoding of services, unbundling of services, or inappropriate billing practices?
- 4) Do you have the capability to electronically connect with any subcontractors in the management of health care decision support – for example, utilization management, disease or case management, precertifications, etc. Please describe.
- 5) Please describe your standard payment practices for reimbursement of multiple surgical procedures performed either through the same incision or performed through separate incisions occurring during one operation on the same date of service.
- 6) For non-network or out of network claims please describe how you determine allowable charges for the payment of the County's claims. If you utilize a data base to determine allowable charges, please discuss which one you use. We are most interested in non-network emergency room and physician fees, radiology fees, anesthesiology fees, laboratory fees, ambulatory surgery, inpatient and outpatient hospital fees and general medical/surgical professional fees.
- 7) How do you ensure County participants will not be charged for any egregious fee schedules utilized by the providers identified in #6 above?

Third Party Administrative Services (TPA) – Questionnaire (Cont'd)

Health Care Access, Disease Management and Care Coordination Services

- 1) Please define all the Disease Management (DM) programs you propose offering the County. Provide a comprehensive implementation plan and detailed work plan for DM services.
- 2) How do you measure internally the Return on Investment (ROI) of your DM services? What specific measures do you utilize to ensure the effectiveness of your services? Do you offer any type of performance guarantee associated with your DM programs?
- 3) Do you have the capability to provide Disability management services in conjunction with your DM Services? Is there an additional fee for this capability?
- 4) Will you provide disease management programs which include services and components as follows?
 - a. Program communication and promotion to increase awareness and participation;
 - b. Identification of appropriate candidates;
 - c. Health assessment and risk stratification;
 - d. Outreach and enrollment of eligible members;
 - e. Education for the member, beneficiary, provider, and/or the County;
 - f. Quality assurance improvement; and
 - g. Clinical and financial outcomes measurement.
- 5) Will you provide a comprehensive Disease Management program to include at least the following?
 - a. Utilization of data mining and predictive modeling services to identify patients at highest risk for future medical and pharmaceutical cost and those who are non-compliant with preventive care and/or standards for care. This shall include medical claims, prescription drug claims and clinical health assessments;
 - b. Evidence-based medicine clinical criteria and documented treatment plans for those individuals who participate in any of the programs;
 - c. Written patient education.
- 6) Will you provide a multi-disciplinary team that includes nurses, educators, nutritionists and/or dieticians, physical therapists and/or exercise physiologists to assist in educating members in all areas of self-management and health promotion?

Third Party Administrative Services (TPA) – Questionnaire (Cont’d)

Health Care Access, Disease Management and Care Coordination Services (Cont’d)

- 7) Will you provide the County a summary report of each program component on a quarterly basis and an in-depth analysis of each program component in one aggregate annual report? At a minimum, each report shall include:
 - a. Executive summary;
 - b. Accomplishments;
 - c. Significant organizational changes or staffing issues;
 - d. Provider, member, or staff training and educational seminars, including health fairs;
 - e. Number of members identified by condition and risk level;
 - f. Number of members who consented to participate in the program by condition and risk level;
 - g. Actual interventions delivered to program participants;
 - h. Patterns and trends, quarterly and cumulative;
 - i. Actual savings (ER, hospital visits, reduction in complications and exacerbation);
 - j. Recommendations regarding the utilization of medical services, provider performance, the quality of services and/or the cost of medical services;
- 8) What triggers a DM event within your organization? Is your DM Program a voluntary program? What do you do if participants are non-compliant?
- 9) If you subcontract any of your DM programs or services please disclose the subcontractors and the programs/services they provide.
- 10) Provide a written description of each area of the DM program which outlines the program structure and accountability.

Third Party Administrative Services (TPA) – Questionnaire (Cont’d)

Wellness Services

NOTE: The County has an incentive based Employee Wellness Program it has developed internally and in conjunction with various vendors and community resources. A copy of the Wellness Plan is available on our website www.pima.gov/hr/health.

- 1) Please propose any and all wellness services and products that you would like to include for the County. Can you provide quantifiable data that measures ROI for your programs or services?
- 2) The County currently receives a wellness fund allowance paid by United Healthcare. Please describe what resources you will provide to the County for its Wellness Initiatives throughout the term of the contract.
- 3) Please provide a description of any and all discount program(s) you make available to your clientele at no cost to the County that promote wellness and wellbeing (e.g. gym memberships, etc.).
- 4) Will you develop an appropriate communication strategy to promote and foster our wellness program and provide member outreach? All materials and communications shall be approved by the County prior to distribution.

Third Party Administrative Services (TPA) – Questionnaire (Cont'd)

Utilization Management:

- 1) Do you own your Utilization Management (UM) Service Component? If not, what vendor do you utilize? Please state the office location for the UM Service Component along with our service contact.
- 2) Are you Utilization Review Accreditation Commission (URAC) accredited for UM services? If not, do you have an alternative accreditation? Please explain.
- 3) How do you integrate and notify the County and/or its stop loss vendor of potential large claimants that are identified through the initial UM process?
- 4) Please describe the processes and procedures you use to ensure Privacy and Confidentiality of all medical information obtained or learned during the performance of this function.
- 5) Please describe the triggering event(s) that result in your organization deploying UM resources?

Third Party Administrative Services (TPA) – Questionnaire (Cont’d)

Precertification Review Services

- 1) Do your precertification services include the following components and, if so, please elaborate.
 - a. Length of stay for inpatient services **YES or NO** (delete one)
 - b. Medical necessity and appropriateness of care based upon clinically acceptable protocols or outcomes – describe your sources/data bases to determine medical necessity. **YES or NO** (delete one)
 - c. Appropriateness of the level of care requested (outpatient vs. inpatient) **YES or NO** (delete one)
 - d. Preoperative hospital day or observation day following outpatient surgery **YES or NO** (delete one)
 - e. Days of the week and hours of operation for your Precertification Services **YES or NO** (delete one)
 - f. Other types of Cost Management/Quality of Care type precerts? **YES or NO** (delete one)
- 2) Describe your Precertification Services when case management services are indicated in the following scenarios:
 - a. an extended hospital stay is called for;
 - b. a high-dollar procedure is called for;
 - c. a referral from a disease management care counselor.
- 3) What are the consequences for failure to obtain precertification? Who is responsible for failure to obtain approvals? The provider or the patient? Please elaborate.
- 4) Does your Precertification Services screen for Non-Network providers and if so, do you redirect patients to In-Network providers to assist in cost management for the County and the patient?
- 5) How do you adjudicate claims if precertification was not obtained? If financial penalties exist who is held responsible?
- 6) Please simply list in alphabetical order **ALL** healthcare services for which you perform precertification or preauthorization services. Include all elective healthcare services as well. If there are dollar thresholds or length of services you utilize please state so.
- 7) How do you handle requests by providers or patients outside normal business hours (evening and weekends)?

Third Party Administrative Services (TPA) – Questionnaire (Cont'd)

Precertification Review Services

- 8) How is the claim administration notified of the preauthorization process? Discuss both methodology and frequency of your firms' notification process?
- 9) How do you provide a medical and care management system designed to help individual plan members secure the most appropriate level of care consistent with their health status?
- 10) How do you maintain a case management/care management program for plan members utilizing procedures and criteria to prospectively and retrospectively identify members that would benefit from case management services?
- 11) Describe your program for high-risk maternity.
- 12) Describe your program for the management of mental health and substance abuse, including the ability to accept referral from an Employee Assistance Program.

Third Party Administrative Services (TPA) – Questionnaire (Cont'd)

Case Management, Concurrent Review and Centers of Excellence Case Management

- 1) Describe how your concurrent review process works for inpatient admissions.
- 2) Describe the integration of your concurrent review processes with case management/care coordination follow up post discharge. Does your organization check to ensure in-network providers are used and formulary medications are in use whenever possible as part of your case or care management services?
- 3) What criteria do you use to identify cases for case management? Type of case? Dollar levels of care, certain diseases, organ transplantation, etc.
- 4) Describe how you coordinate, notify and integrate your case management services to the extent additional precertification or preauthorization service are continually identified by case management personnel, describe how this is integrated into the care continuum for the patient and yet the data feeds to the claim administrator are met in a timely manner.
- 5) Do you notify the claim administrator and stop loss carrier of potential large claimants identified in either your care management, precertification/preauthorization or case management services? If so, what criteria or method do you use (i.e. dollar level of potential claim prognosis)? How promptly do you notify the claim administrator and stop loss carrier?
- 6) Do you agree to provide to any stop loss carriers that the County may contract with, all case management notes, precertifications, preauthorizations or treatment plans that your firm has relative to County claimants at least 180 days prior to the County's anniversary plan date.

Third Party Administrative Services (TPA) – Questionnaire (Cont’d)

Case Management, Concurrent Review and Centers of Excellence Case Management

- 7) Please provide a list of the Centers of Excellence (COE) you utilize for tertiary, quaternary, or organ transplantation services including addresses and locations. Is use of these facilities mandatory based upon diagnosis and treatment protocols or voluntary based upon the patients input? Please describe the types of contracted services per each COE.

- 8) Is your case management services opt in or opt out for participants identified that meet case management services?

[Third Party Administrative Services \(TPA\) – Questionnaire \(Cont’d\)](#)

Performance Guarantees

Rather than prescribing industry standard performance guarantees such as claim accuracy, claim timelines, telephone response, telephone/abandonment, data exchange etc. The County is seeking a long term partnership based upon service excellence and absolute employer and employee focus along with dedicated attention to superior customer service. With this as objectives of the County, we ***strongly encourage*** your organization to provide the County the most customer committed performance guarantees offered in the marketplace. The performance guarantees should be objective and subjective in nature and demonstrate your financial risk in the performance of your services. We are seeking innovative and meaningful financial penalties that will be invoked and payable if you fail to perform for the County (as an employer) and/or the participant enrollees and covered dependents.

We are seeking both breadth and depth of performance guarantees that are specific to the administration of the County’s plan only. We are not interested in receiving any performance guarantees that are based on your book of business or overall organizational matrices. To the extent you can offer performance measures that focus on clinical and quality improvement, wellness/screening improvements and preventative care improvements, please provide.

Refer to RFP 70513

THIRD PARTY ADMINISTRATION FEE PROPOSAL FORMS

SAMPLE INCLUDED HERE

INPUT UNIT PRICES/QUANTATIES DIRECTLY INTO SPREADSHEET IN EXHIBIT A

THIRD PARTY ADMINISTRATIVE SERVICES FEE PROPOSAL FORM

TPA Services - Fee Proposal Form					
Administration or ASO Fees -	Year 1	Year 2	Year 3	Year 4	Year 5
I) General Administration (PEPM)	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
1) Medical Claim Admin Fee	\$0	\$0	\$0	\$0	\$0
2) Pharmacy Claim Admin Fee	\$0	\$0	\$0	\$0	\$0
3) Provider Network Access Fee (if any)	\$0	\$0	\$0	\$0	\$0
4) Complete/Full Claim Fiduciary Fee	\$0	\$0	\$0	\$0	\$0
5) Customer Service Fee (Employees)	\$0	\$0	\$0	\$0	\$0
6) WEB Access tools for Employer Fees	\$0	\$0	\$0	\$0	\$0
7) WEB Access Tools for Employees	\$0	\$0	\$0	\$0	\$0
8) Online Enrollment Fees (if any)	\$0	\$0	\$0	\$0	\$0
9) Claim/Utilization Reporting	\$0	\$0	\$0	\$0	\$0
10) Data Interfacing with Stop Loss Vendor	\$0	\$0	\$0	\$0	\$0
11) Data Interfacing with PBM Vendor	\$0	\$0	\$0	\$0	\$0
12) Data Interfacing with Provider Network Vendor	\$0	\$0	\$0	\$0	\$0
13) Hardcopy and Electronic Copy of Benefits Books/SBC's	\$0	\$0	\$0	\$0	\$0
14) Printing of Benefit Booklets/SBC's and Mailing to Beneficiaries	\$0	\$0	\$0	\$0	\$0
15) Create Draft SPD for Client Review/Approval	\$0	\$0	\$0	\$0	\$0
16) IRO Fees (Independent Review Organization)	\$0	\$0	\$0	\$0	\$0
17) HIPAA Privacy and Certificates of Creditable Coverage Mailings	\$0	\$0	\$0	\$0	\$0
18) Member ID Card Printing and Mailing	\$0	\$0	\$0	\$0	\$0
19) Nurse Line (24/7) for Members	\$0	\$0	\$0	\$0	\$0
20) Banking Arrangement Fees - Employer and HSA Linkage	\$0	\$0	\$0	\$0	\$0
21) COB and Subrogation Management Fees	\$0	\$0	\$0	\$0	\$0
22) Patient Centered Outcomes Research Fees (County Responsibility)	\$0	\$0	\$0	\$0	\$0
Total General Administration Fees	\$0	\$0	\$0	\$0	\$0
23) Potential Performance Guarantees (PEPM)- Credit	\$0	\$0	\$0	\$0	\$0
Net Total General Administrative Fees	\$0	\$0	\$0	\$0	\$0
II. Utilization Management Fees (If Any) (PEPM)					
1) Certification Fees	\$0	\$0	\$0	\$0	\$0
2) Concurrent Review Fees	\$0	\$0	\$0	\$0	\$0
3) Retrospective Review Fees	\$0	\$0	\$0	\$0	\$0
Total Utilization Management Fees	\$0	\$0	\$0	\$0	\$0

THIRD PARTY ADMINISTRATIVE SERVICES FEE PROPOSAL FORM cont.

III. Disease Management Fees (if any) (PEPM)					
1) Asthma	\$0	\$0	\$0	\$0	\$0
2) Arthritis	\$0	\$0	\$0	\$0	\$0
3) CAD (Coronary Artery Disease)	\$0	\$0	\$0	\$0	\$0
4) CHF (Cognitive Heart Failure)	\$0	\$0	\$0	\$0	\$0
5) COPD (Chronic Obstructive Pulmonary Disease)	\$0	\$0	\$0	\$0	\$0
6) Depression	\$0	\$0	\$0	\$0	\$0
7) Diabetes Management	\$0	\$0	\$0	\$0	\$0
8) High Risk Pregnancy	\$0	\$0	\$0	\$0	\$0
9) Other	\$0	\$0	\$0	\$0	\$0
Total Disease Management Fees	\$0	\$0	\$0	\$0	\$0
IV. Employee wellness Fees (if any) (PEPM)					
1) Online HRA (Health Risk Appraisals)	\$0	\$0	\$0	\$0	\$0
2) Smoking Cessation Program	\$0	\$0	\$0	\$0	\$0
3) Health Coaching Fees	\$0	\$0	\$0	\$0	\$0
4) Flu Shots - Onsite	\$0	\$0	\$0	\$0	\$0
5) Health Fair Support - Onsite	\$0	\$0	\$0	\$0	\$0
6) Other Wellness Products/Services You Offer	\$0	\$0	\$0	\$0	\$0
Please List:	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Total Wellness Fees	\$0	\$0	\$0	\$0	\$0
V. Capitation Fees (PEPM)	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Please Identify Services You Capitate Along With the Capitation Amounts					
1) Behavioral Health Services	\$0	\$0	\$0	\$0	\$0
2) Chiropractic Care	\$0	\$0	\$0	\$0	\$0
3) Laboratory	\$0	\$0	\$0	\$0	\$0
4) Other	\$0	\$0	\$0	\$0	\$0
Please List:	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Total Capitation Fees	\$0	\$0	\$0	\$0	\$0
Total TPA PEPM Fees	\$0	\$0	\$0	\$0	\$0
IV. Case Management Fees (if any)					
Hourly Rate	\$0	\$0	\$0	\$0	\$0
Fee Negotiations Fee	\$0	\$0	\$0	\$0	\$0
Total Case Management Fees	\$0	\$0	\$0	\$0	\$0
V. Annual Pima County Wellness Initiatives Funding (\$\$)					
Please State the Annual Dollars You Will Pay to Pima's Wellness Initiative Fund	\$0	\$0	\$0	\$0	\$0
Comments:					
Vendor Name:					
Authorized Signature:			Date:		

EXCESS LOSS OR STOP LOSS QUESTIONNAIRE

Please note, we have attached as Exhibit IV, V, and VI Pima County's most recent 24 months of paid claims, most current large claimants and most recent 24 months of paid Rx claims.

Response must follow each question and where applicable state yes at the beginning of response.

Qualifications of the Firm

- 1) Please provide all pertinent information relative to your organization. Name, address of corporate office, local Pima County office (if applicable), ownership of your company, etc.
- 2) Who will be the County's account service team? Please provide resumes or equivalent background experience. What dollar authority levels do these team members possess to resolve any service issues or performance breakdowns? Where are they located?
- 3) What is your company's financial rating (if applicable)? Has it been raised or lowered in the past four years? Please explain.
- 4) Has your company been merged, purchased or otherwise been acquired by another organization within the past three years? Is your company planning or anticipating IT System changes, downsizing, and office closures or staff reductions? If so, explain how those changes will impact this contract (e.g. service center consolidation, IT platform changes, major software updates, etc.).
- 5) Please state the name of your organization and whether your organization does business under a DBA or other name.
- 6) Please provide your current A.M. Best Rating.
- 7) Please disclose how much annualized medical stop loss premium you represent in the United States market. How many total lives does this premium represent?
- 8) Are you licensed to do business in the state of Arizona? If not, please explain where the financial and regulatory oversight occurs.
- 9) How much of the risk does your company assume? If less than 100% please describe and disclose any additional reinsurance partners or treaty agreements that exist along with what percentage or dollar amount of risk or liability is ceded to third parties.

Excess Loss or Stop Loss Questionnaire (Cont'd)

General Interrogatories:

- 10) Please identify and disclose any interests (financial or preferred relationships) that your organization may have with affiliated vendors (e.g. Provider Network or Pharmacy Benefit Managers, etc.).
- 11) If treaty agreement(s) exist, what month does your treaty agreement(s) renew?
- 12) Please describe in detail your pre sale disclosure process. Please attach your disclosure statements.
- 13) Please describe in detail your renewal disclosure process. Please attach a copy of your renewal disclosure statements.
- 14) If you have claimants, what methodology do you utilize upon initial writing and at any subsequent renewal?
- 15) Please attach a copy of your actual reinsurance contract along with addendums or amendments that you would propose utilizing for Pima County.
- 16) Please confirm that you agree to work directly with the County and its contracted business associate(s) on issues such as renewals, plan documents/SPD's, plan amendments or coverage amendments and any specific or aggregate concerns rather than simply through the TPA or Carrier.
- 17) Does your company have any exclusions, limitations or restrictions on the percentage of workers who may be engaged in higher risk employment such as public safety employees?
- 18) Are you able and willing to work with any TPA in the United States? If not, please provide a list of those TPA's with which you do not do business.
- 19) If you have a preferential or preferred relationship with certain TPA's or carriers that provide certain provider networks or claim administrative platforms, please list these preferred vendors or relationships along with a description as to how this will benefit the County and its employees.

Excess Loss or Stop Loss Questionnaire (Cont'd)

General Interrogatories:

- 20) Does your contract automatically renew as a paid contract? Also, is your contract a guaranteed renewable contract? If not, describe your notification provisions along with your determination policy and procedures.
- 21) Please confirm that coverage is legally bound with your organization when you are in receipt of the client's check or wire transfer of the initial premium and executed application. If not, please acknowledge that once coverage is bound, your organization will not modify or adjust rates or claim factors during the plan year.
- 22) Please confirm that you will provide a preliminary renewal 180 days in advance of the plan anniversary date as well as all subsequent final renewals at least 90 days prior to renewal in order for the County to seek its internal review/approval processes.
- 23) Describe how you work with the TPA or Carrier to obtain notification of large claimants along with your methods of obtaining case management findings or any other information to monitor and track large claimants on our behalf.
- 24) At what point or threshold does your organization consider our claims to be fully credible?
- 25) Are there any limits on the number or percentages of COBRA participants within the covered lives definition?
- 26) Do you offer preferred pricing based upon certain provider networks that may be utilized by the County? If so, please state the preferred provider networks along with the percentage savings discount you will provide. If your pricing varies by provider network chosen, please price your services at the most advantageous rate for the County on the Bid submission form along with a note concerning the provider network assumed (if any).
- 27) If the County determines to convert to a fully insured contract at some future date, can you provide a terminal liability option for the group? Is this option available at the initial onset of the policy or at renewal also? What is the cost to include this option?
- 28) What credit or discount do you provide for your first year pricing of specific and aggregate stop loss coverage?

Excess Loss or Stop Loss Questionnaire (Cont'd)

General Interrogatories: (Cont'd.)

- 29) Are you willing to guarantee your specific or aggregate rate beyond a one year period? If so, please explain.
- 30) Please describe how you define claims attributable to your organizations specific and aggregate contract periods (12/12 versus 12/15 etc.)
- 31) Please confirm that your organization's contract meets or exceeds the annual and lifetime unlimited maximum claim/benefit dollars paid pursuant to the Federal Patient Protection and Affordable Care Act.
- 32) Please confirm that your specific and aggregate coverage includes all paid medical, pharmaceutical, medical device(s) and any other benefits paid under the County's plan of benefits.
- 33) Can your organization offer an aggregating specific deductible in addition to a standard specific deductible?
- 34) What is your minimum attachment point percentage for first year clients such as the County?
- 35) Does your aggregate contract have an annual maximum claim liability? If so, what amount is the maximum liability?
- 36) Please specifically state what information you will require from the County or its TPA to issue a renewal on our behalf.
- 37) Due to our Public Sector status, the County requires all claim factors and renewal rates to be completely finalized no later than 90 days prior to renewal in order to establish employee cost sharing formulas. Do you agree to meet this requirement?

Excess Loss or Stop Loss Questionnaire (Cont'd)

Plan Design Adjustments, Claim Reimbursements and General Operating Questions:

- 1) Please define how your organization underwrites plan design changes? Do you have guidelines and must the County's changes or amendments be approved in writing by you prior to implementation?
- 2) Do you perform your own large case management or precertification review for potentially extreme large claims? If not, please explain. To the extent that you perform your own precertification and case management review, please describe your coordination activities with the TPA.
- 3) Are there any medical conditions, procedures or diagnosis that requires your organization's pre-approval? If yes, please list all medical circumstances that may require your pre-approval. How are these requirements coordinated with other contracted vendor(s) and the County?
- 4) Do you have a Center of Excellence (COE) provision in your contract? If yes, is it a mandatory or voluntary provision? If there is a non-compliance penalty please state so.
- 5) Do you allow "non-covered" alternative care if appropriate and approved by case management?
- 6) Please provide us a list of all medical conditions or diagnosis that your organization utilizes to define a "catastrophic claim".
- 7) Are there any medical or pharmaceutical fees that will not apply to the specific or aggregate coverage? If yes, please describe.
- 8) When do you deem a claim "paid"? What is your organization's timing requirements regarding claim notification and filing?

Excess Loss or Stop Loss Questionnaire (Cont'd)

Plan Design Adjustments, Claim Reimbursements and General Operating Questions:

- 9) What are your proof of claim filing requirements for claim liability reimbursement requests?
- 10) Please confirm that you will rely on the provider network fee schedule, PBM and TPA to determine reasonable and customary paid amounts. If not, please state any circumstances where your organization may adjust paid claims to a different level prior to determining specific or aggregate calculations.
- 11) Please confirm that you will cover all eligible employees, spouses, domestic partners, dependents, FMLA and COBRA beneficiaries as defined by the Employer's Plan Document/SPD.
- 12) Describe any event or circumstance where your organization would deny a claim that was a covered benefit in the County's current Certificates of Coverage.
- 13) Is there a process or means to obtain coverage for out-of-contract services?
- 14) Please confirm that you will waive "actively at work" provisions per HIPAA guidelines.
- 15) It is the County's preference that the Employer's Plan Document/SPD be the controlling document for claim determination. Please confirm that you agree to rely on this document for any and all stop loss claim determinations. If your contract does **not** rely on the Employer's Plan Document/SPD, please explain in detail your organization's contract provisions as it relates to any limitations, exclusions, or "listed provisions" areas that would supersede the Plan Document or SPD.

Excess Loss or Stop Loss Questionnaire (Cont'd)

Plan Design Adjustments, Claim Reimbursements and General Operating Questions:

- 16) Please describe whether your contract has any limits, limitations or exclusions relative to the following:
- a) Acts of war
 - b) Acts of terrorism on domestic and foreign soil
 - c) Alternative therapies such as acupuncture, homeopathic or naturopathic services
 - d) Annual open enrollments
 - e) Attempted Suicide
 - f) Mental disorders
 - g) Charges related to hazardous pursuits
 - h) Charges related to self-inflicted injuries
 - i) Domestic partner coverage
 - j) Expense incurred while committing an assault or felony
 - k) Experimental or investigational procedures, drugs or treatment
 - l) Late Entrants
 - m) Recoverable charges by a third party (subrogation, Medicare, etc.)
 - n) Organ transplantation services
 - o) Section 125 qualifying change in status events
 - p) Any other item or event not specifically outlined? Please explain.
- 17) What is your average turnaround time to reimburse a specific loss that exceeds the deductible once submitted?
- 18) Does your organization offer quick pay or advanced funding options for specific claims? If yes, please explain. If there is an additional charge for this please state so.
- 19) What are your notification requirements for a specific claim loss?
- 20) What is your organization's average turnaround time to reimburse an aggregate claims loss submitted for reimbursement?

Excess Loss or Stop Loss Questionnaire (Cont'd)

Plan Design Adjustments, Claim Reimbursements and General Operating Questions:

- 21) How often do you review or require aggregate claim reporting information?
- 22) If there is an aggregate claim violation, does your organization require an audit as part of your normal process? If so please describe your process.
- 23) Do you offer quick pay or advanced funding options for aggregate claim losses before the end of the plan year? If yes, please provide details including any additional cost for this feature or option.

EXCESS LOSS STOP LOSS FEE PROPOSAL FORM

(Option 1)- Excess Loss/Stop Loss 12/15	
All Bidders must use an Incurred in 12 months and Paid in 15 Months contract for proposal fees	
	Year 1
Individual Stop Loss Premium (PEPM) (ISL)	2013-2014
Attachment Point \$150,000 Per Person	\$0
Attachment Point \$200,000 Per Person	\$0
Attachment Point \$250,000 Per Person	\$0
Attachment Point \$300,000 Per Person	\$0
Optional Aggregating Specific Deductible *	
Attachment Point \$150,000 Per Person plus \$100,000 Aggregating Corridor	\$0
Attachment Point \$200,000 Per Person plus \$100,000 Aggregating Corridor	\$0
Attachment Point \$250,000 Per Person plus \$100,000 Aggregating Corridor	\$0
Attachment Point \$300,000 Per Person plus \$100,000 Aggregating Corridor	\$0
*County reserves the sole right to elect or not elect an Aggregating Specific Deductible Option	\$0

Aggregate Stop Loss Premium (PEPM) (ASL)	Individual Stop Loss Deductible Levels			
	\$150,000	\$200,000	\$250,000	\$300,000
ASL Premium	\$0	\$0	\$0	\$0
Expected Claim Factor Liability (PEPM)	Individual Stop Loss Deductible Levels			
	\$150,000	\$200,000	\$250,000	\$300,000
Aggregate Risk Corridor 110%	\$0	\$0	\$0	\$0
Aggregate Risk Corridor 120%	\$0	\$0	\$0	\$0
Aggregate Risk Corridor 125%	\$0	\$0	\$0	\$0
Maximum Claim Factor Liability (PEPM)	Individual Stop Loss Deductible Levels			
	\$150,000	\$200,000	\$250,000	\$300,000
Aggregate Risk Corridor 110%	\$0	\$0	\$0	\$0
Aggregate Risk Corridor 120%	\$0	\$0	\$0	\$0
Aggregate Risk Corridor 125%	\$0	\$0	\$0	\$0

What impact does your Aggregate Specific Quote have on your Aggregate Reinsurance Proposal (if any)?

Please indicate which Arizona PPO Networks your proposed fees will be valid for:

Comments:

Vendor Name

Authorized Signature Date:

EXCESS LOSS STOP LOSS FEE PROPOSAL FORMS cont.

(Option 2)- Excess Loss/Stop Loss 12/12	
All Bidders must use an Incurred in 12 months and Paid in 12 Months contract for proposal fees	
	Year 1
Individual Stop Loss Premium (PEPM) (ISL)	2013-2014
Attachment Point \$150,000 Per Person	\$0
Attachment Point \$200,000 Per Person	\$0
Attachment Point \$250,000 Per Person	\$0
Attachment Point \$300,000 Per Person	\$0
Optional Aggregating Specific Deductible *	
Attachment Point \$150,000 Per Person plus \$100,000 Aggregating Corridor	\$0
Attachment Point \$200,000 Per Person plus \$100,000 Aggregating Corridor	\$0
Attachment Point \$250,000 Per Person plus \$100,000 Aggregating Corridor	\$0
Attachment Point \$300,000 Per Person plus \$100,000 Aggregating Corridor	\$0
*County reserves the sole right to elect or not elect an Aggregating Specific Deductible Option	\$0

Aggregate Stop Loss Premium (PEPM) (ASL)	Individual Stop Loss Deductible Levels			
	\$150,000	\$200,000	\$250,000	\$300,000
ASL Premium	\$0	\$0	\$0	\$0
Expected Claim Factor Liability (PEPM)	Individual Stop Loss Deductible Levels			
	\$150,000	\$200,000	\$250,000	\$300,000
Aggregate Risk Corridor 110%	\$0	\$0	\$0	\$0
Aggregate Risk Corridor 120%	\$0	\$0	\$0	\$0
Aggregate Risk Corridor 125%	\$0	\$0	\$0	\$0
Maximum Claim Factor Liability (PEPM)	Individual Stop Loss Deductible Levels			
	\$150,000	\$200,000	\$250,000	\$300,000
Aggregate Risk Corridor 110%	\$0	\$0	\$0	\$0
Aggregate Risk Corridor 120%	\$0	\$0	\$0	\$0
Aggregate Risk Corridor 125%	\$0	\$0	\$0	\$0

What impact does your Aggregate Specific Quote have on your Aggregate Reinsurance Proposal (if any)?

Please indicate which Arizona PPO Networks your proposed fees will be valid for:

Comments:

Vendor Name

Authorized Signature Date:

Pharmacy Benefit Management Services – Minimum Requirements form

There are six Minimum Requirements forms for Pharmacy Benefit Management Services as follows:

- General Minimum Requirements form
- Acceptance of Pharmacy Benefit Definitions form
- Acceptance of Terms and Conditions Specific to Pharmacy Benefit Management form
- Transition Requirements form
- Transparency Pricing form
- Transparency Pricing for HAS/PPO participants

The PBM's actual proposal shall incorporate each of these minimum requirement forms.

Instructions for completion of Minimum Requirement Forms:

Responding No to any questions will result in your proposal to being non-responsive and not considered for further evaluation.

The respondent must indicate **YES** after each question and sign in the designated space certifying compliance and acceptance of the definitions, terms, and conditions. Failure to sign and submit as a part of proposal may result in proposal being rejected as non-responsive.

Note: The Transition Issues minimum requirements are being provided to address the County's transition from a fixed formulary currently in use via United Healthcare (TRANSITION ISSUES) AND to ensure all respondents or bidders utilize the same definitions and methodology in completion of the proposed fees, guarantees and transparent pricing forms (TRANSPARENCY PRICING).

The proposed contract shall incorporate these minimum requirements forms.

Pharmacy Benefit Management Services – Minimum Requirements form

General Minimum Requirements Form

- 1) Do you agree that the County reserves the right to terminate the PBM contract with or without cause by providing the contracted PBM at least 30 days written notice?
- 2) Please agree that the County will not be required to participate in any PBM's clinical management programs, medical or mental health programs or studies offered by the PBM, drug manufacturers or other vendors of the PBM. Please agree that our organizations pricing cannot be contingent or predicated on County participation.
- 3) Do you agree that your PBM's fee proposal pursuant to this RFP cannot be contingent on your organization being selected as the TPA Provider Network component or Stop Loss vendor selected by the County?
- 4) Does your organization agree to transparent and full disclosure of all drug pricing and rebates? Will you guarantee that all rebates will accrue to the County at the 100% level based upon actual County utilization? Do you agree that rebates will be paid not less than quarterly?
- 5) Please confirm your PBM pricing is net of any commission or payment to any third parties pursuant to this RFP. If a third party is paid any remuneration for any reason in conjunction with your fee proposal, please disclose and elaborate.
- 6) Please agree that your organization agrees that enrolled participants and their dependents in Pima County's Self-insured Plan will pay the lower of the following for prescriptions filled: plan copayment, plan discounted ingredient cost plus dispensing fee, usual and customary fee or retail cash price offered by pharmacy.
- 7) If you are the successful vendor for PBM services, will you agree to provide 5 year pricing for services outlined on the fee proposal form? Do you agree that the County reserves the right to renew in its sole discretion?
- 8) Does your organization agree that the County may amend its formulary at any time (and in its sole discretion) – without impacting your pricing of other line items or your fee proposal form? In addition, do you agree that the County may carve out from the contracted PBM its Specialty Drug Program at any time and for whatever reason and with no impact to your pricing?

Pharmacy Benefit Management Services – Minimum Requirements form (Cont’d)

General Minimum Requirements Form (Cont’d)

- 9) The County is requesting an annual commitment to its Wellness Programs from the contracted PBM. Please state the annual resource commitment you wish to make if you are awarded a contract. The annual commitment will remain in place as long as you are the contracted PBM.

- 10) Does your organization agree to adjudicate all claim appeals?

- 11) Does your organization agree to provide the most customer centric performance guarantees you have available to the marketplace? If so, please provide.

- 12) Does your organization agree to electronically interface the County’s Rx claims data with the County’s selected TPA for medical claims? If there are any limitations to this requirement please state so. If there are any TPA’s you cannot or will not interface with, please state so.

I, (we) confirm acceptance of the above General Pharmacy Benefit Requirements
Authorized Signature
Date:

Pharmacy Benefit Management Services – Minimum Requirements form(Cont'd)

Definitions:

- 1) **Average Wholesale Price (AWP)** – Shall be based upon date sensitive (post September 26, 2009 AWP rollback) 11 digit National Drug Code (NDC) as supplied by Medispan or another nationally recognized source for retail brand and mail order claims.
- 2) **Formulary** – The listing of County's preferred brand, non-preferred brand, and generic medications to be used in the administration of the plan.
- 3) **Member CoPay or Member Responsibility** – A member will pay the lower of a) plan co-pay b) plan discounted ingredient cost plus dispensing fee
c) Usual and customary fee OR d) retail cash pricing.
- 4) **Transparent Pricing** – The PBM agrees to 100% pass thru of all contracted discounts with its contracted network of pharmacies at the point of dispensing. PBM also agrees to allow auditing of individual claims to track back to the network contracted rates. The PBM also agrees to disclose any and all programs or services that generate remuneration to itself from third parties as a result of Pima County's Rx utilization.
- 5) **Pima County Claim Data** – The PBM agrees that all claim data relative to Pima County is to remain proprietary and cannot be shared, distributed or sold to any outside party without the express written approval of Pima County. Additionally, the PBM agrees not to use the County's Rx data for publication or shared with industry data sources for a fee nor will you analyze the County data for third party purposes. Any income the PBM derives from the County claims and claims data must be disclosed and potentially shared with the County.
- 6) **Participant** – A Participant is an eligible and enrolled employee and/or their eligible dependents that are enrolled in the County's self-insured plan. The Term Member is synonymous with participant.

Pharmacy Benefit Management Services - Minimum Requirements form (Cont'd)

Definitions

- 7) **Drug Rebates** – Shall be defined as any and all forms of compensation or remuneration received by the PBM from any pharma manufacturer that is resulting from the utilization or purchase of covered drugs by participants with the County’s plan. Rebates shall include but not be limited to: market share incentives, market share of targeted utilization, clinical detailing, educational grants, incentive rebates that are structured as mail order purchase discounts, promotional allowances, “credits” in lieu of the use of the term “rebate”, drug pull-through programs, implementation allowances, commission payments, rebate submission fees and administrative/management fees paid by the manufacturers. Furthermore, the term Rebates shall include any revenue or additional fee the PBM receives from a pharma manufacturer for administrative costs, formulary placement and/or formulary access.

I, (we) confirm acceptance of the above Definitions
Authorized Signature
Date:

Pharmacy Benefit Management Services - Minimum Requirements form (Cont'd)

Terms and Conditions of Contract

The PBM agrees to an initial two year contract with the County reserving the sole right to extend the contract for up to three (3) one (1) year consecutive terms. Subsequent year pricing shall be per your organizations fee proposal form for PBM services.

- 1) The County reserves the right to terminate the agreement by providing 30 days written notice with or without cause.
- 2) The PBM agrees to not amend its fees as proposed if a) the County changes its TPA or Provider Network and b) its eligible workforce changes in size during the term of the contract.
- 3) The PBM agrees to allow the County to carve out its Specialty Drug Benefit and pricing to a vendor of its choice if it is deemed to be in the best interests of the County. This can only be done at the renewal period of the contract. The parties agree to renegotiate specialty drug pricing as market place changes occur.
- 4) The PBM agrees that all fee/pricing to the County will not be contingent on the County or its participant's involvement in clinical management programs or medical/behavioral health studies or programs promulgated by the PBM or any of its vendors.
- 5) The PBM agrees it will not allow any change to its administration that allows for the conversion from lower discounted ingredient drug products to higher discounted ingredient drug products without the express written consent of the County.
- 6) The PBM agrees to notify participants of substitution of products that result in higher member out of pocket costs relative to mail order drug services.
- 7) The PBM agrees to notify the County in advance of any formulary changes including adding or deleting a drug. The notification shall include a complete participant disruption analysis along with quantitative impact analysis along with a qualitative drug analysis.

Pharmacy Benefit Management Services – Minimum Requirements form (Cont’d)

Terms and Conditions of Contract

- 8) The PBM agrees not to change any participant’s prescriptions or provide inducements to change prescriptions without the County’s prior approval.
- 9) The PBM agrees that all fees are proposed in the PBM Fee Proposal Form. The PBM will not be able to bill additional fees not proposed.
- 10) The PBM agrees that all rebates will be due to the County as earned and accrued. Payments of rebates will continue beyond any contract termination for drugs dispensed during the contract term.
- 11) PBM must agree that retail and mail order brand AWP discounts are post September 26, 2009 AWP rollback basis.
- 12) The PBM agrees it will bear the risk in its pricing for any variation in provider channel distribution changes or shifts.
- 13) The PBM agrees that its effective rate guarantees outlined on your fee proposal for retail and mail order generic drugs include both single source and multi-source generic products regardless of the number of manufacturers and/or the exclusivity period involved.
- 14) The PBM agrees the County shall have the right to retain an auditor of its choice to audit the PBM for its services, claim pricing and rebates. The audit provision shall survive the termination of the contract for up to 2 years post termination. The PBM will not bill the County for any resources it consumes as part of an audit.
- 15) The PBM if selected will conduct an internal post implementation audit within 4 months of the effective date to map claims against the County’s formulary to ensure member cost shares are calculated correctly and claims are adjusted correctly. PBM shall provide County a report of its findings.

Pharmacy Benefit Management Services – Minimum Requirements form (Cont'd)

Terms and Conditions of Contract

- 16) The PBM agrees to not charge the County for any County data transfer requests to another PBM, if the County terminates the contract.
- 17) The PBM agrees to provide the County with at least quarterly reporting that ensures transparent pass through pricing. Rebate reporting must include detail sufficient to allow audits.
- 18) The PBM agrees not to exclude coverage of a drug, remove a drug from the formulary, or change the management status of a drug such as step therapy, pill splitting, quantity limits, or required prior authorization without the prior written approval of the County. The PBM can exclude or provide limitations if directed by the FDA.
- 19) The PBM agrees to provide at least 4 separate monthly data feeds to any County selected vendor(s) at no charge to County. The PBM also agrees to provide annual electronic claim files in NCPDP format at no charge to County.
- 20) The PBM agrees that over performance of minimum rebate guarantees and over performance of minimum discount guarantees will **not** be used to offset any underperformance/shortfalls in other categories nor will these two categories cross apply.
- 21) The PBM agrees that rebates are guaranteed for the term of the contract and any extensions of the contract. Furthermore, PBM agrees that rebate guarantees are minimum amounts and not ceiling amounts (i.e. actual rebates may be in excess of minimums and are to be paid to County).
- 22) PBM agrees to review all pricing relative to newly introduced generic drugs annually. County must approve the pricing to be applied to new generic drugs.

Pharmacy Benefit Management Services – Minimum Requirements form (Cont'd)

Terms and Conditions of Contract

- 23) The PBM may not change its AWP source without providing the County 180 days advance written notice. In the event the PBM changes its AWP source and the change is deemed to not be in the best interests of the County, the County will have the right to terminate the contract with no recourse or penalty by PBM.
- 24) The PBM agrees that each unique pricing guarantee category is guaranteed by the PBM on a dollar for dollar unique category basis. Any shortfalls in one category will not cross apply or be recouped by surpluses in other categories. County will recoup 100% of any shortfall.
- 25) The PBM agrees that mail order unit costs prior to participant cost sharing, dispensing fees, and any applicable sales taxes charged to the County will not be greater than those comparable charges on a retail dispensed level. This retail versus mail order equalization method shall be agreed to by the PBM. The PBM agrees to provide date sensitive comparison reports depicting unit costs charged to the County on a dollar to dollar basis demonstrating where mail order unit costs exceed retail unit cost. This shall be provided to the County on an annual basis.
- 26) The PBM agrees to **EXCLUDE** from its retail brand and mail order brand guarantees compound drug claims, single source generic claims, specialty drug claims, over the counter claims, direct claims, claims with any ancillary charges, and claims from non-pharmacies.
- 27) PBM agrees rebate guarantees will be based upon **ALL** prescriptions dispensed and **NOT** on brand or formulary only prescriptions dispensed.
- 28) The PBM agrees that it is fully compliant with HIPAA Privacy and Security rules including EDI requirements and agrees to execute any and all BAA's (Business Associate Agreements) as provided by the County. PBM agrees that in the event the PBM or its employees or agents violates privacy or a data breach occurs, the PBM shall notify the County and any impacted participants and provide all remedies regardless of costs to the PBM.

Pharmacy Benefit Management Services – Minimum Requirements form (Cont’d)

Terms and Conditions of Contract

- 29) The PBM agrees to receive, document and resolve all customer service calls received by County participants. Customer Service call logs relative to County participants shall be maintained and reported to the client as needed. The County shall have all rights and access to its customer service data.

- 30) The PBM agrees to work professionally and efficiently with the Third Party Administrator (Claim Administrator) as chosen by the County. Please disclose any and all TPA’s you **will not** or cannot work with due to competitive reasons or otherwise. In the absence of this disclosure, we will assume your organization can and will transmit data and work with the County’s TPA of choice.

- 31) The PBM agrees to provide (at least quarterly), written customer service reporting to include at a minimum service categories, action(s) taken, quality of care issues and resolution(s).

- 32) The PBM shall provide resources required to support the County’s open enrollment sessions.

- 33) Professional resources will be provided along with data to interpret and recommend proactive changes to the County’s programs.

- 34) The PBM shall participate in the County’s wellness initiatives and programs as may be required.

I, (we) confirm acceptance of the above Terms and Conditions
Authorized Signature
Date:

Pharmacy Benefit Management Services – Minimum Requirements form (Cont’d)

Transition Issues

- 1) The PBM agrees to load any and all open mail order refills, open and current prior authorizations and accumulator files that exist with the current PBM at a mutually agreeable time prior to the effective date of the contract. This shall be done at no additional cost to the County.
- 2) The PBM agrees that any plan design amendments or changes shall be implemented by PBM including uploads or system changes within 30 days of the County’s request of plan changes.
- 3) The PBM agrees to grant the County and its participant’s access to its website along with login set up by participants at least 30 days prior to the effective date of the contract and at no additional cost.
- 4) The PBM agrees to allow access by the County and its designee(s) to any applicable administrative service center, call center and/or customer service center that will be responsible for managing the County’s PBM services.
- 5) The PBM agrees that if the County determines, in its sole discretion, to allow for an up to 6 month transitional period to educate, communicate and involve physicians and participants to dialogue on any medication disruptions that result in additional out of pocket costs to participants, that the PBM will administer the current United Health PBM formulary on an “as is” basis. This will allow the County and its new PBM to map the differences in formulary brand, preferred brand, generic and mail order differences. The transition period will not exceed 6 months. PBM shall assist in communication efforts with participants relative to the transition of formulary differentials. Depending on the disruption analysis, this transition may end up simply requiring the PBM to grandfather existing preferred brand formulary co-payments for up to 6 months. What happens after 6 months – County incurs additional cost or member? The employee may pay more if they don’t want to change.

I, (we) confirm acceptance of the above Transition Issues
Authorized Signature
Date:

Pharmacy Benefit Management Services - Minimum Requirements form (Cont'd)

Transparency Pricing

- 1) The PBM agrees that Minimum Brand and Generic Discount Guarantees for retail **and** mail order dispensed drugs shall be defined as Aggregate Ingredient Cost divided by Aggregate AWP (AIC/AAWP).

- ALSO:**
- 1) Aggregated AWP for claims shall be from Medispan or a single nationally recognized price source.
 - 2) AWP discount guarantees shall be calculated and reconciled on a component/category basis only. Namely brand, generic, mail order, retail and specialty program. Any surpluses in one component/category cannot be used to offset deficits in any other component/category.
 - 3) Any shortfall(s) from the minimum guarantee to the actual results shall be paid in its entirety to the County within 60 days of the measurement period which shall be annually.
 - 4) The measurement relative to 3) above shall be performed annually via independent audit using data sensitive AWP from Medispan or a single source nationally recognized source agreeable to County for claims.
 - 5) The guarantees provided by PBM shall be exclusive of any savings or cost adjustments associated with UM programs/services, DUR programs/services, formulary programs and any therapeutic interventions or clinical interventions.
 - 6) The PBM agrees that the Minimum Discount Guarantees relative to mail and retail shall be defined as the Aggregate Discounted Ingredient Cost/Aggregate Undiscounted AWP.

ALSO:

- 1) Aggregate undiscounted AWP for all claims shall be from Medispan or a nationally recognized price source.
- 2) The Aggregate Discounted Ingredient Cost prior to applying plan co-pays will be the basis of the calculations; dispensing fees must be excluded from the Aggregate Discounted Ingredient Cost component.

Pharmacy Benefit Management Services – Minimum Requirements form (Cont’d)

Transparency Pricing (Cont’d.)

- 3) Zero balance claims or zero amount claims charged to the County will **NOT** be included in the guaranteed measurement for AWP, ingredient cost or dispensing fees.
- 4) The actual data of claim adjudication will be used for **both** the Aggregate Discounted ingredient Cost and the Aggregate Undiscounted AWP.
- 5) Aggregate Undiscounted AWP will be the data sensitive 11 digit NDC of the actual product dispensed.
- 6) All compounds, specialty claims, OTC claims and claims with ancillary charges will be excluded from the minimum discount rate guarantee calculations by the PBM.
- 7) Discount guarantee calculations by the PBM shall be exclusive of any savings or cost adjustments associated with UM programs/services, DUR programs/services, formulary programs and any therapeutic or clinical interventions.
- 8) PBM Discount Guarantees must be calculated, measured and reconciled on a distribution channel basis only; namely retail, mail order and specialty channels. Any surplus in a particular channel cannot be used to offset deficits in other channel(s).
- 9) Any shortfall(s) from the Minimum Guarantee to the actual results shall be paid in its entirety to the County within 60 days of the measurement period which shall be annually.

I, (we) confirm acceptance of the above Transparency Pricing Requirements
Authorized Signature
Date:

Pharmacy Benefit Management Services – Minimum Requirements form (Cont’d)

Transparency of Pricing for HSA and PPO Participants

Many County Employees participate in the High Deductible Health Plan(s) offered by the County. Many of these participants have a corresponding Health Savings Account for the out of pocket personal responsibility portions of the Plan of Benefits. In order to ensure all County Participants pay the lowest allowable out of pocket costs associated with prescription drugs, please confirm your PBM adjudicates and charges or collects from the participant and correspondingly charges the County or Plan the following amounts under the various option scenarios.

Prescription Cost	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
	Generic	Generic	Retail	Retail	Mail Order	Mail Order
Ingredient Cost Plus Dispensing Fee Plus Tax	\$3	\$6	\$8	\$46	\$38	\$38
Participant Co-Pay	\$10	\$10	\$10	\$30	\$60	\$20
Usual and Customary (Retail Charge)	\$4	\$4	\$28	\$60	\$75	\$50
Amount Charged to Participant	\$3	\$4	\$8	\$30	\$38	\$20
Amount Charged to County	\$0	\$0	\$0	\$16	\$0	\$18
I, (we) confirm the table above reflects our contract and system adjudication edits						
Authorized Signature						
Date:						

End of Minimum Requirements – all Minimum Requirement Forms must be signed and submitted as part of proposal.

PHARMACY BENEFIT MANAGEMENT SERVICES QUESTIONNAIRE

Response must follow after each question and where applicable state yes at the beginning of response.

Qualifications of the Firm

- 1) Please provide all pertinent information relative to your organization. Name, address of corporate office, local Pima County office (if applicable), ownership of your company, etc.
- 2) Who will be the County's account service team? Please provide resumes or equivalent background experience. What dollar authority levels do these team members possess to resolve any service issues or performance breakdowns? Where are they located?
- 3) What is your company's financial rating (if applicable)? Has it been raised or lowered in the past four years? Please explain.
- 4) Has your company been merged, purchased or otherwise been acquired by another organization within the past three years? Is your company planning or anticipating IT System changes, downsizing, and office closures or staff reductions? If so, explain how those changes will impact this contract (e.g. service center consolidation, IT platform changes, major software updates, etc.).

General Interrogatories:

- 1) Please describe your organization's Formulary Pharmacy and Therapeutics Committee. Please describe its makeup and functional oversight responsibilities.
- 2) Please describe your Retail Pharmacy Network. Does it include virtually all national/major Pharmacy chains, super markets and local/regional pharmacies? Please attach an Excel Format List of all contracted pharmacies in Arizona in alphabetical order.
- 3) Please discuss your contracting rationale with your pharmacy network.
- 4) Please discuss and describe your Drug Manufacturer Rebate Program(s) and your invoicing and accounting process.

PHARMACY BENEFIT MANAGEMENT SERVICES QUESTIONNAIRE (Cont'd)

General Interrogatories (Cont'd):

- 5) How does your PBM perform Formulary Management?
- 6) How does your PBM manage Appeals & Utilization Management?
- 7) What claim system do you utilize to electronically process claims? Are there any plans within your organization to upgrade, change or replace your current system over the next 3 years? If so, explain.
- 8) Please describe your PBM's mail order purchasing and dispensing procedures. Do you own your mail order component or contract for these services? If contracted, please elaborate. Please discuss where the mail order facility will be located along with hours of operations you propose for the County.
- 9) Does your PBM provide Toll Free 800 numbers along with web based capability for participant customer service?
- 10) Please describe your standard PBM reporting capability for employers like the County. Also discuss online access to reporting.
- 11) Who owns your organization? If a subsidiary of a parent or holding company please elaborate. What year did your PBM commence operations?
- 12) How many participants (members) does your PBM provide services for on a self-insured basis within the United States? How many participants (members) did you serve on a self-insured basis one, two and three years prior to the current level of membership?

Pharmacy Benefit Management Services Questionnaire (Cont'd)

General Interrogatories: (Cont'd)

- 13) What percentage of your participants (members) have HSA's?
- 14) Please state how many self-funded plans you contract with to provide PBM services within the United States? How many of these plans have over 5,000 employees? How many under 5,000 employees? How many Governmental/Public Sector clients do you provide complete PBM services for on a self-insured basis?
- 15) What is the total AWP dollars you processed for retail and mail order over the most recent one, two and three year periods?
- 16) Please describe the Account Management Team you propose to service the County if you are awarded a contract. Please include the Clinical Lead, Financial/Reporting Liaison and Account Executive along with their respective backgrounds.
- 17) Please agree that we can utilize your Company's logo in all County communication/promotional materials. Please confirm that you will allow integration of your logo and service/claim information into the TPA's ID Card for single source ID cards to employees.
- 18) Please describe your organization's general and professional liability coverage that would pertain to the County's RFP. Also, if you have a fidelity bond that provides protection for the County's Plan please elaborate.

Pharmacy Benefit Management Services Questionnaire (Cont'd)

General Interrogatories: (Cont'd)

- 19) Please confirm your PBM will agree to a contract provision that allows the County to carve out or subcontract specialty drug services at the subsequent anniversary of the PBM contract. PBM agrees that there will be no financial impact to the other non-specialty drug provisions or pricing of the existing contract.

- 20) Also, please confirm that you will renegotiate Specialty Drug pricing on an annual basis with the County based upon the needs of the County.

- 21) If participants incur additional costs to obtain specialty drugs, please explain.

- 22) Please discuss any and all disease management or therapeutic management programs/services you offer as part of your PBM services. If additional costs are involved, please specifically state the amounts.

- 23) Do you have multi language capability via phone or in person for your customer service capabilities?

- 24) Describe your banking and funding arrangements if you are awarded a contract. Are there deposits or imprest accounts required? Describe your billing and collection processes with your clients.

- 25) Please confirm that your proposed fee structure includes postage costs for ID card production, distribution of duplicate ID cards, mail order prescriptions and other required mailings.

Pharmacy Benefit Management Services Questionnaire (Cont'd)

General Interrogatories: (Cont'd)

- 26) Please describe your organizations processes and/or procedures for handling participant's appeals including interfacing with external or independent review organizations. Also, please state the name, address and contact information for the Independent Review Organization (IRO) you utilize to handle appeals. Please confirm that any fees applicable to your IRO services are included in your base administrative fee proposal.
- 27) Does your PBM agree to meet at least quarterly with County Staff and its designated business associate(s) to present financial results, plan performance areas of improvement and quality indicators? Do you agree to include your clinical staff relative to these meetings?
- 28) How do you handle and manage any disruptive actions such as termination of retail pharmacy providers from your network?
- 29) Do you have physician profiling capability relative to prescription patterns or prescribing habits? How do you identify areas of improvement, measure and monitor compliance or non-compliance to improve patient outcomes and quality?
- 30) Do your claim systems have the capability to detect patient/participant or physician fraud and abuse? If so, please describe the software or manual review interfacing used to identify duplicate or inappropriate prescribing of narcotics and other drugs that may be abused or illegally sold to third parties (e.g. multiple Rx's by multiple physicians filled at differing retail locations).

Pharmacy Benefit Management Services Questionnaire (Cont'd)

General Interrogatories: (Cont'd)

- 31) Is your PBM capable of administering mandatory generic substitutions, mandatory mail order, step therapy and other forms of cost management tools such as prior authorization if the County determines these measures are necessary within its plan of benefits?
- 32) Please provide to County with a onetime implementation allowance expressed in a flat dollar amount you are willing to offer the County if you are awarded a contract.
- 33) Please provide the County with an annual audit fund expressed in a flat dollar amount you are willing to offer the County. This audit fund is to be provided annually and is to be used by the County to audit and measure that the County is receiving the discounts, rebates and represented performance pursuant to its contract with the PBM.

Pharmacy Benefit Management Fee Proposal Forms

Pharmacy Benefit Management Fee Proposal Form					
	Year 1	Year 2	Year 3	Year 4	Year 5
Retail/Mail Order Administrative Fees	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Administrative PBM Base Fee (PEPM)	\$0	\$0	\$0	\$0	\$0
Services that are to be included in Base PEPM Fee:					
Ad Hoc Reporting	\$0	\$0	\$0	\$0	\$0
Annual EOB Statements	\$0	\$0	\$0	\$0	\$0
Appeals Processes	\$0	\$0	\$0	\$0	\$0
Audit Recovery Fees	\$0	\$0	\$0	\$0	\$0
COB Services	\$0	\$0	\$0	\$0	\$0
Customized System Overrides	\$0	\$0	\$0	\$0	\$0
Dose Optimization Programs	\$0	\$0	\$0	\$0	\$0
Drug Notification Letters	\$0	\$0	\$0	\$0	\$0
DUR-Concurrent Prospective & Retro	\$0	\$0	\$0	\$0	\$0
Formulary Management	\$0	\$0	\$0	\$0	\$0
Group Coding	\$0	\$0	\$0	\$0	\$0
ID Card Integration With Medical Card	\$0	\$0	\$0	\$0	\$0
Mail Order Program (Mandatory if Requested)	\$0	\$0	\$0	\$0	\$0
Monthly Data Feeds to Vendors and County	\$0	\$0	\$0	\$0	\$0
Overrides	\$0	\$0	\$0	\$0	\$0
Pharmacy Directories - Electronic and Print	\$0	\$0	\$0	\$0	\$0
Prior Authorization Services	\$0	\$0	\$0	\$0	\$0
Retroactive Term Letters	\$0	\$0	\$0	\$0	\$0
Quantity Limitations	\$0	\$0	\$0	\$0	\$0
Standard Reporting Package(s)	\$0	\$0	\$0	\$0	\$0
Step Therapy (If Requested)	\$0	\$0	\$0	\$0	\$0
Additional Services You Wish To Include In Above Base Fee PEPM-Please List					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Other Optional Services (Please list and show any additional fees)					
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0
Total Base and Optional Fees	\$0	\$0	\$0	\$0	\$0
Comments:					
Vendor Name:					
Authorized Signature:					
Date:					

Pharmacy Benefit Management Fee Proposal Form

Generic Dispensing Rate (GDR) Guarantee:

Please indicate your GDR guarantee for the contract periods and channels indicated.

NOTE: The GDR rate shall include only actual generic dispensing. Excluded from the GDR rate are multi source brand drugs dispensed under participant pay the difference plan designs.

Pharmacy Benefit Management Fee Proposal Form						
Guarantee GDR	Answer	Year 1	Year 2	Year 3	Year 4	Year 5
	Yes or No	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Retail < or = 30 days		0%	0%	0%	0%	0%
Retail > 30 days		0%	0%	0%	0%	0%
Mail Order		0%	0%	0%	0%	0%
Financial Penalty for Failure to Meet GDR's In Any Given Year (PEPM)		0%	0%	0%	0%	0%
Comments:						
Vendor Name:						
Authorized Signature:						
Date:						

This form must be signed and submitted as a part of your proposal.

NOTE: The GDR rate shall include only actual generic dispensing. Excluded from the GDR rate are multi source brand drugs dispensed under participant pay the difference plan designs.

Pharmacy Benefit Management Fee Proposal Form

Specialty Drug Pricing Transparency:

SPECIALTY DRUG FEE PROPOSAL					
	Year 1	Year 2	Year 3	Year 4	Year 5
Specialty Drug Fee Proposal	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Dispensing Fee per Rx (\$/Rx)	\$0	\$0	\$0	\$0	\$0
Administrative Fees PEPM (if any)	\$0	\$0	\$0	\$0	\$0
Aggregate AWP Discount (%)*	\$0	\$0	\$0	\$0	\$0
Minimum Guaranteed Rebate (\$/Rx)	\$0	\$0	\$0	\$0	\$0
<p>*Note: For purposed of this calculation/response please use the drug reimbursement you are willing to guarantee on a dollar for dollar basis for each contract year. Guarantees must be based upon the AWP unit cost as dispensed at the point of sale and be post September 26, 2009 AWP rollback. AWP discounts are to be completed using the discount from 100% AWP and dispensing fee logic.</p>					
<p>Comments:</p>					
Vendor Name:					
Authorized Signature:					
Date:					

Pharmacy Benefit Management – Fee Proposal Form

Specialty Drug Pricing Transparency:

Please update the attached excel spreadsheet (Exhibit A – Bidder Fee Proposals, tab PBM Specialty Drug Tran) with the pricing list of all drugs in alphabetical order your PBM categories as specialty drugs it dispenses to participants or providers for the purposes of this RFP. Please ensure your pricing includes all adequate supplies – containers, needles, syringes, swabs, etc. The excel spreadsheet must include at a minimum:

Product Name Therapeutic Category Guaranteed Discount off *AWP

***OR Guaranteed WAC markup.**

We have attached a requested list of Specialty Drug Pricing by signing below:

Vendor Name:
Authorized Signature:
Date:

Pharmacy Benefit Management – Fee Proposal Form

AWP Discounts – Instructions for Fee Proposal Form

For purposes of the responses you provide use the drug reimbursements you are willing to guarantee on a dollar for dollar basis for each contract year. Guarantees must be based upon the AWP unit cost as dispensed at the point of sale and be post September 26, 2009 AWP rollback. AWP discounts are to be completed using the discount from 100% AWP and dispensing fee logic. Also, please **exclude** Specialty Drugs from your Brand Drug responses in this table. Also, mail order supply pricing charged must be equivalent or better than retail supply pricing (i.e. MAC at mail) for purposes of your responses under the mail order category. AWP Discounts should be indicated within the Excel file provided.

AWP Discounts (Minimums)	Brand Drugs *1	Generic Drugs*2
Year 1 2013 - 2014	0%	0%
Retail < or + 30 Days *3	0%	0%
Retail > 30 days *3	0%	0%
Mail Order (1 - 90 Days)	0%	0%
AWP Discounts (Minimums)	Brand Drugs *1	Generic Drugs*2
Year 2 2014 - 2015	0%	0%
Retail < or + 30 Days *3	0%	0%
Retail > 30 days *3	0%	0%
Mail Order (1 - 90 Days)	0%	0%
AWP Discounts (Minimums)	Brand Drugs *1	Generic Drugs*2
Year 3 2015 -2016	0%	0%
Retail < or + 30 Days *3	0%	0%
Retail > 30 days *3	0%	0%
Mail Order (1 - 90 Days)	0%	0%
AWP Discounts (Minimums)	Brand Drugs *1	Generic Drugs*2
Year 4 2016 - 2017	0%	0%
Retail < or + 30 Days *3	0%	0%
Retail > 30 days *3	0%	0%
Mail Order (1 - 90 Days)	0%	0%
AWP Discounts (Minimums)	Brand Drugs *1	Generic Drugs*2
Year 5 2017 - 2018	0%	0%
Retail < or + 30 Days *3	0%	0%
Retail > 30 days *3	0%	0%
Mail Order (1 - 90 Days)	0%	0%

Pharmacy Benefit Management – Fee Proposal Form

AWP Discounts – Instructions for Fee Proposal Form (Cont'd.)

- *1 Please include both single source and multisource brands under the Brand category.
- *2 Please include single source generics and multi source generics under the generic category; minimum discounts for generics shall include discounted AWP, composite discounts of MAC or U&C retail.
- *3 Please include all retail network locations. In the event you exclude a major retail chain or chains please state so in the comment section.

To the extent your PBM does not meet its minimum discount percentage in any given year for any category of the above table; the PBM shall reimburse the County \$ PEPM for every one (1) percentage point shortfall in the AWP minimum discounts.

Note: Please complete the penalty PEPM cell above.

Comments:
Vendor Name:
Authorized Signature:
Date:

Pharmacy Benefit Management – Fee Proposal Form

Generic Medication Discount Proposal:

The following 25 generics represent the most frequently prescribed generics for County participants over the past 6 months. Please complete the AWP/Rx Column using the reimbursement that your PBM is willing to guarantee. Pricing shall be the AWP unit cost as dispensed at the retail point of sale post September 26, 2009 AWP rollback.

Generic Medication Discount Proposal Form						
GPI - 14 (GPI Name)	GPI - 14#	Undiscounted Ingredient Cost/Unit (AWP)*	Maximum Allowable Cost (MAC) Priced? Y/N		Mail Discounted Ingredient Cost/Unit**	Retail Discounted Ingredient Cost/Unit**
			Mail	Retail		
HYDROCODONE-ACETAMINOPHEN TAB 5-500 MG	42200032301810	\$0.00			\$0.00	\$0.00
FLUTICASONE PROPIONATE NASAL SUSP 50 MCG/ACT	60204080100315	\$0.00			\$0.00	\$0.00
SIMVASTATIN TAB 40 MG	36100030000310	\$0.00			\$0.00	\$0.00
LISINOPRIL TAB 10 MG	49270060006520	\$0.00			\$0.00	\$0.00
SIMVASTATIN TAB 20 MG	27250050000320	\$0.00			\$0.00	\$0.00
OMEPRAZOLE CAP DELAYED RELEASE 20 MG	36100030000315	\$0.00			\$0.00	\$0.00
LISINOPRIL TAB 20 MG	37600040000305	\$0.00			\$0.00	\$0.00
OXYCODONE W/ ACETAMINOPHEN TAB 5-325 MG	65990002200310	\$0.00			\$0.00	\$0.00
AZITHROMYCIN TAB 250 MG	03400010000320	\$0.00			\$0.00	\$0.00
HYDROCHLOROTHIAZIDE TAB 25 MG	27250050000350	\$0.00			\$0.00	\$0.00
METFORMIN HCL TAB 500 MG	39400075000340	\$0.00			\$0.00	\$0.00
ZOLPIDEM TARTRATE TAB 10 MG	49270070100620	\$0.00			\$0.00	\$0.00
ERGOCALCIFEROL CAP 50000 UNIT	33200020000305	\$0.00			\$0.00	\$0.00
LISINOPRIL TAB 40 MG	36100030000330	\$0.00			\$0.00	\$0.00
METFORMIN HCL TAB 1000 MG	39400075000330	\$0.00			\$0.00	\$0.00
CITALOPRAM HYDROBROMIDE TAB 20 MG (BASE EQUIV)	65991702100310	\$0.00			\$0.00	\$0.00
LISINOPRIL TAB 5 MG	58160070100320	\$0.00			\$0.00	\$0.00
PANTOPRAZOLE SODIUM EC TAB 40 MG (BASE EQUIV)	58160020100320	\$0.00			\$0.00	\$0.00
CITALOPRAM HYDROBROMIDE TAB 40 MG (BASE EQUIV)	34000003100340	\$0.00			\$0.00	\$0.00
AMLODIPINE BESYLATE TAB 5 MG	58160020100340	\$0.00			\$0.00	\$0.00
IBUPROFEN TAB 800 MG	66100020000340	\$0.00			\$0.00	\$0.00
AMOXICILLIN (TRIHYDRATE) CAP 500 MG	01200010100110	\$0.00			\$0.00	\$0.00
LEVOTHYROXINE SODIUM TAB 50 MCG	49270060006530	\$0.00			\$0.00	\$0.00
SERTRALINE HCL TAB 100 MG	77202030000110	\$0.00			\$0.00	\$0.00
CYCLOBENZAPRINE HCL TAB 10 MG	75100050100305	\$0.00			\$0.00	\$0.00
Total		\$0.00			\$0.00	\$0.00

*Unit AWP based on average of typically utilized NDC's in vendor book of business

**Based on lower of logic (MAC, AWP, WAC, U&C, etc) for most commonly utilized NDC's

Comments:
Vendor Name:
Authorized Signature:
Date:

Pharmacy Benefit Management

Dispensing Fee & Rebate Guarantee Proposal Form

Dispensing Fees & Rebates Guarantees	Dispensing Fee/Rx *1	Dispensing Fee/Rx *2	Rebates Per Rx *3 *4
	BRAND	GENERIC	
Year 1 2013 - 2014	\$0	\$0	\$0
Retail < or + 30 Days	\$0	\$0	\$0
Retail > 30 days	\$0	\$0	\$0
Mail Order (1 - 90 Days)	\$0	\$0	\$0
	Dispensing Fee/Rx *1	Dispensing Fee/Rx *2	Rebates Per Rx *3 *4
Year 2 2014 - 2015	BRAND	GENERIC	
Retail < or + 30 Days	\$0	\$0	\$0
Retail > 30 days	\$0	\$0	\$0
Mail Order (1 - 90 Days)	\$0	\$0	\$0
	Dispensing Fee/Rx *1	Dispensing Fee/Rx *2	Rebates Per Rx *3 *4
Year 3 2015 - 2016	BRAND	GENERIC	
Retail < or + 30 Days	\$0	\$0	\$0
Retail > 30 days	\$0	\$0	\$0
Mail Order (1 - 90 Days)	\$0	\$0	\$0
	Dispensing Fee/Rx *1	Dispensing Fee/Rx *2	Rebates Per Rx *3 *4
Year 4 2016 - 2017	BRAND	GENERIC	
Retail < or + 30 Days	\$0	\$0	\$0
Retail > 30 days	\$0	\$0	\$0
Mail Order (1 - 90 Days)	\$0	\$0	\$0
	Dispensing Fee/Rx *1	Dispensing Fee/Rx *2	Rebates Per Rx *3 *4
Year 5 2017 - 2018	BRAND	GENERIC	
Retail < or + 30 Days	\$0	\$0	\$0
Retail > 30 days	\$0	\$0	\$0
Mail Order (1 - 90 Days)	\$0	\$0	\$0

***1 Please include single source brands and multi source brands under the Brand Category**

***2 Please include single source generics and multi source generics under the Generic Category**

***3 Please assume County's current \$10/\$30/\$50 tier Rx Co-Pay plan designs**

***4 Please use post September 26, 2009 AWP rollback**

Pharmacy Benefit Management – Fee Proposal Form

Dispensing Fee & Rebate Guarantee Proposal Form			
Dispensing Fees & Rebates Guarantees	Dispensing Fee/Rx *1	Dispensing Fee/Rx *2	Rebates Per Rx *3 *4
	BRAND	GENERIC	
Year 1 2013 - 2014	\$0	\$0	\$0
Retail < or + 30 Days	\$0	\$0	\$0
Retail > 30 days	\$0	\$0	\$0
Mail Order (1 - 90 Days)	\$0	\$0	\$0
	Dispensing Fee/Rx *1	Dispensing Fee/Rx *2	Rebates Per Rx *3 *4
Year 2 2014 - 2015	BRAND	GENERIC	
Retail < or + 30 Days	\$0	\$0	\$0
Retail > 30 days	\$0	\$0	\$0
Mail Order (1 - 90 Days)	\$0	\$0	\$0
	Dispensing Fee/Rx *1	Dispensing Fee/Rx *2	Rebates Per Rx *3 *4
Year 3 2015 - 2016	BRAND	GENERIC	
Retail < or + 30 Days	\$0	\$0	\$0
Retail > 30 days	\$0	\$0	\$0
Mail Order (1 - 90 Days)	\$0	\$0	\$0
	Dispensing Fee/Rx *1	Dispensing Fee/Rx *2	Rebates Per Rx *3 *4
Year 4 2016 - 2017	BRAND	GENERIC	
Retail < or + 30 Days	\$0	\$0	\$0
Retail > 30 days	\$0	\$0	\$0
Mail Order (1 - 90 Days)	\$0	\$0	\$0
	Dispensing Fee/Rx *1	Dispensing Fee/Rx *2	Rebates Per Rx *3 *4
Year 5 2017 - 2018	BRAND	GENERIC	
Retail < or + 30 Days	\$0	\$0	\$0
Retail > 30 days	\$0	\$0	\$0
Mail Order (1 - 90 Days)	\$0	\$0	\$0

*1 Please include single source brands and multi source brands under the Brand Category

*2 Please include single source generics and multi source generics under the Generic Category

*3 Please assume County's current \$10/\$30/\$50 tier Rx Co-Pay plan designs

*4 Please use post September 26, 2009 AWP rollback

Pharmacy Benefit Management – Fee Proposal Form

Rebate Performance Guarantee:

The County would like you to guarantee dollar for dollar rebates per prescription for each contract year proposed. Any shortfall shall be paid to the County within 60 days after the contract period regardless of whether the contract is renewed or not. By signing as authorized vendor signature, you agree to this Rebate Performance Guarantee.

Comments:

Vendor Name:
Authorized Signature:
Date:

COBRA ADMINISTRATION SERVICES QUESTIONNAIRE

Required COBRA Administrative Services	Response (Y/N)
General Notice distribution to all new hires	
Letters to Qualified Beneficiary	
Election Notice - initial notice w/reply form	
Confirmation Notice - initial premium notice w/pay options	
Underpayment Letter	
Termination Letter	
-Failure to make initial payment	
-Failure to make regular payment	
-COBRA Expiration	
Annual OE (participant notification)	
Premium Rate Change Notifications	
Conversion Notice	
Medicare Eligibility	
Employee Communication (fee to notify current COBRA enrollees of client changes?)	
Accounting for Premium Payments -	
Premium Collection (vouchers provided?)	
Remittance directly to carriers	
Postage included in fees or a separate charge?	
Reporting - (Attach sample reports)	
Reinstatement Report	
Benefit Plan Report	
Term Report	
Activity Report	
Compatible data feed to/from any online enrollment system	
To the extent you responded "N" to any of the above, please describe your inability to provide the required service for which you responded "No".	
COMMENTS	

COBRA Administration Services Questionnaire (Cont'd.)

Qualifications of the Firm

- 1) Please provide all pertinent information relative to your organization. Name, address of corporate office, local Pima County office (if applicable), ownership of your company, etc.
- 2) Who will be the County's account service team? Please provide resumes or equivalent background experience. What dollar authority levels do these team members possess to resolve any service issues or performance breakdowns? Where are they located?
- 3) What is your company's financial rating (if applicable)? Has it been raised or lowered in the past four years? Please explain.
- 4) Has your company been merged, purchased or otherwise been acquired by another organization within the past three years? Is your company planning or anticipating IT System changes, downsizing, and office closures or staff reductions? If so, explain how those changes will impact this contract (e.g. service center consolidation, IT platform changes, major software updates, etc.).

General Interrogatories

- 5) Please describe your implementation process regarding annual enrollment period(s).
- 6) Please describe the office or service center responsible for the County's COBRA Administrative Services? Location, contact, etc. Do you have a toll free phone number for participants?
- 7) Please discuss the process you use to notify vendors and the County that premiums have been paid to ensure that claims are not pended. How frequent are your updates? Can they be electronically interfaced with the TPA and the County? Confirm you will provide weekly paid through reporting.

COBRA Administration Services Questionnaire (Cont'd.)

General Interrogatories

- 8) Please describe your process for notifying current continuants as well as anyone in a pending COBRA election status.
- 9) If you are capable of coordinating and/or integrating with the State's retirement systems, please describe your process on how you perform this coordination/integration.
- 10) Please confirm that your organization will provide HIPAA Certificate of Creditable Coverage for COBRA participants in your standard fees.
- 11) Please confirm your organization has the capability for electronic payment of COBRA premiums by COBRA participants.
- 12) Please confirm your organizations ability to submit premiums to the County for its self-insured programs and to third party vendors if the policy(s) are on a fully insured basis. Describe your frequency for remitting collected premiums to the County and/or vendors.
- 13) Will your organization provide performance guarantees associated with your COBRA Administrative Service? If so, please elaborate.

COBRA Fee Proposal Form

COBRA Administration Fee Proposal Form						
		Year 1	Year 2	Year 3	Year 4	Year 5
COBRA Administrative Fees (PEPM)	Yes or No	2013- 2014	2014- 2015	2015- 2016	2016- 2017	2017- 2018
Implementation Fees or Take Over Fees (if any)	<input type="checkbox"/>	\$0				
Annual Fees (if any)	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$0
Monthly per Employee Per Month (PEPM) Admin. Fee	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$0
Total Admin Fee		\$0	\$0	\$0	\$0	\$0
		Year 1	Year 2	Year 3	Year 4	Year 5
Are the Following Services Included (Y) or Excluded (N) In Your Fee Proposal? If (N) please show PEPM fees.	Yes or No	2013- 2014	2014- 2015	2015- 2016	2016- 2017	2017- 2018
Coupon Book/Billing Statement	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$0
Distribute Election Notification/Enrollment Applications	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$0
HIPAA Initial Notifications	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$0
HIPAA Privacy Notifications	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$0
Distribute HIPAA Certs at Termination of Qualifying Event	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$0
Employment, COBRA or Qualifying Event Eligibility in general	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$0
Does your organization wish to retain the 2% Admin. Surcharge?	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$0
Data Loads to TPA and County for Claim Eligibility and Premium Remittance?	<input type="checkbox"/>	\$0	\$0	\$0	\$0	\$0
Total Service Fees		\$0	\$0	\$0	\$0	\$0
Total		\$0	\$0	\$0	\$0	\$0
Comments:						
Vendor Name:						
Authorized Signature:						
Date:						

FSA ADMINISTRATION SERVICES QUESTIONNAIRE

Please confirm you will offer the following services on behalf of Pima County:

Required FSA/DCA and Parking Administrative Services	Response (Y/N)
Plan document preparation including amendments	
All required discrimination testing	
Web inquiry/administration-both employer & employee	
Employee Communication - Including Custom and/or Standard Year-End statement to participants	
Administration for the 2 1/2 month grace period extension	
Weekly implementation calls and quarterly status calls following implementation	
Compatible data feeds to/from online enrollment system	
Verification of qualified expenditures	
Recovery of non qualified expenditures	
Electronic payment options	
Reporting - (Attach Sample Reports)	

If you responded “N” (No) to any of the required services outlined on the Questionnaire, please describe your inability to provide any service you identified as a No response.

FSA Administration Services Questionnaire

Qualifications of the Firm

- 1) Please provide all pertinent information relative to your organization. Name, address of corporate office, local Pima County office (if applicable), ownership of your company, etc.
- 2) Who will be the County's account service team? Please provide resumes or equivalent background experience. What dollar authority levels do these team members possess to resolve any service issues or performance breakdowns? Where are they located?
- 3) What is your company's financial rating (if applicable)? Has it been raised or lowered in the past four years? Please explain.
- 4) Has your company been merged, purchased or otherwise been acquired by another organization within the past three years? Is your company planning or anticipating IT System changes, downsizing, and office closures or staff reductions? If so, explain how those changes will impact this contract (e.g. service center consolidation, IT platform changes, major software updates, etc.).

General Interrogatories

- 5) In conjunction with your Administrative Services, do you provide the following forms and/or notices? (Y/N)

Election Confirmation Notice

Health FSA COBRA Election Form

Health FSA HIPAA Privacy Notice

Mid Year Election Change Form

Quarterly Account Balance Statement

Reimbursement Request Forms for FSA, DCA and Parking

Year End Reminder Notice for Accounts with Balances

FSA Administration Services Questionnaire

General Interrogatories

6) Please identify which method you accept request for reimbursement. (Y/N)

E-Mail Receipts

Fax Receipts

Mail Receipts

7) Does your participant web based portals allow the following functionality for users?
(Y/N)

-Frequently asked questions about Health FSA, Limited Purpose Health FSA, DCA's and Qualified Transportation Benefit Programs (QTBP)

-Ability to access participant account balances

-Download access to reimbursement forms

-Calculator tools to assist participants to determine the annual amount to fund into their applicable account(s)

-Updated lists of eligible medical expenses for FSA and Limited Purpose Medical Expense FSA (HSA participants)

-Updated lists of eligible expenses for DCA and QTBP

-Updated lists of QTC medications that qualify

8) How often do you allow participants to be reimbursed?

9) Is there a minimum amount/level threshold you require for reimbursement?

10) Do you require an account to be prefunded prior to a reimbursement?

FSA Administration Services Questionnaire

General Interrogatories

- 11) Is postage for participant mailings included or excluded in your administrative fee?
- 12) Can you administer the unused Health FSA balance distributions to participants who may be called to military duty for more than 180 days pursuant to IRS Notice 2008-82 as part of the HEART Act?
- 13) Please describe your capability to accept electronic enrollment files from the County for participants.
- 14) Does your organization accept accountability and liability associated with actions or errors or your part that may result in the County's plan being disqualified under IRS Section 125?
- 15) As the County has both a general Medical FSA and a Limited Purpose Medical FSA, explain how your organization makes sure that only those eligible and appropriate expenses are reimbursed under the Limited Purpose FSA.
- 16) Do your reimbursement denial letters specify the reason for denial and site plan provisions? Is there a mechanism for the participant to obtain further clarification and/or provide additional information/documentation to have the claim reconsidered?
- 17) Please describe how you manage overpayments of reimbursements.
- 18) Please describe how you manage underpayments of reimbursements.
- 19) How do you ensure that only allowable (eligible) expenses are paid under the DCA or QTBP categories?
- 20) Is your debit card use limited to vendors who only have a MCC (merchant category code)?

FSA Administration Services Questionnaire

General Interrogatories

- 21) Is there a limit on the number of debit card(s) you issue per family unit?
- 22) Do you agree to perform the County's non-discrimination testing each year? Testing shall include the Health FSA Eligibility and Benefits Tests, the DCA Contributions and Benefits Test, the DCA Eligibility Test, the DCA Greater than 5% Owner's Concentration Test and DCA 55% Average Benefits Test.
- 23) Do you allow debit card users the flexibility to use the debit card or submit claims via alternative means (hardcopy)? Or do you restrict debit card users to the debit card only method?
- 24) Are debit cards offered as an option to participants? Or must all participants sign up for debit card usage?
- 25) Can DCA and Parking reimbursements be allowed via the debit card?
- 26) When do you provide forfeiture reports to the County?
- 27) Please describe the standard reports available to the County? Is access to these reports available electronically?
- 28) Describe your transition plan (take over process) if the County awards a contract to you (run in claims or claims in appeal, etc.).
- 29) Please describe your at risk performance guarantees you wish to provide the County associated with your FSA, DCA and QTBP Administrative Services.

FSA, Dependent Care and QTBP Fee Proposal Form

FSA, Dependent Care and QTBP Fee Proposal Form						
		Year 1	Year 2	Year 3	Year 4	Year 5
Are the Following Services Included (Y) or Excluded (N) In Your Fee Proposal? Note: PPPM = Per Participant Per Month	Yes or No	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Employer - Web Based Enrollment		\$0	\$0	\$0	\$0	\$0
Employer - Web Based Payment Review		\$0	\$0	\$0	\$0	\$0
Employer - Open Enrollment Materials		\$0	\$0	\$0	\$0	\$0
Employer - Open Enrollment Attendance		\$0	\$0	\$0	\$0	\$0
Create Client Flex Plan Documents		\$0	\$0	\$0	\$0	\$0
Amend Clients Flex Plan Documents as Needed		\$0	\$0	\$0	\$0	\$0
Employee Mailings - Confirm Enrollment		\$0	\$0	\$0	\$0	\$0
Employee Mailings - Year End and Quarterly Account Balances		\$0	\$0	\$0	\$0	\$0
Employee Communication - On Going		\$0	\$0	\$0	\$0	\$0
Postage Costs		\$0	\$0	\$0	\$0	\$0
Total		\$0	\$0	\$0	\$0	\$0
Are the following Non-Discrimination Tests included in your services? Note: PPPM = Per Participant Per Month	Yes or No	Year 1	Year 2	Year 3	Year 4	Year 5
2013-2014	2014-2015	2015-2016	2016-2017	2017-2018		
Medical FSA - Eligibility Testing		\$0	\$0	\$0	\$0	\$0
Medical FSA - Benefits Testing		\$0	\$0	\$0	\$0	\$0
Dependent Care - Eligibility Testing		\$0	\$0	\$0	\$0	\$0
Dependent Care - Contribution and Benefits Testing		\$0	\$0	\$0	\$0	\$0
Dependent Care - 55% Average Benefits Testing		\$0	\$0	\$0	\$0	\$0
Dependent Care - +5% Concentration Testing		\$0	\$0	\$0	\$0	\$0
Annual Set Up Fees (If any)		\$0	\$0	\$0	\$0	\$0
Annual Fees for Year 2013-2014 (first year fees)		\$0	\$0	\$0	\$0	\$0
Annual Renewal/Subsequent Year Fees		\$0	\$0	\$0	\$0	\$0
Medical FSA administration Fees (PPPM)		\$0	\$0	\$0	\$0	\$0
Medical Limited Purpose FSA Administration Fees (PPPM)		\$0	\$0	\$0	\$0	\$0
Dependent Care Administration (PPPM)		\$0	\$0	\$0	\$0	\$0
Parking Administration (PPPM)		\$0	\$0	\$0	\$0	\$0
Annual Debit Card Fees - Only for those who wish to have one (if any)		\$0	\$0	\$0	\$0	\$0
Debit Card Transaction Fees (if any)		\$0	\$0	\$0	\$0	\$0
Total		\$0	\$0	\$0	\$0	\$0
Total		\$0	\$0	\$0	\$0	\$0
Other Fees: Please state any other fees or costs you wish to charge the County or its employees that are <u>not</u> included or addressed above:		Year 1	Year 2	Year 3	Year 4	Year 5
2013-2014	2014-2015	2015-2016	2016-2017	2017-2018		
		\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0	\$0
Total		\$0	\$0	\$0	\$0	\$0
Comments:						
Vendor Name:						
Authorized Signature:						
Date:						

EMPLOYEE ASSISTANCE PROGRAM (EAP) SERVICES QUESTIONNAIRE

Qualifications of the Firm

- 1) Please provide all pertinent information relative to your organization. Name, address of corporate office, local Pima County office (if applicable), ownership of your company, etc.
- 2) Who will be the County's account service team? Please provide resumes or equivalent background experience. What dollar authority levels do these team members possess to resolve any service issues or performance breakdowns? Where are they located?
- 3) What is your company's financial rating (if applicable)? Has it been raised or lowered in the past four years? Please explain.
- 4) Has your company been merged, purchased or otherwise been acquired by another organization within the past three years? Is your company planning or anticipating IT System changes, downsizing, and office closures or staff reductions? If so, explain how those changes will impact this contract (e.g. service center consolidation, IT platform changes, major software updates, etc.).

General Interrogatories

- 5) Is your organization able to provide crisis mental health and/or substance abuse triage services by licensed professionals 24 hours/day for the entire calendar year?
- 6) How does your organization ensure qualified intake counselors are available for urgent situations?
- 7) What type of records and data bases do you maintain to report utilization of services to County participants?
- 8) Please describe the various reports available to the County that you will provide at no cost (standard reporting package).

EMPLOYEE ASSISTANCE PROGRAM (EAP) SERVICES QUESTIONNAIRE

General Interrogatories

- 9) Please propose how you would transition EAP services from our current vendor to your organization?
- 10) Please describe your web based tools and resources for the County and its employees that you make readily available.
- 11) Describe your normal business hours of operation and discuss how your organization can be accessed after your normal business hours.
- 12) Do you have minimum educational and clinical experience standards for your staff? What percentage of your counseling or therapist staff is Master's level educated?
- 13) Describe the qualifications of your front line intake personnel – those who first interact with participants over the phone or in person.
- 14) Does your organization provide background checks on its employees or contracted/credentialed (non-employed) providers? If so, please explain.
- 15) Does your organization conduct customer satisfaction follow up surveys? Can you perform this for County employees versus your book of business?
- 16) Does your organization follow the Employee Assistance Professionals Association promulgated guidelines? Also, is your organization accredited by EASNA (Employee Assistance Society of North America)? If the answer is no, is your organization reviewed by any external party to ensure quality oversight?
- 17) Will your organization provide educational and training seminars for County staff annually as well as provide annual orientation meetings for participants? If there are limits to the number of days or hours that you include in your base fee please explain.

EMPLOYEE ASSISTANCE PROGRAM (EAP) SERVICES QUESTIONNAIRE

General Interrogatories

- 18) Please describe your mode and method for distributing communication of your services throughout the County's workforce.
- 19) The County will require your organization to have hold harmless language and appropriate indemnification provisions in your contract relative to actions or inactions by your staff or subcontracted providers that results in a liability claim based upon your organizations services?
- 20) Please describe the types of EAP services your organization proposes to provide to the County and articulate whether the professional resources you utilize are employed or contracted by service type.
- 21) Describe your EAP provider network within Pima County. Are there any specialized services that cannot be performed in Pima County? Please elaborate where any of these specialized services would be provided.
- 22) Describe your internal process for managing referrals from intake through provision of service.
- 23) What percentages of your referrals are dealt with by your EAP counseling staff versus referred to a source other than your EAP?
- 24) Describe your organizations behavioral health or substance abuse diagnosis limitations whereby you would provide a referral to the medical community.

EMPLOYEE ASSISTANCE PROGRAM (EAP) SERVICES QUESTIONNAIRE

General Interrogatories

- 25) Describe how your organization determines when, why, and how to integrate or triage EAP services rendered to participants into the self-insured medical plan network of providers.
- 26) Will you provide any dedicated case workers or counselors to the County account? If so, how many?
- 27) Describe how your organizations counselors respond to participants in an emergency situation?
- 28) Describe your organizations critical incident/situation debriefings resources that may occur within a client's environment. Do you agree to provide these services if needed within your base fee proposal? If there are any limitations (number of hours or days) relative to these services, please explain.
- 29) Within Arizona, please describe your organizations total EAP visits during 2012, and the average number of EAP visits per enrollee.
- 30) How many clients do you provide EAP services to within Arizona? What is the average size per employer client (average number of employees per client)?
- 31) Please describe your referral process and procedures for the County to send management mandated employee referrals to your organization.

Employee Assistance Program Fee Proposal Form

Employee Assistance Program Fee Proposal Form					
NOTE: Fee is predicated on a 5 visit/year program and must include legal, financial, work life counseling, childcare and eldercare services with web based support. Also, annual management training and employee orientations must be included in your fee.					
EAP Fee Proposal (PEPM)	Year 1	Year 2	Year 3	Year 4	Year 5
	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
EAP Fee (PEPM)	\$0	\$0	\$0	\$0	\$0
Number of hours included in your fee above for training, education and employee orientation seminars.	\$0	\$0	\$0	\$0	\$0
Rate per hour for any additional training or education not included above.	\$0	\$0	\$0	\$0	\$0
Do you charge for travel time? If yes, what rate per hour?	\$0	\$0	\$0	\$0	\$0
Number of hours included in your fee relative to Critical Incident Debriefings	\$0	\$0	\$0	\$0	\$0
Rate per hour for any additional Critical Incident hours not included above.	\$0	\$0	\$0	\$0	\$0
Comments:					
Vendor Name:					
Authorized Signature:					
Date:					

SAMPLE CONTRACT

PIMA COUNTY DEPARTMENT OF HUMAN RESOURCES	(STAMP HERE)
PROJECT: Self-Insurance Benefits	
CONTRACTOR: [awardee legal name & address]	
AMOUNT: \$[]	
FUNDING: General and Various Funds	

PROFESSIONAL SERVICES CONTRACT - Board of Supervisors

THIS CONTRACT entered between Pima County, a body politic and corporate of the State of Arizona, hereinafter called COUNTY; and [Legal Name as documented by the ACC or sole proprietorship], hereinafter called CONTRACTOR.

WITNESSETH

WHEREAS, COUNTY requires the services of a CONTRACTOR to provide Self-Insurance Benefits; and

WHEREAS, consistent with Board of Supervisors Policy D29.6 CONTRACTOR submitted the most advantageous response to Solicitation # (XXXXX) for offer(s) dated [99/99/9999] titled [name] [No. 70513] for said 1) Third Party Administrative Services (TPA), 2) Excess Loss or Stop Loss Coverage (SL), 3) Pharmacy Benefit Management Services (PBM), 4) COBRA Administration Services, 5) Flexible Spending, Dependent Care and Parking Administration Services AND/OR 6) Employee Assistance Program Services (EAP)

SAMPLE CONTRACT

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE I - TERM AND EXTENSION/RENEWAL/CHANGES

This Contract, as awarded by the Board of Supervisors, shall commence on July 1st, 2013 and shall terminate on June 30th, 2015, unless sooner terminated or further extended pursuant to the provisions of this Contract. The parties may renew this Contract for up to three (3) additional one-year periods or any portion thereof.

Any modification, or extension of the contract termination date, shall be by formal written amendment executed by the parties hereto.

Amendments to the Contract must be approved by the Board of Supervisors or the Procurement Director, as required by the Pima County Procurement code, before any work or deliveries under the Amendment commences.

ARTICLE II – SCOPE OF SERVICES

This Contract establishes the agreement under which the CONTRACTOR will provide COUNTY with products and services in accordance with the Specified Scope of Services and Minimum Requirements referenced on Pages 19-31.

CONTRACTOR shall provide COUNTY the goods and services as defined in this Contract. All goods and services shall comply with the requirements and specifications as called for in this Contract and solicitation documents contained or referenced in Pima County Solicitation No. [70513], and response to RFP; these documents are incorporated into the Contract the same as set forth in full herein.

CONTRACTOR shall employ suitably trained and skilled professional personnel to perform all services under this Contract. Prior to changing any key personnel, especially those key personnel COUNTY relied upon in making this Contract, CONTRACTOR shall obtain the approval of COUNTY. The key personnel include the following staff:

ARTICLE III – COMPENSATION AND PAYMENT

In consideration for the goods and services specified in this Contract, the COUNTY agrees to pay CONTRACTOR in an amount not to exceed \$[]. Pricing for work will be as set forth in applicable Service Category - Pima County Bidders Fee Proposal.

Although State and City sales tax may not be fully or accurately defined on an order, they will be paid when they are DIRECTLY applicable to Pima County and invoiced as a separate line item; those taxes should not be included in the item unit price.

CONTRACTOR shall provide detailed documentation in support of requested payment. Payment will be made as described in the Bidders Fee Proposal Forms (Excel files attached) which is incorporated by this reference.

It is the intention of both parties that pricing shall remain firm during the term of the contract. Price increases shall only be considered in conjunction with a renewal of the Contract. In the event that economic conditions are such that unit price increases are desired by the CONTRACTOR upon renewal of the Contract, CONTRACTOR shall submit a written request to COUNTY with supporting documents justifying such increases at least 180 days prior to the expiration date of the Contract. It is agreed that the Unit Prices shall include compensation for the CONTRACTOR to implement and actively conduct cost and price control activities. COUNTY will review the proposed pricing and determine if it is in the best interest of COUNTY to renew or extend the Contract as provided for in Article I of this Contract.

CONTRACTOR shall not provide goods and services in excess of that defined by this agreement without prior written authorization by an amendment executed by COUNTY. Goods and Services provided in excess of Line Item or Contract Total Amounts without prior authorization by fully executed amendment shall be at CONTRACTOR'S own risk.

For the period of record retention required under Article XXII, COUNTY reserves the right to question any payment made under this Article and to require reimbursement therefore by setoff or otherwise for payments determined to be improper or contrary to the contract or law.

SAMPLE CONTRACT

ARTICLE IV – INSURANCE

The CONTRACTOR’S insurance shall be primary insurance and non-contributory with respect to all other available sources. CONTRACTOR shall obtain and maintain at its own expense, during the entire term of this Contract the following type(s) and amounts of insurance:

- a) Commercial General Liability in the amount of \$5,000,000 combined single limit Bodily Injury and Property Damage. Pima County is to be named as an additional insured for all operations performed within the scope of the Contract between Pima County and CONTRACTOR;
- b) Commercial or Business automobile liability coverage for owned, non-owned and hired vehicles used in the performance of this Contract with limits in the amount of \$1,000,000 combined single limit or \$1,000,000 bodily Injury, \$1,000,000 Property Damage;
- c) If this Contract involves professional services, professional liability insurance in the amount of \$5,000,000; Cyber liability coverage in the amount of \$5,000,000 and,
- d) If required by law, workers’ compensation coverage including employees’ liability coverage.

CONTRACTOR shall provide COUNTY with current certificates of insurance. All certificates of insurance must provide for guaranteed thirty (30) days written notice to the COUNTY of cancellation, non-renewal or material change.

SAMPLE CONTRACT

ARTICLE V - INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless COUNTY, its officers, employees and agents from and against any and all suits, actions, legal administrative proceedings, claims or demands and costs attendant thereto, arising out of any act, omission, fault or negligence by the CONTRACTOR, its agents, employees or anyone under its direction or control or on its behalf in connection with performance of this Contract.

CONTRACTOR warrants that all products and services provided under this contract are non-infringing. CONTRACTOR will indemnify, defend and hold COUNTY harmless from any claim of infringement arising from services provided under this contract or from the provision, license, transfer or use for their intended purpose of any products provided under this Contract.

ARTICLE VI - COMPLIANCE WITH LAWS

CONTRACTOR shall comply with all federal, state, and local laws, rules, regulations, standards and Executive Orders, without limitation to those designated within this Contract. The laws and regulations of the State of Arizona shall govern the rights of the parties, the performance of this Contract, and any disputes hereunder. Any action relating to this Contract shall be brought in a court of the State of Arizona in Pima County. Any changes in the governing laws, rules, and regulations during the terms of this Contract shall apply, but do not require an amendment.

ARTICLE VII - INDEPENDENT CONTRACTOR

The status of the CONTRACTOR shall be that of an independent contractor. Neither CONTRACTOR, nor CONTRACTOR'S officer's agents or employees shall be considered an employee of Pima County or be entitled to receive any employment-related fringe benefits under the Pima County Merit System. CONTRACTOR shall be responsible for payment of all federal, state and local taxes associated with the compensation received pursuant to this Contract and shall indemnify and hold COUNTY harmless from any and all liability which COUNTY may incur because of CONTRACTOR'S failure to pay such taxes. CONTRACTOR shall be solely responsible for program development and operation.

SAMPLE CONTRACT

ARTICLE VIII - SUBCONTRACTOR

CONTRACTOR will be fully responsible for all acts and omissions of any subcontractor and of persons directly or indirectly employed by any subcontractor and of persons for whose acts any of them may be liable to the same extent that the CONTRACTOR is responsible for the acts and omissions of persons directly employed by it. Nothing in this contract shall create any obligation on the part of COUNTY to pay or see to the payment of any money due any subcontractor, except as may be required by law.

ARTICLE IX - ASSIGNMENT

CONTRACTOR shall not assign its rights to this Contract, in whole or in part, without prior written approval of the COUNTY. Approval may be withheld at the sole discretion of COUNTY, provided that such approval shall not be unreasonably withheld.

ARTICLE X - NON-DISCRIMINATION

CONTRACTOR agrees to comply with all provisions and requirements of Arizona Executive Order 2009-09 **including flow down of all provisions and requirements to any subcontractors.** Executive Order 2009-09 supersedes Executive order 99-4 and amends Executive order 75-5 and may be viewed and downloaded at the Governor of the State of Arizona's website http://www.azgovernor.gov/dms/upload/EO_2009_09.pdf which is hereby incorporated into this contract as if set forth in full herein. During the performance of this contract, CONTRACTOR shall not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.

ARTICLE XI - AMERICANS WITH DISABILITIES ACT

CONTRACTOR shall comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36.

SAMPLE CONTRACT

ARTICLE XII - AUTHORITY TO CONTRACT

CONTRACTOR warrants its right and power to enter into this Contract. If any court or administrative agency determines that COUNTY does not have authority to enter into this Contract, COUNTY shall not be liable to CONTRACTOR or any third party by reason of such determination or by reason of this Contract.

ARTICLE XIII - FULL AND COMPLETE PERFORMANCE

The failure of either party to insist on one or more instances upon the full and complete performance with any of the terms or conditions of this Contract to be performed on the part of the other, or to take any action permitted as a result thereof, shall not be construed as a waiver or relinquishment of the right to insist upon full and complete performance of the same, or any other covenant or condition, either in the past or in the future. The acceptance by either party of sums less than may be due and owing it at any time shall not be construed as an accord and satisfaction.

ARTICLE XIV - CANCELLATION FOR CONFLICT OF INTEREST

This Contract is subject to cancellation for conflict of interest pursuant to ARS § 38-511, the pertinent provisions of which are incorporated into this Contract by reference.

SAMPLE CONTRACT

ARTICLE XV – TERMINATION OF CONTRACT FOR DEFAULT

A. Upon a failure by CONTRACTOR to cure a default under this Contract within 10 days of receipt of notice from COUNTY of the default, COUNTY may, in its sole discretion, terminate this Contract for default by written notice to CONTRACTOR. In this event, COUNTY may take over the work and complete it by contract or otherwise. In such event, CONTRACTOR shall be liable for any damage to the COUNTY resulting from CONTRACTOR's default, including any increased costs incurred by COUNTY in completing the work.

B. The occurrence of any of the following, without limitation to the named events, shall constitute an event of default:

1. Abandonment of or failure by CONTRACTOR to observe, perform or comply with any material term, covenant, agreement or condition of this Contract, or to prosecute the work or any separable part thereof with the diligence that will insure completion within the time specified in this contract, including any extension, or a failure to complete the work (or the separable part of the work) within the specified time;
2. Persistent or repeated refusal or failure to supply adequate staff, resources or direction to perform the work on schedule or at an acceptable level of quality;
3. Refusal or failure to remedy defective or deficient work within a reasonable time;
4. Loss of professional registration or business or other required license or authority, or any curtailment or cessation for any reason of business or business operations that would substantially impair or preclude CONTRACTOR's performance of this Contract;
5. Disregard of laws, ordinances, or the instructions of COUNTY or its representatives, or any otherwise substantial violation of any provision of the contract;
6. Performance of work hereunder by personnel that are not qualified or permitted under state law or local law to perform such services;
7. Commission of any act of fraud, misrepresentation, willful misconduct, or intentional breach of any provision of this Contract; or
8. If a voluntary or involuntary action for bankruptcy is commenced with respect to CONTRACTOR, or CONTRACTOR becomes insolvent, makes a general assignment for the benefit of creditors, or has a receiver or liquidator appointed in respect of its assets.

SAMPLE CONTRACT

ARTICLE XV – TERMINATION OF CONTRACT FOR DEFAULT (continued)

C. In the event of a termination for default:

1. All finished and unfinished drawings, specifications, documents, data, studies, surveys, drawings, photographs, reports and other information in whatever form, including electronic, acquired or prepared by CONTRACTOR for this project shall become COUNTY's property and shall be delivered to COUNTY not later than five (5) business days after the effective date of the termination;
2. COUNTY may withhold payments to CONTRACTOR arising under this or any other Contract for the purpose of set-off until such time as the exact amount of damage due COUNTY from CONTRACTOR is determined; and
3. Subject to the immediately preceding subparagraph (2), COUNTY's liability to CONTRACTOR shall not exceed the Contract value of work satisfactorily performed prior to the date of termination for which payment has not been previously made.

D. The Contract will not be terminated for default nor the CONTRACTOR charged with damages under this Article, if:

- (1) Excepting item (8) in paragraph B above, the event of default or delay in completing the work arises from unforeseeable causes beyond the control and without the fault or negligence of CONTRACTOR. Examples of such causes include—
 - (i) Acts of God or of the public enemy,
 - (ii) Acts of the COUNTY in either its sovereign or contractual capacity,
 - (iii) Acts of another Contractor in the performance of a contract with the COUNTY,
 - (iv) Fires,
 - (v) Floods,
 - (vi) Epidemics,
 - (vii) Quarantine restrictions,
 - (viii) Strikes,
 - (ix) Freight embargoes,
 - (x) Unusually severe weather, or
 - (xi) Delays of subcontractors at any tier arising from unforeseeable causes beyond the control and without the fault or negligence of both CONTRACTOR and the subcontractor(s); and

SAMPLE CONTRACT

ARTICLE XV – TERMINATION OF CONTRACT FOR DEFAULT (continued)

(2) The CONTRACTOR, within seven (7) days from the beginning of any event of default or delay (unless extended by COUNTY), notifies the COUNTY in writing of the cause(s) therefore. In this circumstance, the COUNTY shall ascertain the facts and the extent of the resulting delay. If, in the reasonable judgment of COUNTY, the findings warrant such action, the time for completing the work may be extended.

E. For the purposes of paragraph A above, “receipt of notice” shall include receipt by hand by CONTRACTOR’s designated representative, by facsimile transmission with notice of receipt, or under the Notices clause of this Contract.

F. If, after termination of the Contract for default, it is determined that the CONTRACTOR was not in default, or that the delay was excusable, the rights and obligations of the parties will be the same as if the termination had been issued for the convenience of the COUNTY.

G. The rights and remedies of COUNTY in this Article are cumulative and in addition to any other rights and remedies provided by law or under this contract.

ARTICLE XVI – TERMINATION FOR CONVENIENCE

COUNTY reserves the right to terminate this Contract at any time and without cause by serving upon CONTRACTOR 30 days advance written notice of such intent to terminate. In the event of such termination, the COUNTY'S only obligation to CONTRACTOR shall be payment for services rendered prior to the date of termination.

Notwithstanding any other provision in this Contract, this Contract may be terminated if for any reason, there are not sufficient appropriated and available monies for the purpose of maintaining COUNTY or other public entity obligations under this Contract. In the event of such termination, COUNTY shall have no further obligation to CONTRACTOR, other than to pay for services rendered prior to termination.

ARTICLE XVII - NOTICE

Any notice required or permitted to be given under this Contract shall be in writing and shall be served by personal delivery or by certified mail upon the other party as follows:

COUNTY:

Mr. Allyn Bulzomi, Director
Pima County Human Resources
150 W. Congress, 5th Floor
Tucson, AZ 85701
(520)724-8672 Phone

CONTRACTOR:

[Name, legal address, fax/phone of
Contractor Officer submitting bid]

ARTICLE XVIII - NON-EXCLUSIVE CONTRACT

CONTRACTOR understands that this Contract is nonexclusive and is for the sole convenience of COUNTY. COUNTY reserves the right to obtain like services from other sources for any reason.

ARTICLE XIX - OTHER DOCUMENTS

CONTRACTOR and COUNTY in entering into this Contract have relied upon information provided in the Pima County Solicitation No. [70513] including the Request for Proposals, Instructions to Bidders, Standard Terms and Conditions, Specific Terms and Conditions, Solicitation Addenda, CONTRACTOR'S Proposal and on other information and documents submitted by the CONTRACTOR in its' response to Solicitation No. [70513]. These documents are hereby incorporated into and made a part of this Contract as if set forth in full herein, to the extent not inconsistent with the provisions of this contract.

ARTICLE XX - REMEDIES

Either party may pursue any remedies provided by law for the breach of this Contract. No right or remedy is intended to be exclusive of any other right or remedy and each shall be cumulative and in addition to any other right or remedy existing at law or at equity or by virtue of this Contract.

SAMPLE CONTRACT

ARTICLE XXI - SEVERABILITY

Each provision of this Contract stands alone, and any provision of this Contract found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of this Contract.

ARTICLE XXII - BOOKS AND RECORDS

CONTRACTOR shall keep and maintain proper and complete books, records and accounts, which shall be open at all reasonable times for inspection and audit by duly authorized representatives of COUNTY.

In addition, CONTRACTOR shall retain all records relating to this contract at least 5 years after its termination or cancellation or, if later, until any related pending proceeding or litigation has been closed.

ARTICLE XXIII- PUBLIC INFORMATION

All information submitted in response to this solicitation, including, but not limited to, pricing, product specifications, work plans, and any supporting data becomes public information and upon request, is subject to release and/or review by the general public including competitors.

Any records submitted in response to this solicitation that respondent reasonably believes constitute proprietary, trade secret or otherwise confidential information must be appropriately and prominently marked as CONFIDENTIAL by respondent prior to the close of the solicitation.

Notwithstanding the above provisions, in the event records marked CONFIDENTIAL are requested for public release pursuant to A.R.S. § 39-121 et seq., County shall release records marked CONFIDENTIAL ten (10) business days after the date of notice to the respondent of the request for release, unless respondent has, within the ten day period, secured a protective order, injunctive relief or other appropriate order from a court of competent jurisdiction, enjoining the release of the records. For the purposes of this paragraph, the day of the request for release shall not be counted in the time calculation. Respondent shall be notified of any

SAMPLE CONTRACT

ARTICLE XXIII- PUBLIC INFORMATION (continued)

request for such release on the same day of the request for public release or as soon thereafter as practicable.

County shall not, under any circumstances, be responsible for securing a protective order or other relief enjoining the release of records marked CONFIDENTIAL, nor shall County be in any way financially responsible for any costs associated with securing such an order.

ARTICLE XXIV – LEGAL ARIZONA WORKERS ACT COMPLIANCE

CONTRACTOR hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to CONTRACTOR’S employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the “State and Federal Immigration Laws”). CONTRACTOR shall further ensure that each subcontractor who performs any work for CONTRACTOR under this contract likewise complies with the State and Federal Immigration Laws.

COUNTY shall have the right at any time to inspect the books and records of CONTRACTOR and any subcontractor in order to verify such party’s compliance with the State and Federal Immigration Laws.

Any breach of CONTRACTOR’S or any subcontractor’s warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting CONTRACTOR to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, CONTRACTOR shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, as soon as possible so as not to delay project completion.

SAMPLE CONTRACT

ARTICLE XXIV – LEGAL ARIZONA WORKERS ACT COMPLIANCE (continued)

CONTRACTOR shall advise each subcontractor of COUNTY’S rights, and the subcontractor’s obligations, under this Article by including a provision in each subcontract substantially in the following form:

“SUBCONTRACTOR hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to SUBCONTRACTOR’S employees, and with the requirements of A.R.S. § 23-214 (A). SUBCONTRACTOR further agrees that COUNTY may inspect the SUBCONTRACTOR’S books and records to insure that SUBCONTRACTOR is in compliance with these requirements. Any breach of this paragraph by SUBCONTRACTOR will be deemed to be a material breach of this contract subjecting SUBCONTRACTOR to penalties up to and including suspension or termination of this contract.”

Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of CONTRACTOR. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of CONTRACTOR’S approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which CONTRACTOR shall be entitled to an extension of time, but not costs.

ARTICLE XXV – SCRUTINIZED BUSINESS OPERATIONS

Pursuant to A.R.S. §§ 35-391.06 and 393.06, contractor hereby certifies that it does not have scrutinized business operations in Iran or Sudan. The submission of a false certification by contractor may result in action up to and including termination of this contract.

ARTICLE XXVI- GRANT COMPLIANCE

N/A

ARTICLE XXVII - OFF-SHORE PERFORMANCE OF WORK PROHIBITED

Due to security and protection concerns, direct services under this contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve Pima County or its beneficiaries and may involve access to secure or sensitive data or personal client data or development or modification of software for the County shall be performed within the borders of the United States. Unless specifically

SAMPLE CONTRACT

ARTICLE XXVII - OFF-SHORE PERFORMANCE OF WORK PROHIBITED (cont.)

stated otherwise in specifications, this definition does not apply to indirect or “overhead” services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

ARTICLE XXVIII – HIPAA

The parties acknowledge that County’s health benefit program is a “covered entity” as described in 45 C.F.R. §160.103 of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and is required to comply with the provisions of HIPAA with respect to safeguarding the privacy, confidentiality and security of protected health information. CONTRACTOR acknowledges that it may obtain confidential personal health information of COUNTY’S health benefit program participants in the course of CONTRACTOR’S performance under the terms of this CONTRACT. “Confidential personal health information” includes information that could be used to identify a participant, information pertaining to the participant’s care, treatment or experience in COUNTY’S program, and information pertaining to the cost of, payment for, or collections activities related to participant’s care, treatment and experience in COUNTY’S program. CONTRACTOR agrees to maintain the privacy, confidentiality and security of information it may obtain in the course of its performance under this CONTRACT. In particular, CONTRACTOR agrees that it is COUNTY’S Business Associate and agrees to be bound by the Business Associate Agreement in Exhibit C which is incorporated into this agreement, and further specifically agrees that:

- A. Any confidential personal health information that CONTRACTOR may obtain shall remain the sole property of the COUNTY; and
- B. CONTRACTOR shall establish and maintain procedures and controls that are acceptable to COUNTY to assure that no confidential personal health information contained in its records or obtained from COUNTY or from others in carrying out its functions under this CONTRACT shall be used by or disclosed by CONTRACTOR, its agents, officers, employees or subcontractors, except as required in the performance of its obligations under the terms of this CONTRACT; and
- C. CONTRACTOR shall not remove any confidential personal health information from COUNTY premises, if applicable; and
- D. Any other information pertaining to individual persons shall not be divulged other than to employees or officers of CONTRACTOR as needed for the performance of its duties under this CONTRACT, or to COUNTY.

SAMPLE CONTRACT

ARTICLE XXIX - ENTIRE AGREEMENT

This document constitutes the entire agreement between the parties pertaining to the subject matter hereof, and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. This Contract may be modified, amended, altered or extended only by a written amendment signed by the parties.

IN WITNESS THEREOF, the parties have affixed their signatures to this Contract on the date written below.

PIMA COUNTY

CONTRACTOR

Chair, Board of Supervisors

Authorized Officer Signature

Date

Printed Name and Title

Date_____

ATTEST

Clerk of Board

Date

APPROVED AS TO FORM

Deputy County Attorney

Print DCA Name

Date

APPROVED AS TO CONTENT

Department Head

Date

Refer to RFP 70513

EXHIBIT A –Bidders Fee Proposals

See Attached Excel File

EXHIBIT B - BUSINESS ASSOCIATE AGREEMENT

WHEREAS, COUNTY entered into this Agreement on behalf of _____ which is a “covered entity” as defined in 45 CFR §160.103; and,

WHEREAS, COUNTY has determined that [CONTRACTOR] is a “business associate” of COUNTY as defined in 45 CFR §160.103; and,

WHEREAS, the Standards for Privacy of Individually Identifiable Health Information at 45 CFR part 160 and part 164, subparts A and E require that an agreement be entered into specifying the ways in which [CONTRACTOR] is permitted to use and disclose protected health information which is provided by COUNTY;

NOW, THEREFORE, [CONTRACTOR] agrees to comply with and be bound by the following Business Associate Agreement provisions:

1. Definitions. Terms used, but not otherwise defined in this Appendix shall have the same meaning as those terms in 45 CFR § 160.103 and § 164.501 as currently drafted or subsequently amended.

1.1 “Business associate” means _____

1.2 “Covered entity” means COUNTY’S _____

1.3 “HITECH” means the provisions of the Health Information Technology for Economic and Clinical Health Act enacted on February 17, 2009 as Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 (ARRA) (PL 111-5).

1.4 “Individual” has the same meaning as the term “individual” in 45 CFR §164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR §164.502(g).

1.5 “Minimum necessary” means the standard as set forth in 45 CFR §164.502(b).

1.6 “PHI” means “protected health information” the term is defined in 45 CFR 164.501, limited to the information created or received by the business associate from or on behalf of the covered entity.

1.7 “Privacy Rule” means the Standards for Privacy of Individually Identifiable Health Information at 45 CFR part 160 and part 164, subparts A and E.

1.8 “Security Rule” means the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR part 164, subpart C.

2. Permissive uses of PHI by business associate.

2.1 Services. Except as otherwise specified herein, business associate may make only those uses of PHI necessary to perform its obligations under the Agreement provided that such use or disclosure would not violate the Privacy Rule if done by the covered entity. All other uses not authorized by this Appendix are prohibited, unless agreed to in writing by COUNTY.

2.2 Activities. Excepts as otherwise limited in this Appendix, business associate may:

2.2.1 Use the PHI for the proper management and administration of the business associate and to fulfill any present or future legal responsibilities of business associate provided that such uses are permitted under State and Federal confidentiality laws.

2.2.2 Disclose the PHI to a third party for the proper management and administration of the business associate, provided that:

2.2.2.1 Disclosures are required by law; or

2.2.2.2 Business associate obtains reasonable assurances from the third party that the PHI will remain confidential and not be used or further disclosed except as required by law or for the purpose for which it was disclosed to that third party and the third party notifies the business associate of any instances of which it is aware in which the confidentiality of the PHI has been breached.

3. Obligations of business associate with respect to PHI.

- 3.1 With regard to use and disclosure of PHI provided by covered entity, business associate agrees not to use or further disclose PHI other than as permitted or required by this Appendix or as required by law.
- 3.2 With regard to use and disclosure of PHI provided by covered entity, business associate further agrees to:
- 3.2.1 Use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Appendix;
 - 3.2.2 Mitigate, to the extent practicable, any harmful effect that is known to business associate of a use or disclosure of PHI by business associate in violation of the requirements of this Appendix;
 - 3.2.3 Report to covered entity, in writing, any use or disclosure of PHI not permitted or required by this Appendix of which it becomes aware within fifteen (15) days of business associate's discovery of such unauthorized use or disclosure;
 - 3.2.4 Ensure that any agent, including a subcontractor, to whom business associate provides PHI agrees in writing to the same restrictions and conditions on use and disclosure of PHI that apply to business associate;
 - 3.2.5 Make available all records, books, agreements, policies and procedures relating to the use or disclosure of PHI to the Secretary of HHS for purposes of determining covered entity's compliance with the Privacy Rule, subject to applicable legal privileges;
 - 3.2.6 Make available, within seven (7) days of a written request, to covered entity during normal business hours at business associate's offices all records, books, agreements, policies and procedures relating to business associate's use or disclosure of PHI to enable covered entity to determine business associate compliance with the terms of this Appendix;
 - 3.2.7 Provide access to PHI to the covered entity or the individual to whom PHI relates at the request of and in the time and manner chosen by covered entity to meet the requirements of 45 CFR § 164.524;
 - 3.2.8 Make any amendment(s) to PHI that covered entity directs pursuant to 45 CFR §164.526;
 - 3.2.9 Provide, within fifteen (15) days of a written request, to covered entity such information as is request by covered entity to permit covered entity to respond to a request by an individual for an accounting of the disclosures of the individual's PHI in accordance with 45 CFR §164.528; and
 - 3.2.10 Disclose to subcontractors, agents or other third parties, and request from covered entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted under the Agreement.
- 3.3 With regard to securing PHI provided by covered entity, business associate agrees to comply with the requirements for business associates established by HITECH, the Security Rule and such modifications or additions to the Security Rule as may be established by the Secretary of the U.S. Department of Health and Human Services related to the Security Rule.

4. Term and Termination.

- 4.1 **Term.** This Appendix shall become effective on _____ and shall continue in effect until all obligations of the Parties have been met, unless the Agreement is terminated as provided in Article _____ or as provided in this Section 4.
- 4.2 **Termination by County.** Upon COUNTY'S knowledge of a material breach or violation of the terms of this Appendix by business associate COUNTY, in its sole discretion, may:
- 4.2.1 Immediately terminate the Agreement; or,
 - 4.2.2 Provide business associate with an opportunity to cure the breach or violation within the time specified by COUNTY. If business associate fails to cure the breach or end the violation within the time specified by COUNTY, then COUNTY will either:
 - 4.2.2.1 Terminate the Agreement; or,
 - 4.2.2.2 If COUNTY determines termination is not feasible, report the breach or violation to the Secretary of HHS.
- 4.3 **Effect of termination.**
- 4.3.1 Upon termination of the Agreement, for any reason, business associate agrees to return or destroy all PHI, if it is feasible to do so, and retain no copies thereof. Return or destruction shall occur within 60 days of the termination of the Agreement. Business associate shall, upon return or destruction of PHI, provide written attestation to COUNTY that all PHI held by business associate has been returned to COUNTY or has been destroyed.
 - 4.3.2 Business associate further agrees to recover any PHI in the possession of its subcontractors, agents or third parties to whom business associate has provided PHI and return or destroy such PHI within the 60 days after termination of the Agreement. Business associate shall, upon return or destruction of PHI, provide written attestation to COUNTY that all PHI held by business associate has been returned to COUNTY or has been destroyed.
 - 4.3.3 If return or destruction of PHI is not feasible, business associate shall:
 - 4.3.3.1 Notify covered entity in writing of the specific reasons why the business associate has determined it is infeasible to return or destroy the PHI;
 - 4.3.3.2 Agree to extend any and all protections, limitations, and restrictions contained in this Appendix to business associate use and disclosure of any PHI retained after the termination of this Agreement; and

Refer to RFP 70513

4.3.3.3 Agree to limit any further uses and disclosures to those allowed under the Privacy Rule for the purposes that make the return or destruction of PHI infeasible.

4.3.4 If it is not feasible for business associate to obtain PHI in the possession of a subcontractor, agent, or third party to whom business associate has provided PHI, business associate shall:

4.3.4.1 Provide a written explanation to the covered entity why the PHI cannot be obtained;

4.3.4.2 Require the subcontractor, agent, or third party to agree, in writing, to extend any and all protections, limitations, and restrictions contained in this Appendix to the subcontractor's, agent's, or third party's use and disclosure of any PHI retained after the termination of this Agreement; and

4.3.4.3 Require the subcontractor, agent, or third party to agree, in writing, to limit any further uses and disclosures to those allowed under the Privacy Rule for the purposes that make it infeasible for the business associate to obtain the PHI.

5. Miscellaneous.

5.1 Survival. Sections 4.3 and 2.1 solely with respect to PHI retained by the business associate in accordance with Section 4.3(c) and 4.3 (d), shall survive the termination of the Contract for services between COUNTY and [CONTRACTOR] .

5.2 Superceding Effect. Should the terms of this Appendix conflict with the terms of the Agreement, the terms providing for more stringent protections of PHI shall apply. Nothing contained in this Appendix shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements, or limitations of the Agreement other than as stated above in this Appendix.

SAMPLE CONTRACT

PIMA COUNTY STANDARD TERMS AND CONDITIONS (12/20/10)

1. OPENING:

Responses will be publicly opened and respondent's name, and if a Bid the amount, will be read on the date and at the location defined in the *Invitation for Bid (IFB)* or *Request For Proposals (RFP)*. Proposals shall be opened so as to avoid disclosure of the contents of any proposal to competing Offerors during the process of negotiation. All interested parties are invited to attend.

2. EVALUATION:

Responses shall be evaluated to determine which response is most advantageous to the COUNTY considering evaluation criteria, conformity to the specifications and other factors.

If an award is made, the Pima County (COUNTY) will enter into an agreement with the one or multiple respondent(s) that submitted the most responsive proposal and is determined responsible for supplying the required goods or services. Unless otherwise specified on the Bid/Offer document determination of the low/lowest bids will be made considering the total bid amount.

The COUNTY reserves the following rights: 1) to waive informalities in the bid or bid procedure; 2) to reject the response of any persons or corporations that have previously defaulted on any contract with COUNTY or who have engaged in conduct that constitutes a cause for debarment or suspension as set forth in COUNTY Code section 11.32; 3) to reject any and all responses; 4) to re-advertise for bids previously rejected; 5) to otherwise provide for the purchase of such equipment, supplies materials and services as may be required herein; 6) to award on the basis of price and other factors, including but not limited to such factors as delivery time, quality, uniformity of product, suitability for the intended task, and bidder's ability to supply; 7) to increase or decrease the quantity herein specified. Pricing evaluations will be based on pre-tax pricing offered by vendor.

3. AWARD NOTICE:

A *Notice of Recommendation for Award* for IFB or RFP will be posted on the Procurement website and available for review by interested parties. A tabulation of responses will be maintained at the Procurement Department.

PIMA COUNTY STANDARD TERMS AND CONDITIONS (12/20/10)

4. AWARD:

Awards shall be made by either the Procurement Director or the Board of Supervisors in accordance with the Pima County Procurement Code. COUNTY reserves the right to reject any or all offers, bids or proposals or to waive irregularities and informalities if it is deemed in the best interest of the COUNTY. Unless expressly agreed otherwise, resulting agreements are not exclusive, are for the sole convenience of COUNTY, and COUNTY reserves the right to obtain like goods or services from other sources.

5. WAIVER:

Each respondent, by submission of an offer, bid or proposal proclaims and agrees and does waive any and all claims for damages against COUNTY or its officers or employees when any of the rights reserved by COUNTY may be exercised.

6. ACKNOWLEDGEMENT AND ACCEPTANCE:

If Contractor's terms of sale are inconsistent with the terms of the resultant agreement, the terms herein shall govern, unless Contractor's terms are accepted in writing by COUNTY. No oral agreement or understanding shall in any way modify this order or the terms and conditions herein. Contractor's acceptance, delivery or performance called for herein shall constitute unqualified acceptance of the terms and conditions of the resultant agreement.

7. INTERPRETATION and APPLICABLE LAW:

The contract shall be interpreted, construed and given effect in all respects according to the laws of the State of Arizona. If any of Contractors' terms or conditions is not in agreement with County's terms and conditions as set forth herein, COUNTY's shall govern. This Agreement incorporates the complete agreement of the parties with respect to the subject matter of this Agreement. No oral agreement or other understanding shall in any way modify these terms and conditions.

8. WARRANTY:

Contractor warrants goods or services to be satisfactory and free from defects.

PIMA COUNTY STANDARD TERMS AND CONDITIONS (12/20/10)

9. QUANTITY:

The quantity of goods ordered shall not be exceeded or reduced without **written** permission in the form of a properly executed blanket contract, purchase order or contract revision or amendment as required by COUNTY Procurement Code except in conformity with acknowledged industry tolerances. All quantities are estimates and no guarantee regarding actual usage is provided.

10. PACKING:

No extra charges shall be made for packaging or packing material. Contractor shall be responsible for safe packaging conforming to carrier's requirements. All packages shall bear the content(s) quantity, product identification, purchase order number, and destination address plainly marked in indelible ink on the exterior of each package.

11. DELIVERY:

On-time delivery of goods and services is an essential part of the consideration to be received by COUNTY.

A guaranteed delivery date, or interval period from order release date to delivery, must be given if requested by the Price offer document. Upon receipt of notification of delivery delay, COUNTY at its sole option and at no cost to the COUNTY may cancel the order or extend delivery times. Such extension of delivery times will not be valid unless extended in writing by an authorized representative of the COUNTY.

To mitigate or prevent damages caused by delayed delivery, COUNTY may require Contractor to deliver additional quantity utilizing express modes of transport, and or overtime, all costs to be Contractor responsibility. COUNTY reserves the right to cancel any delinquent order, procure from alternate source, and/or refuse receipt of or return delayed deliveries, at no cost to COUNTY. COUNTY reserves the right to cancel any order and/or refuse delivery upon default by Contractor concerning time, cost, or manner of delivery.

Contractor will not be held responsible for unforeseen delays caused by fires, strikes, acts of God, or other causes beyond Contractor's control, provided that Contractor provide immediate notice of delay.

PIMA COUNTY STANDARD TERMS AND CONDITIONS (12/20/10)

12. SPECIFICATION CHANGES:

COUNTY shall have the right to make changes in the specifications, services, or terms and conditions of an order. If such changes cause an increase or decrease in the amount due under an order or in time required for performance, an acceptable adjustment shall be made and the order shall be modified in writing. Any agreement for adjustment must be made in writing. Nothing in this clause shall reduce Contractor's responsibility to proceed without delay in the delivery or performance of an order.

13. INSPECTION:

All goods and services are subject to inspection and testing at place of manufacture, the destination, or both, by COUNTY. Goods failing to meet specifications of the order or contract shall be held at Contractor's risk and may be returned to Contractor with costs for transportation, unpacking, inspection, repacking, reshipping, restocking or other like expenses to be the responsibility of Contractor. In lieu of return of nonconforming supplies, COUNTY, at its sole discretion and without prejudice to COUNTY's rights, may waive any nonconformity, receive the delivery, and treat the defect(s) as a warranty item, but waiver of any condition shall not be considered a waiver of that condition for subsequent shipments or deliveries.

14. SHIPPING TERMS:

Unless stated otherwise by the agreement documents, delivery terms are to be F.O.B. Destination & Freight Prepaid Not Billed ("F.O.B. Destination") are to be included in the Unit Price offered by Contractor and accepted by the COUNTY.

15. PAYMENT TERMS:

Payment terms are net 30, unless otherwise specified by the agreement documents.

16. ACCEPTANCE OF MATERIALS AND SERVICES:

COUNTY will not execute an acceptance or authorize payment for any service, equipment or component prior to delivery and verification that all specification requirements have been met.

PIMA COUNTY STANDARD TERMS AND CONDITIONS (12/20/10)

17. RIGHTS AND REMEDIES OF PIMA COUNTY FOR DEFAULT:

In the event any item furnished by the Contractor in the performance of the agreement should fail to conform to the specifications thereof, or to the sample submitted by the Contractor, COUNTY may reject same, and it shall thereupon become the duty of the Contractor to reclaim and remove the same, without expense to COUNTY, and immediately replace all such rejected items with others conforming to the specifications or samples. Should the Contractor fail, neglect, or refuse immediately to do so, COUNTY, shall have the right to purchase in the open market, in lieu thereof, a corresponding quantity of any such items and to deduct from any monies due or that may become due to the Contractor the difference between the price named in the contract or purchase order and actual cost to COUNTY. In the event the Contractor shall fail to make prompt delivery as specified of any item, the same conditions as to the rights of COUNTY to purchase in the open market and invoke the reimbursement condition above shall apply, except when delivery is delayed by fire, strike, freight embargo, or acts of god or of the government. In the event of cancellation of the contract or purchase order, either in whole or in part, by reason of the default or breach by the Contractor, any loss or damage sustained by COUNTY in procuring any items which the Contractor agreed to supply shall be borne and paid for by the Contractor. The rights and remedies of COUNTY provided above shall not be exclusive and are in addition to any other rights and remedies provided by law or under the contract.

18. FRAUD AND COLLUSION:

Each Contractor, by submission of a bid, proclaims and agrees that no officer or employee of COUNTY or of any subdivision thereof has: 1) aided or assisted the Contractor in securing or attempting to secure a contract to furnish labor, materials or supplies at a higher price than that proposed by any other Contractor; 2) favored one Contractor over another by giving or withholding information or by willfully misleading the bidder in regard to the character of the material or supplies called for or the conditions under which the proposed work is to be done; 3) will knowingly accept materials or supplies of a quality inferior to those called for by any contract; 4) any direct or indirect financial interest in the offer or resulting agreement. Additionally, during the conduct of business with COUNTY, the Contractor will not knowingly certify, or induce others to certify, to a greater amount of labor performed than has been actually performed, or to the receipt of a greater amount or different kind of material or supplies that has been actually received. If at any time it shall be found that the awardee(s) has in presenting any offer(s) colluded with any other party or parties for the purpose of preventing any other offer being made, then the agreement so awarded shall be terminated and that person or entity shall be liable for all damages sustained by COUNTY.

SAMPLE CONTRACT

PIMA COUNTY STANDARD TERMS AND CONDITIONS (12/20/10)

19. COOPERATIVE USE OF RESULTING AGREEMENT:

As allowed by law, the COUNTY has entered into cooperative procurement agreements that enable other Public Agencies to utilize procurement agreements developed by the COUNTY. The Contractor may be contacted by participating agencies and requested to provide services and products pursuant to the pricing, terms and conditions defined by the COUNTY blanket contract, purchase order or contract. Minor adjustments are allowed subject to agreement by both Contractor and Requesting Party to accommodate additional cost or other factors not present in the COUNTY agreement and required to satisfy particular Public Agency code or functional requirements and are within the intended scope of the solicitation and resulting agreement. Any such usage shall be in accordance with State, COUNTY and other Public Agency procurement rules, regulations and requirements and shall be transacted by blanket contract purchase order or contract between the requesting party and Contractor. Contractor shall hold harmless COUNTY, its officers, employees, and agents from and against all liability, including without limitation payment and performance associated with such use. A list of agencies that are authorized to use COUNTY agreements can be viewed at the Procurement Department Internet home page: <http://www.pima.gov/procure> by selecting the link titled *Authorized Use of COUNTY Agreements*.

20. PATENT INDEMNITY:

Contractor shall hold COUNTY, its officers, agents and employees, harmless from liability of any nature or kind, including costs and expenses, for infringement or use of any copyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in connection with the blanket contract purchase order or contract. Contractor may be required to furnish a bond or other indemnification to COUNTY against any and all loss, damage, costs, expenses, claims and liability for patent or copyright infringement.

21. INDEMNIFICATION:

Contractor shall indemnify, defend, and hold harmless COUNTY, its officers, employees and agents from and against any and all suits, actions, legal administrative proceedings, claims or demands and costs attendant thereto, arising out of any act, omission, fault or negligence by the Contractor, its agents, employees or anyone under its direction or control or on its behalf in connection with performance of the blanket contract, purchase order or contract. Contractor warrants that all products and services provided under this contract are non-infringing. Contractor will indemnify, defend and hold COUNTY harmless from any claim of infringement arising from services provided under this contract or from the provision, license, transfer or use for their intended purpose of any products provided under this Contract.

SAMPLE CONTRACT

PIMA COUNTY STANDARD TERMS AND CONDITIONS (12/20/10)

22. UNFAIR COMPETITION AND OTHER LAWS:

Responses shall be in accordance with Arizona trade and commerce laws (Title 44 A.R.S.) and all other applicable COUNTY, State, and Federal laws and regulations.

23. COMPLIANCE WITH LAWS:

Contractor shall comply with all federal, state, and local laws, rules, regulations, standards and Executive Orders, without limitation. The laws and regulations of the State of Arizona shall govern the rights, performance and disputes of and between the parties. Any action relating to this Contract shall be brought in a court of the State of Arizona in COUNTY.

Any changes in the governing laws, rules, and regulations during an agreement shall apply, but do not require an amendment/revisions.

24. ASSIGNMENT:

Contractor shall not assign its rights to the resultant agreement, in whole or in part, without prior written approval of the COUNTY. Approval may be withheld at the sole discretion of COUNTY, provided that such approval shall not be unreasonably withheld.

25. CONFLICT OF INTEREST:

All agreements are subject to the provisions of A.R.S. § 38-511, the pertinent provisions of which are incorporated into and made part of all resultant contracts or purchase orders as if set forth in full herein.

26. NON-DISCRIMINATION:

CONTRACTOR agrees to comply with all provisions and requirements of Arizona Executive Order 2009-09 **including flow down of all provisions and requirements to any subcontractors**. Executive Order 2009-09 supersedes Executive order 99-4 and amends Executive order 75-5 and may be viewed and downloaded at the Governor of the State of Arizona's website http://www.azgovernor.gov/dms/upload/EO_2009_09.pdf which is hereby incorporated into this contract as if set forth in full herein. During the performance of this contract, CONTRACTOR shall not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.

SAMPLE CONTRACT

PIMA COUNTY STANDARD TERMS AND CONDITIONS (12/20/10)

27. NON-APPROPRIATION OF FUNDS:

Pursuant to the provisions of A.R.S. § 11-251, sub-section 42, this agreement may be canceled if for any reason the COUNTY Board of Supervisors does not appropriate funds for the stated purpose of maintaining any agreement. In the event of such cancellation, COUNTY shall have no further obligation, other than for services or goods that have already been received.

28. PUBLIC INFORMATION:

Pursuant to A.R.S. § 39-121 et seq., and A.R.S. § 34-603(H) in the case of construction or Architectural and Engineering services procured under A.R.S. Title 34, Chapter 6, all information submitted in response to this solicitation, including, but not limited to, pricing, product specifications, work plans, and any supporting data becomes public information and upon request, is subject to release and/or review by the general public including competitors.

Any records submitted in response to this solicitation that Contractor reasonably believes constitute proprietary, trade secret or otherwise confidential information must be appropriately and prominently marked as CONFIDENTIAL by Contractor **prior** to the close of the solicitation.

Notwithstanding the above provisions, in the event records marked CONFIDENTIAL are requested for public release pursuant to A.R.S. § 39-121 et seq., COUNTY shall release records marked CONFIDENTIAL ten (10) business days after the date of notice to the Contractor of the request for release, unless Contractor has, within the ten day period, secured a protective order, injunctive relief or other appropriate order from a court of competent jurisdiction, enjoining the release of the records. For the purposes of this paragraph, the day of the request for release shall not be counted in the time calculation. Contractor shall be notified of any request for such release on the same day of the request for public release or as soon thereafter as practicable.

COUNTY shall not, under any circumstances, be responsible for securing a protective order or other relief enjoining the release of records marked CONFIDENTIAL, nor shall COUNTY be in any way financially responsible for any costs associated with securing such an order.

SAMPLE CONTRACT

PIMA COUNTY STANDARD TERMS AND CONDITIONS (12/20/10)

29. CUSTOM TOOLING, DOCUMENTATION AND TRANSITIONAL SUPPORT:

Costs to develop all tooling and documentation, such as and not limited to dies, molds, jigs, fixtures, artwork, film, patterns, digital files, work instructions, drawings, etc. necessary to provide the contracted services or products and are unique to the services or products supplied to COUNTY are included in the agreed upon Unit Price unless specifically stated otherwise in the agreement. It is agreed that such tools and documentation are the property of COUNTY and shall

be marked, as is practical, as the "Property of Pima County" and if requested by COUNTY a copy of the tooling and documentation shall be delivered to COUNTY within twenty days of acceptance by the COUNTY of the first article sample, or not later than ten days of termination of the agreement associated with their development, without additional cost to COUNTY. The Contractor also agrees to act in good faith to facilitate the transition of work to a subsequent Contractor if and as reasonably requested by COUNTY at no additional cost. Should exceptional circumstances be

present that may justify an additional charge, the Contractor may submit said justification and proposed cost and negotiate an agreement acceptable to both Contractor and COUNTY, but Contractor may not withhold any requested

tooling, document or support as defined above that would delay the orderly, efficient and prompt transition of work. Should conduct by the Contractor result in additional costs to the COUNTY the Contractor agrees to reimburse the COUNTY for said actual and incremental costs provided that the COUNTY had given the Contractor reasonable time to respond to the COUNTY's requests for support.

30. AMERICANS WITH DISABILITIES ACT:

Contractor shall comply with all applicable provisions of the Americans with Disabilities Act (public law 101-336, 42 USC 12101-12213) and all applicable federal regulations under the act, including 28 CFR parts 35 and 36.

31. NON-EXCLUSIVE:

Agreements resulting from this solicitation are non-exclusive and are for the sole convenience of Pima County which reserves the right to obtain like goods and services from other sources for any reason.

SAMPLE CONTRACT

PIMA COUNTY STANDARD TERMS AND CONDITIONS (12/20/10)

32. PROTESTS:

An interested party may file a protest regarding any aspect of a solicitation, evaluation, or recommendation for award. Protests must be filed in accordance with the Pima County Procurement Code, Section 11.20.010.

33. TERMINATION:

COUNTY reserves the right to terminate any blanket contract, purchase order, contract or award, in whole or in part, at anytime, without penalty or recourse when in the best interests of the COUNTY, Upon receipt of written notice, Contractor shall immediately cease all work as directed by the notice, notify all sub-Contractor of the effective date of termination and take appropriate actions to minimize further costs to the COUNTY. In the event of termination under this paragraph, all documents, data, and reports prepared by the Contractor under the contract shall become the property of and be promptly delivered to the COUNTY. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures defined by A.A.C. R2-7-701 shall apply.

34. ORDER OF PRECEDENCE-CONFLICTING DOCUMENTS:

In the event that there are inconsistencies between agreement documents, following is the order of precedence, superior to subordinate, that shall be applied to resolve the inconsistency: blanket contract; purchase order; offer agreement or contract attached to a blanket contract or purchase order; standard terms and conditions; other solicitation documents.

35. INDEPENDENT CONTRACTOR:

The status of the Contractor shall be that of an independent Contractor. Neither Contractor nor Contractor officer's agents or employees shall be considered an employee of COUNTY or be entitled to receive any employment-related fringe benefits under the COUNTY Merit System. Contractor shall be responsible for payment of all federal, state and local taxes associated with the compensation received pursuant to this Contract and shall indemnify and hold COUNTY harmless from any and all liability which COUNTY may incur because of Contractor's failure to pay such taxes. Contractor shall be solely responsible for program development and operation.

SAMPLE CONTRACT

PIMA COUNTY STANDARD TERMS AND CONDITIONS (12/20/10)

36. BOOKS AND RECORDS:

Contractor shall keep and maintain proper and complete books, records and accounts, which shall be open at all reasonable times for inspection and audit by duly authorized representatives of COUNTY. In addition, Contractor shall retain all records relating to this contract at least 5 years after its termination or cancellation or, if later, until any related pending proceeding or litigation has been closed.

37. COUNTERPARTS:

The blanket contract, purchase order or contract awarded pursuant to this solicitation may be executed in any number of counterparts and each counterpart shall be deemed an original, and together such counterparts shall constitute one and the same instrument. For the purposes of the blanket contract, purchase order or contract, the signed offer of Respondent and the signed acceptance of COUNTY shall each be deemed an original and together shall constitute a binding blanket contract, purchase order or contract, if all other requirements for execution have been met.

38. AUTHORITY TO CONTRACT:

Contractor warrants its right and power to enter into the blanket contract, purchase order or contract. If any court or administrative agency determines that COUNTY does not have authority to enter into the blanket contract, purchase order or contract, COUNTY shall not be liable to Contractor or any third party by reason of such determination or by reason of the blanket contract, purchase order or contract.

39. FULL AND COMPLETE PERFORMANCE:

The failure of either party to insist on one or more instances upon the full and complete performance with any of the terms or conditions of the blanket contract, purchase order or contract to be performed on the part of the other, or to take any action permitted as a result thereof, shall not be construed as a waiver or relinquishment of the right to insist upon full and complete performance of the same, or any other covenant or condition, either in the past or in the future. The acceptance by either party of sums less than may be due and owing it at any time shall not be construed as an accord and satisfaction.

PIMA COUNTY STANDARD TERMS AND CONDITIONS (12/20/10)

40. SUBCONTRACTOR:

CONTRACTOR shall be fully responsible for all acts and omissions of any subcontractor and of persons directly or indirectly employed by any subcontractor, and of persons for whose acts CONTRACTOR may be liable to the same extent that the CONTRACTOR is responsible for the acts and omissions of persons directly employed by it. Nothing in this contract shall create any obligation on the part of COUNTY to pay or see to the payment of any money due any subcontractor, except as may be required by law.

41. SEVERABILITY:

Each provision of this Contract stands alone, and any provision of this Contract found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of this Contract.

42. LEGAL ARIZONA WORKERS ACT COMPLIANCE

CONTRACTOR hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to CONTRACTOR's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). CONTRACTOR shall further ensure that each subcontractor who performs any work for CONTRACTOR under this contract likewise complies with the State and Federal Immigration Laws.

COUNTY shall have the right at any time to inspect the books and records of CONTRACTOR and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of CONTRACTOR's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting CONTRACTOR to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, CONTRACTOR shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, as soon as possible so as not to delay project completion.

PIMA COUNTY STANDARD TERMS AND CONDITIONS (12/20/10)

42. LEGAL ARIZONA WORKERS ACT COMPLIANCE (continued)

CONTRACTOR shall advise each subcontractor of COUNTY's rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form:

"SUBCONTRACTOR hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to SUBCONTRACTOR's employees, and with the requirements of A.R.S. § 23-214 (A). SUBCONTRACTOR further agrees that COUNTY may inspect the SUBCONTRACTOR's books and records to insure that SUBCONTRACTOR is in compliance with these requirements. Any breach of this paragraph by SUBCONTRACTOR will be deemed to be a material breach of this contract subjecting SUBCONTRACTOR to penalties up to and including suspension or termination of this contract."

Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of CONTRACTOR. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of CONTRACTOR's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which CONTRACTOR shall be entitled to an extension of time, but not costs.

43. CONTROL OF DATA PROVIDED BY PIMA COUNTY:

For those projects and contracts where Pima County has provided data to enable the Contractor to provide contracted services or products, unless otherwise specified and agreed to in writing by Pima County, Contractor shall treat, control and limit access to said information as confidential and under no circumstances release any data provided by County during the term of this agreement and thereafter, including but not limited to personal identifying information as defined by A.R.S. § 44-1373, and is further prohibited from selling such data directly or through a third party. Upon termination of the associated agreement or completion of the required contractual intent whichever occurs sooner, Contractor shall either return all data to County or shall destroy such data and confirm destruction in writing in a timely manner not to exceed 60 calendar days.

END OF PIMA COUNTY STANDARD TERMS AND CONDITIONS (December 20, 2010)

PROPOSAL CERTIFICATION FORM

RESPONDNET'S LEGAL NAME: _____

BUSINESS ALSO KNOWN AS: _____

MAILING ADDRESS: _____

CITY/STATE/ZIP: _____

REMIT TO ADDRESS: _____

CITY/STATE/ZIP: _____

CONTACT PERSON NAME/TITLE: _____

PHONE: _____ FAX: _____

CONTACT PERSON EMAIL ADDRESS: _____

EMAIL ADDRESS TO WHICH ORDERS & CONTRACTS SHALL BE TRANSMITTED:

CORPORATE HEADQUARTERS LOCATION:

ADDRESS: _____

CITY, STATE, ZIP: _____

ACKNOWLEDGEMENT of SOLICITATION ADDENDA:

Respondent shall acknowledge that the following solicitation addenda have been incorporated in their bid.

Addendum #	Date	Addendum #	Date	Addendum #	Date

SMALL BUSINESS ENTERPRISE (SBE) CERTIFICATION:

Is your firm SBE certified as defined by the solicitations 'Instruction To Bidders'? Yes No (Select one)

If 'Yes', have you included your certification document? Yes No (Select one)

NOTE: If the SBE Certification document is not submitted with your bid the SBE Preference cannot be applied

By signing and submitting the bid documents, the undersigned certifies that they are legally authorized to represent and bind the firm to legal agreements, that all information submitted is accurate and complete, that the firm has reviewed the Procurement website for solicitation addenda and incorporated to their offer, that the firm is qualified and willing to provide the items requested, and that the firm will comply with all requirements of the solicitation. The Unit Pricing includes all costs incidental to the provision of the items in compliance with the above documents; no additional payment will be made. Conditional offers that modify the solicitation requirements may be deemed not 'responsive' and may not be evaluated. The undersigned hereby offers to furnish the material or service in compliance with all terms, conditions, specifications, defined or referenced by the solicitation, which includes Pima County Standard Terms & Conditions and Sample Contract.

SIGNATURE: _____ **DATE:** _____

PRINTED NAME & TITLE OF AUTHORIZED SUPPLIER REPRESENTATIVE EXECUTING OFFER

PHONE AND E-MAIL: _____

End of Proposal Certification form

PROPOSAL SUBMITTAL CHECKLIST FORM – include this checklist as part of proposal

Description of Document/Form/Service Category	*Denotes this form is required to be submitted by all respondents	Place a √ in the space below to indicate your firm is submitting a proposal for this service category. Specify “NO BID” if your firm is not submitting a proposal for this service category.
Certification Form	*	<input type="checkbox"/> Included as a part of proposal
Minimum Requirements Questionnaire applicable to all six Service Categories	*	<input type="checkbox"/> Included as a part of proposal
Service Category - Third Party Administration Services – the following are required submittals: TPA Services Questionnaire TPA Fee Proposal Forms TPA Reporting Requirement Grid Form		<input type="checkbox"/> Included as a part of proposal <input type="checkbox"/> NO BID
Service Category - Excess Loss/Stop Loss Coverage – the following are required submittals: Excess Loss/Stop Loss Coverage Questionnaire Excess Loss/Stop Loss Fee Proposal Form Option 1 (12/15) Excess Loss/Stop Loss Fee Proposal Form Option 2 (12/12)		<input type="checkbox"/> Included as a part of proposal <input type="checkbox"/> NO BID
Service Category - - Pharmacy Benefit Management Services (PBM) – the following are required submittals: Pharmacy Benefit Management Services Questionnaire Pharmacy Benefit Management Services Fee Proposal Forms (Quantity 5) Six PBM Minimum Requirements Forms		<input type="checkbox"/> Included as a part of proposal <input type="checkbox"/> NO BID
Service Category – COBRA Administrative Services – the following are required submittals: COBRA Administrative Services Questionnaire COBRA Administrative Services Fee Proposal Form		<input type="checkbox"/> Included as a part of proposal <input type="checkbox"/> NO BID
Service Category - Flexible Spending , Dependent Care/QTBP Administration Services - the following are required submittals: Flexible Spending , Dependent Care/QTBP Administration Services Questionnaire Flexible Spending , Dependent Care/QTBP Administration Services Fee Proposal Form		<input type="checkbox"/> Included as a part of proposal <input type="checkbox"/> NO BID
Service Category - Employee Assistance Program Services (EAP)- the following are required submittals: Employee Assistance Program Services (EAP) Questionnaire Employee Assistance Program Services (EAP) Fee Proposal Form		<input type="checkbox"/> Included as a part of proposal <input type="checkbox"/> NO BID