



MARYLAND TRANSIT ADMINISTRATION

MARYLAND DEPARTMENT OF TRANSPORTATION

Martin O'Malley, Governor • Anthony G. Brown, Lt. Governor  
James T. Smith, Jr., Secretary • Robert L. Smith, Administrator

TO: All Planholders

FROM: Maryland Transit Administration  
Procurement Division, 7<sup>th</sup> Floor  
6 Saint Paul Street  
Baltimore, Maryland 21202-1614

SUBJECT: **Addendum No. 3**  
**Contract No. MTA-1400C**  
**MTA Pharmacy Benefits**

DATE: July 7, 2014

Enclosed and effective this date is Addendum No.3 to the subject contract. **This Addendum changes the Proposal Due date to July 18, 2014 at 2:00pm, 6 St. Paul Street, 7<sup>th</sup> Floor, Baltimore, MD 21202.**

The proposer shall acknowledge receipt of this Addendum by completing and returning this form with the proposal package.

All other terms and conditions remain unchanged.

Sincerely,

Lisa Dunlap, CPPB  
Procurement Officer

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Acknowledgement of receipt of Addendum No.3 to Solicitation MTA-1400C

Vendor Name: \_\_\_\_\_

---

Authorized Representative's Signature

---

Date



**MARYLAND TRANSIT ADMINISTRATION**

**MARYLAND DEPARTMENT OF TRANSPORTATION**

Martin O'Malley, Governor • Anthony G. Brown, Lt. Governor  
James T. Smith, Jr., Secretary • Robert L. Smith, Administrator

**TO:** All Planholders

**FROM:** Maryland Transit Administration  
Procurement Division, 7<sup>th</sup> Floor  
6 Saint Paul Street  
Baltimore, Maryland 21202-1614

**SUBJECT:** **Addendum No. 2**  
**Contract No. MTA-1400C**  
**MTA Union Pharmacy Benefits**

**DATE:** June 26, 2014

Enclosed and effective this date is Addendum No. 2 to the subject contract. **This Addendum changes the Bid Due date to July 11, 2014 at 2:00pm, 6 St. Paul Street, 7<sup>th</sup> Floor, Conference Room #731, Baltimore, MD 21202.**

The proposer shall acknowledge receipt of this Addendum by completing and returning this form with the proposal package.

All other terms and conditions remain unchanged.

Sincerely,

Lisa Dunlap, CPPB  
Procurement Officer

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Acknowledgement of receipt of Addendum No.2 to Solicitation MTA-1400C

Vendor Name: \_\_\_\_\_

---

Authorized Representative's Signature

---

Date



MARYLAND TRANSIT ADMINISTRATION

MARYLAND DEPARTMENT OF TRANSPORTATION

Martin O'Malley, Governor • Anthony G. Brown, Lt. Governor  
James T. Smith, Jr., Secretary • Robert L. Smith, Administrator

TO: All Planholders

FROM: Maryland Transit Administration  
Procurement Division, 7<sup>th</sup> Floor  
6 Saint Paul Street  
Baltimore, Maryland 21202-1614

SUBJECT: **Addendum No. 1**  
**Contract No. MTA-1400C**  
**MTA Pharmacy Benefits**

DATE: June 16, 2014

Enclosed and effective this date is Addendum No.1 to the subject contract. **This Addendum changes the Bid Due date to June 30, 2014 at 2:00pm, 6 St. Paul Street, 7<sup>th</sup> Floor, Conference Room #731, Baltimore, MD 21202.**

The proposer shall acknowledge receipt of this Addendum by completing and returning this form with the proposal package.

All other terms and conditions remain unchanged.

Sincerely,

Lisa Dunlap, CPPB  
Procurement Officer

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Acknowledgement of receipt of Addendum No.1 to Solicitation MTA-1400C

Vendor Name: \_\_\_\_\_

---

Authorized Representative's Signature

---

Date



**STATE OF MARYLAND**

**MARYLAND DEPARTMENT OF TRANSPORTATION**

**MARYLAND TRANSIT ADMINISTRATION (MTA)**

**REQUEST FOR PROPOSALS (RFP)**

**SOLICITATION NO. MTA 1400C**

**MTA Pharmacy Benefits**

**Issue Date: May 22, 2014**

**NOTICE**

A Prospective Offeror that has received this document from the Maryland Transit Administration's (MTA) website or <https://emaryland.buyspeed.com/bsa/>, or that has received this document from a source other than the Procurement Officer, and that wishes to assure receipt of any changes or additional materials related to this RFP, should immediately contact the Procurement Officer and provide the Prospective Offeror's name and mailing address so that addenda to the RFP or other communications can be sent to the Prospective Offeror.

**Minority Business Enterprises Are Encouraged to Respond to this Solicitation**

**STATE OF MARYLAND  
NOTICE TO VENDORS**

In order to help us improve the quality of State solicitations, and to make our procurement process more responsive and business friendly, we ask that you take a few minutes and provide comments and suggestions regarding this solicitation. Please return your comments with your response. If you have chosen not to respond to this Contract, please email or fax this completed form to the attention of the Procurement Officer (see Key Information Sheet below for contact information).

**Title: MTA Pharmacy Benefits**  
**Solicitation No: MTA-1400C**

1. If you have chosen not to respond to this solicitation, please indicate the reason(s) below:
- Other commitments preclude our participation at this time.
  - The subject of the solicitation is not something we ordinarily provide.
  - We are inexperienced in the work/commodities required.
  - Specifications are unclear, too restrictive, etc. (Explain in REMARKS section.)
  - The scope of work is beyond our present capacity.
  - Doing business with the State of Maryland is simply too complicated. (Explain in REMARKS section.)
  - We cannot be competitive. (Explain in REMARKS section.)
  - Time allotted for completion of the Bid/Proposal is insufficient.
  - Start-up time is insufficient.
  - Bonding/Insurance requirements are restrictive. (Explain in REMARKS section.)
  - Bid/Proposal requirements (other than specifications) are unreasonable or too risky. (Explain in REMARKS section.)
  - MBE or VSBE requirements are not attainable or realistic. (Explain in REMARKS section.)
  - Prior State of Maryland contract experience was unprofitable or otherwise unsatisfactory. (Explain in REMARKS section.)
  - Payment schedule too slow.
  - Other: \_\_\_\_\_

2. If you have submitted a response to this solicitation, but wish to offer suggestions or express concerns, please use the REMARKS section below. (Attach additional pages as needed.).

REMARKS: \_\_\_\_\_

Vendor Name: \_\_\_\_\_ Date: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

**If you have chosen not to submit a proposal on this procurement, please fax this completed form to:  
(410)-333-4810 (Attention: Lisa Dunlap).  
THANK YOU.**

**STATE OF MARYLAND  
MARYLAND TRANSIT ADMINISTRATION  
RFP KEY INFORMATION SUMMARY SHEET**

**Request for Proposals:** MTA Pharmacy Benefits

**Solicitation Number:** MTA 1400C

**RFP Issue Date:** May 22, 2014

**RFP Issuing Office:** MD Department of Transportation  
Maryland Transit Administration

**Procurement Officer:** Lisa Dunlap  
Contracts Administration Division  
6 St. Paul St., 7<sup>th</sup> Floor  
Baltimore, MD 21202  
Phone: (410) 767-3360  
Fax: (410) 333-4810  
Email: ldunlap2@mta.maryland.gov

**Proposals are to be sent to:** Maryland Transit Administration  
Contracts Administration Division  
6 St. Paul St., 7<sup>th</sup> Floor  
Baltimore, MD 21202  
Attention: Lisa Dunlap

**Pre-Proposal Conference:** May 30, 2014 10:00 A.M. Local Time  
Maryland Transit Administration  
Contracts Administration Division  
6 St. Paul St., 7<sup>th</sup> Floor, Rooms 731-732  
Baltimore, MD 21202

**Closing Date and Time:** Friday, July 18, 2014 at 2:00PM Local Time  
Maryland Transit Administration  
Contracts Administration Division  
6 St. Paul St., 7<sup>th</sup> Floor, Rm#731  
Baltimore, MD 21202  
Attention: Lisa Dunlap

**MBE Subcontracting Goal:** 0%

**VSBE Subcontracting Goal:** 0%

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## **SECTION 1 - GENERAL INFORMATION**

### **1.1 Summary Statement**

- 1.1.1** The Maryland Transit Administration (MTA or the Department) is issuing this Request for Proposals (RFP) to solicit a Pharmacy Benefits Contractor to provide prescription drug benefits for the union employees and retirees of MTA. Required services are those detailed in Section III of this RFP
- 1.1.2** It is the State's intention to obtain services, as specified in this RFP, from a Contract between the selected Offeror and the State. The anticipated duration of services to be provided under this Contract is three (3) years with two (2) one-year renewal options. See Section 1.4 for more information.
- 1.1.3** The Department intends to make a single award as a result of this RFP.
- 1.1.4** Offerors, either directly or through their subcontractor(s), must be able to provide all services and meet all of the requirements requested in this solicitation and the successful Offeror (the Contractor) shall remain responsible for Contract performance regardless of subcontractor participation in the work.

### **1.2 Abbreviations and Definitions**

For purposes of this RFP, the following abbreviations or terms have the meanings indicated below:

- a. **BAFO** – Best and Final Offer; a BAFO may be requested by the Procurement Officer in order to permit written revisions to an Offeror's initial proposal.
  - b. **Business Day(s)** – The official Working Days of the week to include Monday through Friday. Official Working Days exclude State Holidays (see definition of "Normal State Business Hours" below).
  - c. **COB** – Coordination of Benefits.
  - d. **COMAR** – Code of Maryland Regulations available on-line at [www.dsd.state.md.us](http://www.dsd.state.md.us).
  - e. **Contract** – The Contract awarded to the successful Offeror pursuant to this RFP. The Contract will be in the form of **Attachment A**.
  - f. **Contract Commencement** - The date the Contract is signed by the Department following any required approvals of the Contract, including approval by the Board of Public Works, if such approval is required. See Section 1.4.
  - g. **Contract Monitor (CM)** – The State representative for this Contract who is primarily responsible for Contract administration functions, including issuing written direction, invoice approval, monitoring this Contract to ensure compliance with the terms and conditions of the Contract, monitoring MBE and VSBE compliance, and achieving completion of the Contract on budget, on time, and within scope.
  - h. **Contractor** – The selected Offeror that is awarded a Contract by the State.
  - i. **Department or MTA** – Maryland Transit Administration.
  - j. **EOB** – Explanation of Benefits.
  - k. **eMM** – eMaryland Marketplace (see RFP Section 1.7).
-

- l. **EGWP** – Employer Group Waiver Plan
- m. **Go-Live Date** – The date when the Contractor must begin providing all services required by this solicitation. See Section 1.4.
- n. **HIPAA** – Health Insurance Portability & Accountability Act, and its corresponding regulations, as amended from time to time.
- o. **Local Time** – Time in the Eastern Time Zone as observed by the State of Maryland. Unless otherwise specified, all stated times shall be Local Time, even if not expressly designated as such.
- p. **Normal State Business Hours** - Normal State business hours are 8:00 a.m. – 5:00 p.m. Monday through Friday except State Holidays, which can be found at: [www.dbm.maryland.gov](http://www.dbm.maryland.gov) – keyword: State Holidays.
- q. **Notice to Proceed (NTP)** – A written notice from the Procurement Officer that, subject to the conditions of the Contract, work under the Contract is to begin as of a specified date. The start date listed in the NTP is the Go Live Date, and is the official start date of the Contract for the actual delivery of services as described in this solicitation. After Contract Commencement, additional NTPs may be issued by either the Procurement Officer or the Department Contract Manager regarding the start date for any service included within this solicitation with a delayed or non-specified implementation date.
- r. **Offeror** – An entity that submits a Proposal in response to this RFP.
- s. **PBM**- Pharmacy Benefits Manager
- t. **PEPM** – Per Employee Per Month; the cost for each Employee or Retiree on a monthly basis
- u. **PHI** – Protected Health Information, as the phrase is defined in 45 CFR §164.501.
- v. **Procurement Officer** – The State representative for the resulting Contract. The Procurement Officer is responsible for the Contract and is the only State representative who can authorize changes to the Contract. The Department may change the Procurement Officer at any time by written notice to the Contractor.
- w. **Proposal** – As appropriate, either or both of an Offeror’s Technical or Financial Proposal.
- x. **Request for Proposals (RFP)** – This Request for Proposals issued by the MTA, Solicitation Number MTA 1400 C dated May 22, 2014, including any addenda.
- y. **State** – The State of Maryland.
- z. **Stop-loss** – Specific insurance contract established between a self-insured group and an insurance carrier providing coverage if claims exceed a specified dollar amount over a set period of time for any individual. MTA’s present stop loss policy has an attachment point of \$400,000.
- aa. **Total Proposal Price** - The Offeror’s total proposed price for services in response to this solicitation, included in the Financial Proposal with Attachment E – Price Forms P1 and P2, and used in the financial evaluation of Proposals (see RFP Section 5.3).
- bb. **URAC** – Utilization Review Accreditation Commission – is the independent, non-profit organization that provides accreditation and certification services for pharmacy benefits managers.
- cc. **Working Day(s)** – Same as “Business Day(s).”

### **1.3 Contract Type**

The Contract resulting from this solicitation shall be as follows: A contract that is a cost reimbursement contract for certain indefinite quantities pursuant to COMAR 21.06.03. Claims costs shall be reimbursable as provided in this RFP and dispensing fees/fixed costs as further described in the Financial Proposal instructions.

### **1.4 Contract Duration**

- 1.4.1 The Contract that results from this solicitation shall commence as of the date the Contract is signed by the Department following any required approvals of the Contract, including approval by the Board of Public Works, if such approval is required (“Contract Commencement”).
- 1.4.2 The period of time from the date of Contract Commencement through the Go-Live Date (see Section 1.2 definition and Section 1.4.3) will be the Contract “Start-up Period.” During the Start-up Period the Contractor shall perform start-up activities such as are necessary to enable the Contractor to begin the successful performance of Contract activities as of the Go Live Date. No compensation will be paid to the Contractor for any activities it performs during the Start-up Period.
- 1.4.3 As of the Go-Live Date as contained in a Notice to Proceed (see Section 1.2 definition), the Contractor shall perform all activities required by the Contract, including the requirements of this solicitation, and the offerings in its Technical Proposal, for the compensation described in its Financial Proposal.
- 1.4.4 The duration of the Contract will be for the period of time from Contract Commencement to the Go-Live Date (the Start-Up Period as described in Section 1.4.2) plus three years from the Go-Live Date for the provision of all services required by the Contract and the requirements of this solicitation. This Contract may be extended for one (1) period of two (2) year at the sole discretion of the Department and at the prices quoted in the Financial Proposal Forms for Option Years. The Contract shall commence as described in RFP Section 1.4.1 and cover implementation prior to the first plan year and run-out, audits, and reconciliation processes following the last plan year. It is anticipated that the first plan year covered by the Contract will begin as of the Go-Live Date of January 1, 2015.
- 1.4.5 The Contractor’s obligations to pay invoices to subcontractors that provided services during the Contract term, as well as the audit, confidentiality, document retention, and indemnification obligations of the Contract (see Attachment A) shall survive expiration or termination of the Contract and continue in effect until all such obligations are satisfied.

### **1.5 Procurement Officer**

The sole point of contact in the State for purposes of this solicitation prior to the award of any Contract is the Procurement Officer at the address listed below:

Lisa Dunlap, Procurement Officer  
Office of Procurement  
6 St. Paul, 7<sup>th</sup> Floor  
Baltimore, MD 21202  
Phone Number: 410-767-3360  
Fax Number: 410-333-4810 fax number  
E-mail: ldunlap2@mta.maryland.gov

The Department may change the Procurement Officer at any time by written notice.

## 1.6 Pre-Proposal Conference

A Pre-Proposal Conference (the Conference) will be held on **Friday, May 30, 2014, beginning at 10:00am Local Time, at 6 St. Paul St., 7<sup>th</sup> Floor, Rooms 731-732, Baltimore, MD 21202**. All prospective Offerors are encouraged to attend in order to facilitate better preparation of their Proposals.

The Conference will be recorded and posted to eMaryland Marketplace and the MTA Website no later than 10 days after the pre-proposal conference. The transcript will also be distributed to all prospective Offerors who attended the pre-proposal conference via email. See RFP Section 1.8.

In order to assure adequate seating and other accommodations at the Conference, please e-mail, mail, or fax to (410) 333-4810 the Pre-Proposal Conference Response Form to the attention of the Procurement Officer no later than 4:00 p.m. Local Time on **Wednesday, May 28, 2014**. The Pre-Proposal Conference Response Form is included as **Attachment D** to this RFP. In addition, if there is a need for sign language interpretation and/or other special accommodations due to a disability, please notify the Procurement Officer no later than Tuesday, May 27, 2014. The Department will make a reasonable effort to provide such special accommodation.

## 1.7 eMaryland Marketplace

Each Offeror is requested to indicate its eMaryland Marketplace (eMM) vendor number in the Transmittal Letter (cover letter) submitted at the time of its Proposal submission to this RFP.

eMM is an electronic commerce system administered by the Maryland Department of General Services. In addition to using the MTA procurement website <http://mta.maryland.gov/procurements> and possibly other means for transmitting the RFP and associated materials, the solicitation and summary of the Pre-Proposal Conference, Offeror questions and the Procurement Officer's responses, addenda, and other solicitation-related information will be provided via eMM.

In order to receive a contract award, a vendor must be registered on eMM. Registration is free. Go to <https://emaryland.buyspeed.com/bsol/login.jsp>, click on "Register" to begin the process, and then follow the prompts. Please also register on the MTA procurement website following the link above in order to access the solicitation documents.

## 1.8 Questions

Written questions from prospective Offerors will be accepted by the Procurement Officer prior to the Conference. If possible and appropriate, such questions will be answered at the Conference. (No substantive question will be answered prior to the Conference.) Questions to the Procurement Officer shall be submitted via e-mail to the following e-mail address: [ldunlap2@mta.maryland.gov](mailto:ldunlap2@mta.maryland.gov). Please identify in the subject line the Solicitation Number and Title. Questions, both oral and written, will also be accepted from prospective Offerors attending the Conference. If possible and appropriate, these questions will be answered at the Conference.

Questions will also be accepted subsequent to the Conference and should be submitted to the Procurement Officer (**see above email address**) in a timely manner prior to the Proposal due date. Questions are requested to be submitted at least ten (10) days prior to the Proposal due date. The Procurement Officer, based on the availability of time to research and communicate an answer, shall decide whether an answer can be given before the Proposal due date. Time permitting, answers to all substantive questions that have not previously been answered, and are not clearly

specific only to the requestor, will be distributed to all vendors that are known to have received a copy of the RFP in sufficient time for the answer to be taken into consideration in the Proposal.

## **1.9 Procurement Method**

This Contract will be awarded in accordance with the Competitive Sealed Proposals method under COMAR 21.05.03.

## **1.10 Proposals Due (Closing) Date and Time**

Proposals, in the number and form set forth in Section 4.2 “Proposals” must be received by the Procurement Officer at the address listed on the Key Information Summary Sheet, no later than **2:00 P.M. Local Time on Friday July, 18, 2014 in order to be considered.**

Requests for extension of this time or date will not be granted. Offerors mailing Proposals should allow sufficient mail delivery time to ensure timely receipt by the Procurement Officer. Except as provided in COMAR 21.05.02.10, Proposals received after the due date and time listed in this section will not be considered.

Proposals may be modified or withdrawn by written notice received by the Procurement Officer before the time and date set forth in this section for receipt of Proposals.

**Proposals may not be submitted by e-mail or facsimile. Proposals will not be opened publicly.**

Vendors not responding to this solicitation are requested to submit the “Notice to Vendors” form, which includes company information and the reason for not responding (e.g., too busy, cannot meet mandatory requirements, etc.). This form is located in the RFP immediately following the Title Page (page ii).

## **1.11 Multiple or Alternate Proposals**

Multiple and/or alternate Proposals will not be accepted.

## **1.12 Economy of Preparation**

Proposals should be prepared simply and economically and provide a straightforward and concise description of the Offeror’s Proposal to meet the requirements of this RFP.

## **1.13 Public Information Act Notice**

An Offeror should give specific attention to the clear identification of those portions of its Proposal that it considers confidential and/or proprietary commercial information or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the State under the Public Information Act, Md. Code Ann., State Government Article, Title 10, Subtitle 6. (Also, see RFP Section 4.4.3.2 “Claim of Confidentiality”). This confidential and/or proprietary information should be identified by page and section number and placed after the Title Page and before the Table of Contents in the Technical Proposal and if applicable, separately in the Financial Proposal.

Offerors are advised that, upon request for this information from a third party, the Procurement Officer is required to make an independent determination whether the information must be disclosed.

#### **1.14 Award Basis**

The Contract shall be awarded to the responsible Offeror(s) submitting the Proposal that has been determined to be the most advantageous to the State, considering price and evaluation factors set forth in this RFP (see COMAR 21.05.03.03F), for providing the goods and services as specified in this RFP. See RFP Section 5 for further award information

#### **1.15 Oral Presentation**

Offerors may be required to make oral presentations to State representatives. Offeror(s) must confirm in writing any substantive oral clarification of, or change in, their Proposals made in the course of oral presentation. Any such written clarifications or changes then become part of the Offeror's Proposal and are binding if the Contract is awarded. The Procurement Officer will notify Offeror(s) of the time and place of oral presentations.

#### **1.16 Duration of Proposal**

Proposals submitted in response to this RFP are irrevocable for 120 days following the closing date for submission of Proposals or best and final offers if requested. This period may be extended at the Procurement Officer's request only with the Offeror's written agreement.

#### **1.17 Revisions to the RFP**

If it becomes necessary to revise this RFP before the due date for Proposals, the Department shall endeavor to provide addenda to all prospective Offerors that were sent this RFP or which are otherwise known by the Procurement Officer to have obtained this RFP. In addition, addenda to the RFP will be posted on the Department's procurement web page and through eMM. It remains the responsibility of all prospective Offerors to check all applicable websites for any addenda issued prior to the submission of Proposals. Addenda made after the due date for Proposals will be sent only to those Offerors that submitted a timely Proposal and that remain under award consideration as of the issuance date of the addenda.

Acknowledgment of the receipt of all addenda to this RFP issued before the Proposal due date shall be included in the Transmittal Letter accompanying the Offeror's Technical Proposal. Acknowledgement of the receipt of addenda to the RFP issued after the Proposal due date shall be in the manner specified in the addendum notice. Failure to acknowledge receipt of an addendum does not relieve the Offeror from complying with the terms, additions, deletions, or corrections set forth in the addendum.

#### **1.18 Cancellations**

The State reserves the right to cancel this RFP, accept or reject any and all Proposals, in whole or in part, received in response to this RFP, to waive or permit the cure of minor irregularities, and to conduct discussions with all qualified or potentially qualified Offerors in any manner necessary to serve the best interests of the State. The State also reserves the right, in its sole discretion, to award a Contract based upon the written Proposals received without discussions or negotiations.

## 1.19 Incurred Expenses

The State will not be responsible for any costs incurred by any Offeror in preparing and submitting a Proposal, in making an oral presentation, in providing a demonstration, or in performing any other activities related to this solicitation.

## 1.20 Protest/Disputes

Any protest or dispute related, respectively, to this solicitation or the resulting Contract shall be subject to the provisions of COMAR 21.10 (Administrative and Civil Remedies).

## 1.21 Offeror Responsibilities

The selected Offeror shall be responsible for all products and services required by this RFP. All subcontractors must be identified and a complete description of their role relative to the Proposal must be included in the Offeror's Proposal.

If an Offeror that seeks to perform or provide the services required by this RFP is the subsidiary of another entity, all information submitted by the Offeror, including but not limited to references, financial reports, or experience and documentation (e.g. insurance policies, bonds, letters of credit) used to meet minimum qualifications, if any, shall pertain exclusively to the Offeror, unless the parent organization will guarantee the performance of the subsidiary. If applicable, the Offeror's Proposal shall contain an explicit statement that the parent organization will guarantee the performance of the subsidiary.

A parental guarantee of the performance of the Offeror under this Section will not automatically result in crediting the Offeror with the experience and/or qualifications of the parent under any evaluation criteria pertaining to the Offeror's experience and qualifications. Instead, the Offeror will be evaluated on the extent to which the State determines that the experience and qualification of the parent are transferred to and shared with the Offeror, the parent is directly involved in the performance of the Contract, and the value of the parent's participation as determined by the State.

## 1.22 Substitution of Personnel

### A. Continuous Performance of Key Personnel

Unless substitution is approved per paragraphs B-D of this section, key personnel shall be the same personnel proposed in the Contractor's Technical Proposal, which will be incorporated into the Contract by reference. Such identified key personnel shall perform continuously for the duration of the Contract, or such lesser duration as specified in the Technical Proposal. Key personnel may not be removed by the Contractor from working under this Contract, as described in the RFP or the Contractor's Technical Proposal, without the prior written approval of the Procurement Officer.

If the Contract is task order based, the provisions of this section apply to key personnel identified in each task order proposal and agreement.

### B. Definitions

For the purposes of this section, the following definitions apply:

**Extraordinary Personal Circumstance** – means any circumstance in an individual's personal life that reasonably requires immediate and continuous attention for more than fifteen (15) days and that precludes the individual from performing his/her job duties under this Contract. Examples of such circumstances may

include, but are not limited to: a sudden leave of absence to care for a family member who is injured, sick, or incapacitated; the death of a family member, including the need to attend to the estate or other affairs of the deceased or his/her dependents; substantial damage to, or destruction of, the individual's home that causes a major disruption in the individual's normal living circumstances; criminal or civil proceedings against the individual or a family member; jury duty; and military service call-up.

**Incapacitating** – means any health circumstance that substantially impairs the ability of an individual to perform the job duties described for that individual's position in the RFP or the Contractor's Technical Proposal.

**Sudden** – means when the Contractor has less than thirty (30) days' prior notice of a circumstance beyond its control that will require the replacement of any key personnel working under the Contract.

#### C. Key Personnel General Substitution Provisions

The following provisions apply to all of the circumstances of staff substitution described in paragraph D of this section.

1. The Contractor shall demonstrate to the Contract Monitor's satisfaction that the proposed substitute key personnel have qualifications at least equal to those of the key personnel for whom the replacement is requested.
2. The Contractor shall provide the Contract Monitor with a substitution request that shall include:
  - A detailed explanation of the reason(s) for the substitution request;
  - The resume of the proposed substitute personnel, signed by the substituting individual and his/her formal supervisor;
  - The official resume of the current personnel for comparison purposes; and
  - Any evidence of any required credentials.
3. The Contract Monitor may request additional information concerning the proposed substitution. In addition, the Contract Monitor and/or other appropriate State personnel involved with the Contract may interview the proposed substitute personnel prior to deciding whether to approve the substitution request.
4. The Contract Monitor will notify the Contractor in writing of: (i) the acceptance or denial, or (ii) contingent or temporary approval for a specified time limit, of the requested substitution. The Contract Monitor will not unreasonably withhold approval of a requested key personnel replacement.

#### D. Replacement Circumstances

##### 1. Voluntary Key Personnel Replacement

To voluntarily replace any key personnel, the Contractor shall submit a substitution request as described in paragraph C of this section to the Contract Monitor at least fifteen (15) days prior to the intended date of change. Except in a circumstance described in paragraph D.2 of this clause, a substitution may not occur unless and until the Contract Monitor approves the substitution in writing.

##### 2. Key Personnel Replacement Due to Vacancy

The Contractor shall replace key personnel whenever a vacancy occurs due to the sudden termination, resignation, leave of absence due to an Extraordinary Personal Circumstance, Incapacitating injury, illness or physical condition, or death of such personnel. (A termination or resignation with thirty (30) days or more advance notice shall be treated as a Voluntary Key Personnel Replacement as per Section D.1 of this section.).

Under any of the circumstances set forth in this paragraph D.2, the Contractor shall identify a suitable replacement and provide the same information or items required under paragraph C of this section within fifteen (15) days of the actual vacancy occurrence or from when the Contractor first knew or should have known that the vacancy would be occurring, whichever is earlier.

### 3. Key Personnel Replacement Due to an Indeterminate Absence

If any key personnel has been absent from his/her job for a period of ten (10) days due to injury, illness, or other physical condition, leave of absence under a family medical leave, or an Extraordinary Personal Circumstance and it is not known or reasonably anticipated that the individual will be returning to work within the next twenty (20) days to fully resume all job duties, before the 25th day of continuous absence, the Contractor shall identify a suitable replacement and provide the same information or items to the Contract Monitor as required under paragraph C of this section.

However, if this person is available to return to work and fully perform all job duties before a replacement has been authorized by the Contract Monitor, at the option and sole discretion of the Contract Monitor, the original personnel may continue to work under the Contract, or the replacement personnel will be authorized to replace the original personnel, notwithstanding the original personnel's ability to return.

### 4. Directed Personnel Replacement

- a. The Contract Monitor may direct the Contractor to replace any personnel who are perceived as being unqualified, non-productive, unable to fully perform the job duties due to full or partial Incapacity or Extraordinary Personal Circumstance, disruptive, or known, or reasonably believed, to have committed a major infraction(s) of law, agency, or Contract requirements. Normally, a directed personnel replacement will occur only after prior notification of problems with requested remediation, as described in paragraph 4.b. If after such remediation the Contract Monitor determines that the personnel performance has not improved to the level necessary to continue under the Contract, if at all possible at least fifteen (15) days notification of a directed replacement will be provided. However, if the Contract Monitor deems it necessary and in the State's best interests to remove the personnel with less than fifteen (15) days' notice, the Contract Monitor can direct the removal in a timeframe of less than fifteen (15) days, including immediate removal.

In circumstances of directed removal, the Contractor shall, in accordance with paragraph C of this section, provide a suitable replacement for approval within fifteen (15) days of the notification of the need for removal, or the actual removal, whichever occurs first.

- b. If deemed appropriate in the discretion of the Contract Monitor, the Contract Monitor shall give written notice of any personnel performance issues to the Contractor, describing the problem and delineating the remediation requirement(s). The Contractor shall provide a written Remediation Plan within ten (10) days of the date of the notice and shall implement the Remediation Plan immediately upon written acceptance by the Contract Monitor. If the Contract Monitor rejects the Remediation Plan, the Contractor shall revise and resubmit the plan to the Contract Monitor within five (5) days, or in the timeframe set forth by the Contract Monitor in writing.

Should performance issues persist despite the approved Remediation Plan, the Contract Monitor will give written notice of the continuing performance issues and either request a new Remediation Plan within a specified time limit or direct the substitution of personnel whose performance is at issue with a qualified substitute, including requiring the immediate removal of the key personnel at issue.

Replacement or substitution of personnel under this section shall be in addition to, and not in lieu of, the State's remedies under the Contract or which otherwise may be available at law or in equity.

### **1.23 Mandatory Contractual Terms**

By submitting a Proposal in response to this RFP, an Offeror, if selected for award, shall be deemed to have accepted the terms and conditions of this RFP and the Contract, attached herein as **Attachment A**. Any exceptions to this RFP or the Contract shall be clearly identified in the Executive Summary of the Technical Proposal. **A Proposal that takes exception to these terms may be rejected.**

### **1.24 Bid/Proposal Affidavit**

A Proposal submitted by an Offeror must be accompanied by a completed Bid/Proposal Affidavit. A copy of this Affidavit is included as **Attachment B** of this RFP.

### **1.25 Contract Affidavit**

All Offerors are advised that if a Contract is awarded as a result of this solicitation, the successful Offeror will be required to complete a Contract Affidavit. A copy of this Affidavit is included as **Attachment C** of this RFP. This Affidavit must be provided within ten (10) Business Days of notification of proposed Contract award. This Contract Affidavit will also be required to be completed by the Contractor prior to any Contract renewals, including the exercise of any options or modifications that may extend the Contract term.

### **1.26 Compliance with Laws/Arrearages**

By submitting a Proposal in response to this RFP, the Offeror, if selected for award, agrees that it will comply with all Federal, State, and local laws applicable to its activities and obligations under the Contract.

By submitting a response to this solicitation, each Offeror represents that it is not in arrears in the payment of any obligations due and owing the State, including the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of the Contract if selected for Contract award.

### **1.27 Verification of Registration and Tax Payment**

Before a business entity can do business in the State it must be registered with the State Department of Assessments and Taxation (SDAT). SDAT is located at State Office Building, Room 803, 301 West Preston Street, Baltimore, Maryland 21201. The SDAT website is <http://www.dat.state.md.us/sdatweb/services.html>.

It is strongly recommended that any potential Offeror complete registration prior to the due date for receipt of Proposals. An Offeror's failure to complete registration with SDAT shall disqualify an otherwise successful Offeror from final consideration and recommendation for Contract award.

### **1.28 False Statement**

Offerors are advised that Md. Code Ann., State Finance and Procurement Article, § 11-205.1 provides as follows:

**1.28.1** In connection with a procurement contract a person may not willfully:

- (a) Falsify, conceal, or suppress a material fact by any scheme or device;
- (b) Make a false or fraudulent statement or representation of a material fact; or
- (c) Use a false writing or document that contains a false or fraudulent statement or entry of a material fact.

**1.28.2** A person may not aide or conspire with another person to commit an act under subsection 1.28.1 of this section.

**1.28.3** A person may who violates any provision of this section is guilty of a felony and on conviction is subject to a fine not exceeding \$20,000 or imprisonment not exceeding five years or both.

## **1.29 Payments by Electronic Funds Transfer**

By submitting a response to this solicitation, the Bidder/Offeror agrees to accept payments by electronic funds transfer (EFT) unless the State Comptroller's Office grants an exemption. Payment by EFT is mandatory for contracts exceeding \$100,000. The selected Bidder/Offeror shall register using the COT/GAD X-10 Vendor Electronic Funds (EFT) Registration Request Form. Any request for exemption must be submitted to the State Comptroller's Office for approval at the address specified on the COT/GAD X-10 form, must include the business identification information as stated on the form, and must include the reason for the exemption. The COT/GAD X-10 form may be downloaded from the Comptroller's website at:

[http://comptroller.marylandtaxes.com/Government\\_Services/State\\_Accounting\\_Information/Static\\_Files/APM/gadx-10.pdf](http://comptroller.marylandtaxes.com/Government_Services/State_Accounting_Information/Static_Files/APM/gadx-10.pdf)

## **1.30 Prompt Payment Policy**

This procurement and the Contract(s) to be awarded pursuant to this solicitation are subject to the Prompt Payment Policy Directive issued by the Governor's Office of Minority Affairs (GOMA) and dated August 1, 2008. Promulgated pursuant to Md. Code Ann., State Finance and Procurement Article, §§ 11-201, 13-205(a), and Title 14, Subtitle 3, and COMAR 21.01.01.03 and 21.11.03.01, the Directive seeks to ensure the prompt payment of all subcontractors on non-construction procurement contracts. The Contractor must comply with the prompt payment requirements outlined in the Contract, Section 31 "Prompt Payment" (see **Attachment A**). Additional information is available on GOMA's website at:

[http://goma.maryland.gov/Legislation%20Docs/PROMPTPAYMENTFAQs\\_000.pdf](http://goma.maryland.gov/Legislation%20Docs/PROMPTPAYMENTFAQs_000.pdf).

## **1.31 Electronic Procurements Authorized**

**1.31.1** Under COMAR 21.03.05, unless otherwise prohibited by law, the Department may conduct procurement transactions by electronic means, including the solicitation, bidding, award, execution, and administration of a ontract, as proviced in Md. Code Ann., Maryland Uniform Electronic Transactions Act, Commercial Law Article, Title 21.

**1.31.2** Participation in the solicitation process on a procurement contract for which electronic means has been authorized shall constitute consent by the Bidder/Offeror to conduct by electronic means all elements of the procurement of that Contract which are specifically authorized under the solicitation or the Contract.

**1.31.3** "Electronic means" refers to exchanges or communications using electronic, digital, magnetic, wireless, optical, electromagnetic, or other means of electronically conducting transactions. Electronic means includes facsimile, e-mail, internet-based communications, electronic funds transfer, specific electronic bidding platforms if available (e.g., <https://emaryland.buyspeed.com/bs/>), and electronic data interchange.

**1.31.4** In addition to specific electronic transactions specifically authorized in other sections of this solicitation (e.g., § 1.29 “Payments by Electronic Funds Transfer”) and subject to the exclusions noted in section 1.31.5, the following transactions are authorized to be conducted by electronic means on the terms described:

A. The Procurement Officer may conduct the procurement using eMM, e-mail, or facsimile to issue:

- 1) the solicitation (e.g., the IFB/RFP);
- 2) any amendments;
- 3) pre-Bid/Proposal conference documents;
- 4) questions and responses;
- 5) communications regarding the solicitation or Bid/Proposal to any Bidder/Offeror or potential Bidder/Offeror;
- 6) notices of award selection or non-selection; and
- 7) the Procurement Officer’s decision on any Bid protest or Contract claim.

B. A Bidder/Offeror or potential Bidder/Offeror may use e-mail or facsimile to:

- 1) ask questions regarding the solicitation;
- 2) reply to any material received from the Procurement Officer by electronic means that includes a Procurement Officer’s request or direction to reply by e-mail or facsimile, but only on the terms specifically approved and directed by the Procurement Officer;
- 3) submit a "No Bid/Proposal Response" to the solicitation.

C. The Procurement Officer, the Contract Monitor, and the Contractor may conduct day-to-day Contract administration, except as outlined in Section 1.31.5 of this subsection utilizing e-mail, facsimile, or other electronic means if authorized by the Procurement Officer or Contract Monitor.

**1.31.5** The following transactions related to this procurement and any Contract awarded pursuant to it are not *authorized* to be conducted by electronic means:

- A. submission of initial Bids or Proposals;
- B. filing of Bid Protests;
- C. filing of Contract Claims;
- D. submission of documents determined by the Department to require original signatures (e.g., Contract execution, Contract modifications, etc.); or
- E. any transaction, submission, or communication where the Procurement Officer has specifically directed that a response from the Contractor or Bidder/Offeror be provided in writing or hard copy.

**1.31.6** Any facsimile or e-mail transmission is only authorized to the facsimile numbers or e-mail addresses for the identified person as provided in the solicitation, the Contract, or in the direction from the Procurement Officer or Contract Monitor.

## **1.32 Minority Business Enterprise Goals**

There is no MBE subcontractor participation goal for this procurement.

## **1.33 Veteran-Owned Small Business Enterprise Goals**

There is no Veteran-Owned Small Business Enterprise (VSBE) subcontractor participation goal for this procurement.

### 1.34 Living Wage Requirements

A solicitation for services under a State contract valued at \$100,000 or more may be subject to Md. Code Ann., State Finance and Procurement Article, Title 18. Additional information regarding the State's living wage requirement is contained in **Attachment F**. Bidders/Offerors must complete and submit the Maryland Living Wage Requirements Affidavit of Agreement (**Attachment F-1**) with their Bid/Proposal. If a Bidder/Offeror fails to complete and submit the required documentation, the State may determine a Bidder/Offeror to be not responsible under State law.

Contractors and subcontractors subject to the Living Wage Law shall pay each covered employee at least the minimum amount set by law for the applicable Tier area. The specific living wage rate is determined by whether a majority of services take place in a Tier 1 Area or Tier 2 Area of the State. The Tier 1 Area includes Montgomery, Prince George's, Howard, Anne Arundel and Baltimore Counties, and Baltimore City. The Tier 2 Area includes any county in the State not included in the Tier 1 Area. In the event that the employees who perform the services are not located in the State, the head of the unit responsible for a State Contract pursuant to §18-102(d) of the State Finance and Procurement Article shall assign the tier based upon where the recipients of the services are located.

The Contract resulting from this solicitation will be determined to be a Tier 1 Contract or a Tier 2 Contract depending on the location(s) from which the Contractor provides 50% or more of the services. The Bidder/Offeror must identify in its Bid/Proposal the location(s) from which services will be provided, including the location(s) from which 50% or more of the Contract services will be provided.

- If the Contractor provides 50% or more of the services from a location(s) in a Tier 1 jurisdiction(s) the Contract will be a Tier 1 Contract.
- If the Contractor provides 50% or more of the services from a location(s) in a Tier 2 jurisdiction(s), the Contract will be a Tier 2 Contract.
- If the Contractor provides more than 50% of the services from an out-of-State location, the State agency determines the wage tier based on where the majority of the service recipients are located. In this circumstance, this Contract will be determined to be a Tier 1 Contract.

Information pertaining to reporting obligations may be found by going to the Maryland Department of Labor, Licensing and Regulation (DLLR) website <http://www.dllr.state.md.us/labor/prev/livingwage.shtml>.

**NOTE: Whereas the Living Wage may change annually, the Contract price may not be changed because of a Living Wage change.**

### 1.35 Federal Funding Acknowledgement

This Contract does not contain Federal funds.

### 1.36 Conflict of Interest Affidavit and Disclosure

Bidders/Offerors shall complete and sign the Conflict of Interest Affidavit and Disclosure (**Attachment G**) and submit it with their Bid/Proposal. All Bidders/Offerors are advised that if a Contract is awarded as a result of this solicitation, the successful Contractor's personnel who perform or control work under this Contract and each of the participating subcontractor personnel who perform or control work under this Contract shall be required to complete agreements substantially similar to **Attachment G** Conflict of Interest Affidavit and Disclosure. For policies and procedures applying specifically to Conflict of Interests, the Contract is governed by COMAR 21.05.08.08.

### **1.37 Non-Disclosure Agreement**

All potential Offerors are advised that this solicitation and any resultant Contract(s) are subject to the terms of the Non-Disclosure Agreement (NDA) contained in this solicitation as **Attachment H**.

In order to obtain access to certain data that is necessary to complete a proposal in response to this RFP, each Potential Offeror must complete a Non-Disclosure Agreement. The Non-Disclosure Agreement must be in the form provided as **Attachment H** to this RFP. In order to obtain the data, a Potential Offeror must first print, sign and return to the Procurement Officer the Non-Disclosure Agreement found at **Attachment H, “Non-Disclosure Agreement,”** with a request for the data. A scanned copy with live signature service and transmitted by e-mail is acceptable.

The information that will be provided to the Potential Offeror after submission of the Non-Disclosure Agreement includes data to be used in the preparation of the Offeror’s proposal. This data includes:

- Demographic data showing the date of birth, gender, city, state, and zip for employees and retirees
- Utilization and enrollment by plan

This additional information will be provided to each Offeror through secure file transfer upon receipt of the signed Non-Disclosure Agreement by the Procurement Officer. The potential Offeror may bring the signed Non-Disclosure Agreement to the Pre-Proposal Conference. **The data will not be e-mailed to Offerors.**

### **1.38 HIPAA Business Associate Agreement**

A HIPAA Business Associate Agreement will be required for this Contract.

### **1.39 Nonvisual Access**

This solicitation does not contain Information Technology (IT) provisions requiring Non-visual Access.

### **1.40 Mercury and Products That Contain Mercury**

This solicitation does not include the procurement of products known to likely include mercury as a component.

### **1.41 Location of the Performance of Services Disclosure**

This solicitation does not require the completion of the Location of the Performance of Services Disclosure.

### **1.42 Department of Human Resources (DHR) Hiring Agreement**

This solicitation does not require a DHR Hiring Agreement.

## **SECTION 2 – MINIMUM QUALIFICATIONS**

### **2.1 Offeror Minimum Qualifications**

The Offeror must provide proof with its Proposal that the following Minimum Qualifications have been met:

2.1.1 Offerors must provide proof of current URAC accreditation.

2.1.2 Offerors must provide proof of registration and/or certification as required by the following State laws:

- a. Certification as a provider review agent under Md. Ann. Code , Insurance Art., Title 15, subtitle 10B
- b. Registration as a third party administrator of a group health plan under Md. Ann. Code, Insurance Art., Title 18, subtitle 3; and
- c. Registration as a Pharmacy Benefits Manager under Md. Ann. Code, Insurance Art., Title 15, subtitle 16 and the required disclosure report as described in Md. Ann. Code, Insurance Art. § 15-1623

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## **SECTION 3 – SCOPE OF WORK**

### **3.1 Background and Purpose**

The Maryland Transit Administration (MTA) is a modal administration within the Maryland Department of Transportation. The Administration directly operates bus, metro, light rail and mobility transit services in the "Metro Transit District" comprising Baltimore City, and the surrounding counties. The Administration also contracts with several companies to operate statewide and commuter bus services, mobility services and commuter rail services ("MARC").

The Office of Treasury was created in 2004 to consolidate all fare systems into one group and coordinate the new automatic fare collection system and smart card project. Divisions in Treasury are Fare Collection Maintenance, Revenue Control, IT Treasury Lab, Reduced Fare Certification and Pass Sales, and the Maryland Transit Pass/Financial Reconciliation Services. Treasury's major responsibilities are to provide agency oversight of the new fare collection equipment; coordinate fare collection activities with MTA offices including Finance, Customer Service, Engineering, Marketing, and Operations, develop, coordinate and implement the smart card to all MTA modes and the Region, and coordinate the smart card program with the Washington Region (WMATA, Ride-On, Prince George's The Bus and Virginia partners).

The Maryland Transit Administration is issuing this solicitation for the purpose of obtain a Pharmacy Benefits Manager for the Prescription Drug (Rx) Benefit Plan for the union employees and its retirees of the MTA effective January 1, 2015. MTA has approximately 3,535 employees and retirees covered under the Rx Plan. Rx Benefits are a standard and important component of the employee benefits package at MTA. A single Rx plan is offered to all employees and retirees. Rx coverage is not packaged with the medical coverage. Employees and retirees can elect Rx coverage with or without Medical coverage.

The current CareFirst Rx plan provides employees and retirees with a Three Tier benefit structure. This program is based on CareFirst's preferred drug list, which is made of certain brand name prescription drugs (Tier Two) and all generic prescription drugs (Tier One). The Rx Plan covers maintenance and non-maintenance drugs. The plan provides the following benefits:

- Tier 1 - Generic Drugs (up to a 34 day supply) - \$8 copay
- Tier 2 Preferred Brand Drugs (up to a 34 day supply) - \$15 copay
- Tier 3 – Non-preferred Brand Drugs (up to 34 day supply) - \$25 copay
- Prior to January 1, 2014, Maintenance drugs (up to a 90 day supply) were available at the above copays at retail or mail order pharmacy. Effective January 1, 2014, MTA changed the copays for a 90 day supply of mail order drugs to: \$0 copay generic, \$15 for preferred brand names drugs and \$25 for non-preferred band name drugs. 90 day supply of maintenance drugs are available at retail level for twice the plan Tier level copay amounts.

Some Prescription Drugs require prior-authorization. There is no annual maximum or annual deductible under the Rx plan.

ARGUS was CareFirst's PBM prior to December 31, 2013. Effective January 1, 2014 CVS/CareMark is the CareFirst PBM.

The plans cover eligible employees and retirees. Eligible employees and retirees include:

- All full-time employees represented by MTA affiliated unions (Local 2, 1300 and 1859) as of their date of full-time employment;
- Retirees may elect to continue enrollment in the Rx plan at retirement.

The following dependents are eligible for coverage under the Rx plan:

- Legal Spouse as evidenced by a valid marriage certificate
- Biological and legally adopted children as evidenced by a valid birth certificate or court documents
- Stepchildren, when the primary subscriber (MTA employee or retiree) is legally married to their legal parent as evidenced by valid birth and marriage certificate and/or court documents
- Children through legal guardianship as evidenced by valid court documents which grant the primary subscriber (MTA employee or retiree) or eligible spouse legal guardianship of a child
- Children are eligible to remain covered under the Rx plan through the last day of the month in which they attain age 26

### **3.2 Scope of Work - Requirements**

The Contractor shall provide Pharmacy Benefit administration services for the prescription drug benefits plan offered to eligible employees and retirees of Maryland Transit Administration (MTA) effective January 1, 2015. In doing so, the Contractor shall do the following:

- 3.2.1** Submit a final Plan Design to the Contract Monitor for approval at least sixty (60) days prior to the Go-Live Date (January 1, 2015). The Contract Monitor shall have up to ten (10) days to review the submission and provide comments. Submission revisions incorporating the Contract Monitor's comments are due to the Contract Monitor within five (5) days of receipt of the comments.
- 3.2.2** Provide a Prescription Drug plan that duplicates the current plan with the same co-pays for retail, mail order and specialty drugs.
- 3.2.3** Provide adequate staffing to fulfill all obligations in the following areas: account management, claims processing, claims appeals, customer/member services, reporting, and data management and production.
- 3.2.4** Provide services as set forth in their response to the PBM Business Requirements - Proposal Form T1.
- 3.2.5** Assign a dedicated Account Manager as the primary contact for the MTA's Employee Benefits staff who will participate on the implementation team. If requested by the MTA, the Account Manager will be replaced with one that the MTA approves. The MTA reserves the right to accept or decline the Contractor's designated Account Manager for any reason at any time. See Section 1.22 for requirements regarding Substitution of Personnel.
- 3.2.6** Provide claims adjudication services and coordination of benefits with non-MTA plans at point of sale.
- 3.2.7** Have the ability to integrate PBM services with current vendors, as applicable.
- 3.2.8** Maintain electronic eligibility records for all plan enrollees.
- 3.2.9** Provide patient and provider education.
- 3.2.10** Provide systematic prospective, concurrent, and retrospective drug utilization review.
- 3.2.11** Provide Network pharmacy management/administration.
- 3.2.12** Provide formulary management and rebate sharing.
- 3.2.13** Provide reports and submit data to the MTA. The Contractor shall provide, at a minimum, the standard reports outlined in Technical Proposal Forms T1 and T2 to the MTA for all periods covered by this Contract on a monthly, quarter or yearly basis.. This obligation shall survive termination of the Contract.

- 3.2.14** Distribute pharmacy directories and all other plan enrollment related materials and correspondence.
- 3.2.15** Contractor shall administer specialty pharmacy program as outlined in the RFP.
- 3.2.16** Provide complete availability of IT services, including online/real time availability to MTA and/or its designee(s) for the following:
- Pricing administration
  - Ad hoc reporting
  - Website with enrollee portal
  - Clinical programs
  - Disease MTM (Medication Therapy Management Program)
  - Daily sharing of out of pocket information with medical provider to comply with Patient Protection and Affordable Care Act, also known as ObamaCare (PPACA). Medical provider will also share on a daily basis, out of pocket information with PBM to comply with PPACA.
- 3.2.17** The Contractor shall administer a fraud prevention and detection program and cooperate with the MTA's efforts to eliminate and prosecute health care fraud.
- 3.2.18** Administer the plan year from January 1 through December 31. Fees/ rates and discount guarantees quoted must be guaranteed for a minimum of 12 months. For each optional renewal period, advance notice of all fee /rate changes must be provided to MTA by September 1 for the Contract year beginning on the following January 1. Multi-year guarantees will be considered.

Requested Benefit Plan Design - MTA currently offers one Rx benefit plan design to meet employee/retiree needs. Contractors must match the current plan.

- 3.2.19 Premium Payments** - For Active employees, MTA pays 75% of the premium for employees and dependents. MTA pays 75% of premium for retirees and dependents. Retirees and active employees have a 25% cost share for balance of premium.
- 3.2.20 Funding** Current funding for MTA is self-insured with specific stop-loss at \$400,000 for Medical and Prescription Drug. There is no Aggregate stop-loss.

Contractors must assume the following for this Contract:

- Self-funded proposal with both traditional and pass through contracts;
- Pricing for Medicare D options including fully insured, if available;
- Implementation allowance that reimburses MTA for costs associated with implementing new PBM;
- Pricing that includes market check pricing updates after the second year of the initial Contract and at the renewal option for years 4 and 5, if exercised; and
- Pricing that includes 3 year pricing for both generics and rebates.

- 3.2.21 Billing and Claims Payment** - MTA cannot prefund claims. The Contractor may send MTA an invoice for paid claims which will be paid promptly by MTA, or the Contractor may request periodic electronic wire transfers once claims have been processed. Self-administered billing will apply to any administrative fees and other fixed costs/rates.
- 3.2.22 Enrollment Assistance** - The Contractor must provide initial enrollment support to MTA including employee communications materials (including benefits booklets and announcement materials), employee meetings,

administration, and any other services MTA deems appropriate. It is anticipated there will be three (3) to five (5) meetings over a period of six (6) to eight (8) days of enrollment meetings.

The Contractor must provide a supply of benefit booklets and other communication materials, in a sufficient amount and in a timely fashion to allow for on-going enrollments during the plan year as well as for annual open enrollments. All communication, announcement, and enrollment materials should be approved in advance by MTA.

**3.2.23 Mailing of Identification Cards** - Mail ID cards to enrollees at their home address of record

**3.2.24** Ongoing basic administration of the plan (enrollment, changes, termination, etc.) is performed by designee(s) of the Contract Administrator, using an automated system/database provided by the Contractor. Descriptions and capabilities of available systems must be included as part of a response.

**3.2.25** Contractor must assume the current carrier will pay the run-out claims.

**3.2.26** Census data. Claim experience and enrollment history in Microsoft Excel will be provided once the Non-Disclosure Agreement (Attachment H) is completed and returned as described in Section 1.37. Census is current as of May, 2014.

**3.2.27** Contract Implementation –The Contractor shall meet the following implementation tasks and deadlines:

- **Kickoff Meeting – Within 15 days of contract award.**
- **Provide Final Implementation Schedule – 5 Business Days after Kick Off Meeting**
- **Provide Draft Plan Documents to MTA- September 15, 2014**
- **Provide Open Enrollment Material Drafts/Schedule – October 1, 2014**
- **Establish any necessary banking accounts for electronic fund transfers – October 1, 2014**
- **Attend Open Enrollment Meetings/Benefit Fairs – TBD**
- **Load and audit enrollment files –October 2014 – December 2014**
- **Provide Final enrollment documents and materials to MTA- November 1, 2014**
- **Mail ID cards to enrollees at their home address of record – December 15, 2014.**
- **Begin administration and coverage- January 1, 2015.**

**3.2.28** Performance Guarantee - The successful Contractor must adhere substantially to the following performance standards and provide periodic performance reports. Not meeting one of the specified criteria within each category will result in 50% of the penalty being awarded to MTA. Additional penalties within each category will be pro-rated over the remaining items using the outstanding penalty dollars. These standards will apply for each year of the contract with MTA. Bidders must state what \$ amount performance penalty they are willing to guarantee for each of the categories noted below. A minimum annual penalty of \$125,000 should apply.

Performance Standard	Penalty
<ul style="list-style-type: none"> <li>• <b>Implementation</b></li> <li>• Produce and distribute an adequate supply of current, up-to-date provider directories and enrollment packets to MTA by November 1, 2014. If directories are available on-line employees must have access to the directories within the same time frame.</li> <li>• Produce and distribute ID cards at least 15 days prior to the effective date error free. It is the carrier’s responsibility to work with MTA to achieve error free distribution.</li> <li>• Code benefits in claim system with 100% accuracy.</li> <li>• Provide MTA with a benefits and financial contract within two months of the plan effective date.</li> </ul>	

- Have a knowledgeable team available to attend all employee

Performance Standard	Fee-based Penalty
<p>meetings. Representatives must be fluent on all plan offerings you are proposing.</p> <ul style="list-style-type: none"> <li>• Upload eligibility to enrollment system with 100% accuracy assuming “clean” files from client group.</li> </ul>	
<hr/>	
<p><b>2. Home Delivery Pharmacy</b></p> <ul style="list-style-type: none"> <li>• Dispensing Accuracy - The Dispensing Accuracy Rate for each Contract Year will be 99.996% or greater</li> <li>• Turn around for Routine Scripts - dispense prescriptions not subject to intervention within an average of two (2) business days.</li> </ul>	
<hr/>	
<p><b>3. Customer Service</b></p> <ul style="list-style-type: none"> <li>• For time on hold criteria, use an abandonment rate of no more than 5%.</li> <li>• Provide callback and/or written response to insured individuals or MTA’s designated administrator for unresolved issues within 24 hours.</li> <li>• Provide callback and/or written responses to MTA administrators for inquiries within 24 hours.</li> <li>• Claim processing (may be confirmed by outside audit) <ul style="list-style-type: none"> <li>▪ dollar accuracy rate of 99%</li> <li>▪ procedural accuracy rate of 97%</li> <li>▪ turnaround time: 90% of clean claims paid in 14 calendar days. An EOB asking for more information is not included in meeting turnaround targets.</li> </ul> </li> <li>• Produce agreed upon reports at agreed upon dates/intervals.</li> <li>• Conduct annual member satisfaction survey and achieve overall rating of 80% or better. (Survey format and rating methodology to be agreed upon by both parties.) Survey results must be provided to accounts within 45 days of survey completion date.</li> <li>• Duplicate errors on part of carrier – if MTA documents a consistent pattern of mistakes or errors that go uncorrected for a substantial period of time (not to exceed two quarters), it will be determined you have not met this standard.</li> <li>• Billing and enrollment (eligibility): <ul style="list-style-type: none"> <li>• Initial - 99.5% loaded in system within five working days</li> <li>• Ongoing - 99.5% loaded in system within three working days</li> </ul> </li> <li>• Produce and distribute ID cards within five business days of receipt of new employee information from MTA</li> <li>• Maintain accurate up to date enrollment in the system at all times.</li> </ul>	

Upon approval and signed performance guarantees, the Contractor is required to monitor and provide a written report, within 45 days of the close of the quarter, on all standards that were met and not met with backup information. The Contractor will pay penalties as an adjustment on the next administrative fee invoice.

<b>3.3 Auditing Requirements</b>
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### 3.3.1 Service Organization Control Type 2 (SOC 2<sup>nd</sup>) Audit

In accordance with the Statement of Standard for Attestation Engagements (SSAE) 16, the MTA shall required a Services Organization Control Type 2 (SOC 2<sup>nd</sup>) audit on Contractor(s) which provide services that affects the security, availability, and processing integrity of a system that process users' data and that confidentiality and privacy of information processed by this system.

A. SOC 2<sup>nd</sup> reports specifically address one or more of the following five (5) key system attributes:

- (i) Security – The system is protected against unauthorized access (both physical and logical);
- (ii) Availability – The system is available for operation and use as committed or agreed;
- (iii) Processing Integrity – System processing is complete, accurate, timely and authorized;
- (iv) Confidentiality – Information designated as confidential is protected as committed or agreed;
- (v) Privacy – Personal information is collected, used, retained, disclosed and disposed of in conformity with the commitments in the entity's privacy notice, and with criteria set forth in Generally Accepted Accounting Principles (GAAP) issued by the American Institute of Certified Public Accountants (AICPA) and Canadian Institute of Chartered Accountants.

B. SOC 2<sup>nd</sup> specifically reports on management's description of the service organization's system and the suitability of the design and operating effectiveness of the controls.

3.3.2 The SOC 2<sup>nd</sup> must be conducted by an independent Certified Public Accountant (CPA) at the Contractor's expense on an annual basis. The audit shall reflect the state's fiscal year (July 1<sup>st</sup> through June 30<sup>th</sup>) and be completed by September 30<sup>th</sup> of each year thereafter.

3.3.3 One copy of the report shall be sent to the MTA's Office of Procurement and Contracts and another copy shall be sent to the Finance Division, located at 6 St. Paul Street, 7<sup>th</sup> Floor, Baltimore, MD 21202.

3.3.4 This section is subject to change in accordance with current accounting standards and practices set forth in GAAP issued by the AICPA and Canadian Institute of Chartered Accountants for the duration of the contract.

## 3.4 Security Requirements

### 3.4.1 Information Technology

- (a) Contractors shall comply with and adhere to the State IT Security Policy and Standards. These policies may be revised from time to time and the Contractor shall comply with all such revisions. Updated and revised versions of the State IT Policy and Standards are available online at: [www.doit.maryland.gov](http://www.doit.maryland.gov) – keyword: Security Policy.
- (b) The Contractor shall not connect any of its own equipment to a State LAN/WAN without prior written approval by the State. The Contractor shall complete any necessary paperwork as directed and coordinated with the Contract Monitor to obtain approval by the State to connect Contractor-owned equipment to a State LAN/WAN.

## 3.5 Insurance Requirements

### 3.5.1 Types and Values.

#### 3.5.1.1 Comprehensive General Liability Insurance

- A. Bodily Injury: \$5,000,000 combined single limit

- B. Property Damage: \$500,000 per occurrence or claim made

### 3.5.2 Workmen's Compensation

- 3.5.2.1 Insurance shall be sufficient to cover claims payable under statutory requirements for Worker's Compensation.
- 3.5.2.2 Employer's Liability Insurance (Coverage B): \$5,000,000 limit
- 3.5.2.3 Professional Liability Insurance
  - A. Bodily Injury: \$5,000,000 combined single limit
  - B. Property Damage: \$500,000 per occurrence or claim made
- 3.5.2.4 Excess/Umbrella Liability Insurance
  - A. Bodily Injury: \$5,000,000 combined single limit
  - B. Property Damage: \$500,000 per occurrence or claim made

### 3.5.3 Insurance Company Qualifications

- 3.5.3.1 The insurance required in this Article of this contract must be issued by companies that are:
  - A. Acceptable to the MTA
  - B. Licensed to do business in the State of Maryland.

### 3.5.4 Policy Requirements

- 3.5.4.1 The recommended Contractor awardee shall deliver to the MTA representative within 10 days of notification of proposed contract award an accurate and true Certificates of Insurance that show that:
- 3.5.4.2 The Contractor has procured coverage stated in this Article of this contract.
- 3.5.4.3 The Maryland Department of Transportation, the State of Maryland and the MTA has been named as an additional insured.
- 3.5.4.4 The policies will not be canceled, terminated or modified without 60 days prior written notice to the Administration. Certificates of Insurance are acceptable in lieu of true copies of the policies if the policy writer notes on the Certificate, or through attachment to the Certificate, all policy exclusions.
- 3.5.4.5 The Contractor shall require that any subcontractors providing services under this Contract obtain and maintain similar levels of insurance and shall provide the Contract Monitor with the same documentation as is required of the Contractor.

## 3.6 Problem Escalation Procedure

- 3.6.1 The Contractor must provide and maintain a Problem Escalation Procedure (PEP) for both routine and emergency situations. The PEP must state how the Contractor will address problem situations as they

occur during the performance of the Contract, especially problems that are not resolved to the satisfaction of the State within appropriate timeframes.

The Contractor shall provide contact information to the Contract Monitor, as well as to other State personnel, as directed should the Contract Monitor not be available.

3.6.2 The Contractor must provide the PEP no later than ten (10) Business Days after notice of Contract award or after the date of the Notice to Proceed, whichever is earlier. The PEP, including any revisions thereto, must also be provided within ten (10) Business Days after the start of each Contract year and within ten (10) Business Days after any change in circumstance which changes the PEP. The PEP shall detail how problems with work under the Contract will be escalated in order to resolve any issues in a timely manner. The PEP shall include:

- The process for establishing the existence of a problem;
- The maximum duration that a problem may remain unresolved at each level in the Contractor's organization before automatically escalating the problem to a higher level for resolution;
- Circumstances in which the escalation will occur in less than the normal timeframe;
- The nature of feedback on resolution progress, including the frequency of feedback to be provided to the State;
- Identification of, and contact information for, progressively higher levels of personnel in the Contractor's organization who would become involved in resolving a problem;
- Contact information for persons responsible for resolving issues after normal business hours (e.g., evenings, weekends, holidays, etc.) and on an emergency basis; and
- A process for updating and notifying the Contract Monitor of any changes to the PEP.

Nothing in this section shall be construed to limit any rights of the Contract Monitor or the State which may be allowed by the Contract or applicable law.

## **3.7 Invoicing**

### **3.7.1 General**

- (a) All invoices for services shall be signed by the Contractor and submitted to the Contract Monitor. All invoices shall include the following information:
- Contractor name;
  - Remittance address;
  - Federal taxpayer identification number (or if sole proprietorship, the individual's social security number);
  - Invoice period;
  - Invoice date;
  - Invoice number
  - State assigned Contract number;
  - State assigned (Blanket) Purchase Order number(s);
  - Goods or services provided; and
  - Amount due.
  - For MTA internal accounting purposes, Contractor may be required to specifically enumerate expenses and claim costs associated with certain eligibles, such as by union affiliation or employment status. MTA will provide Contractor with specific identifiers for ease of isolation of any such required information.

Invoices submitted without the required information cannot be processed for payment until the Contractor provides the required information.

- (b) The Department reserves the right to reduce or withhold Contract payment in the event the Contractor does not provide the Department with all required deliverables within the time frame specified in the Contract or in the event that the Contractor otherwise materially breaches the terms and conditions of the Contract until such time as the Contractor brings itself into full compliance with the Contract. Any action on the part of the Department, or dispute of action by the Contractor, shall be in accordance with the provisions of Md. Code Ann., State Finance and Procurement Article §§ 15-215 through 15-223 and with COMAR 21.10.02.

### 3.7.2 **Invoice Submission Schedule**

The contractor shall submit invoices by the 15<sup>th</sup> of the month following the month in which services were performed.

## **SECTION 4 – PROPOSAL FORMAT**

### **4.1 Two Part Submission**

Offerors shall submit Proposals in separate volumes:

- Volume I – TECHNICAL PROPOSAL
- Volume II – FINANCIAL PROPOSAL

### **4.2 Proposals**

#### **Proposals**

4.2.1 Volume I – Technical Proposal, and Volume II – Financial Proposal shall be sealed separately from one another. It is required that the name, email address, and telephone number of the Offeror be included on the outside of the packaging for each volume. Each Volume shall contain an unbound original, so identified, and six (6) copies. The two (2) sealed Volumes shall be submitted together under one (1) label bearing:

- The RFP title and number,
- Name and address of the Offeror,
- The volume number (I or II), and
- Closing date and time for receipt of Proposals.

The two (2) sealed Volumes and all copies should be submitted to the Procurement Officer (see Section 1.5 “Procurement Officer”) prior to the date and time for receipt of Proposals (see Section 1.10 “Proposals Due (Closing) Date and Time”).

Responses to and data from Proposal Forms T1, T2, T3, T4, and T5 should be included with your Technical Proposal. Proposal Forms P1 and P2 should be included in your Financial Proposal.

- 4.2.2 An electronic version (CD or DVD) of the Technical Proposal in Microsoft Word format must be enclosed with the original Technical Proposal. An electronic version (CD) of the Financial Proposal in Microsoft Word or Microsoft Excel format must be enclosed with the original Financial Proposal. CDs must be labeled on the outside with the RFP title and number, name of the Offeror, and volume number. CDs must be packaged with the original copy of the appropriate Proposal (Technical or Financial).
- 4.2.3 A second electronic version of Volume I and Volume II in searchable Adobe PDF format shall be submitted on CD for Public Information Act (PIA) requests. This copy shall be redacted so that confidential and/or proprietary information has been removed (see Section 1.13 “Public Information Act Notice”).
- 4.2.4 All pages of both proposal volumes shall be consecutively numbered from beginning (Page 1) to end (Page “x”).
- 4.2.5 Proposals and any modifications to Proposals will be shown only to members of the Evaluation Committee, or other persons deemed by the Department to have a legitimate interest in them.

### **4.3 Delivery**

Offerors may either mail or hand-deliver Proposals.

- 4.3.1 For U.S. Postal Service deliveries, any Proposal that has been received at the appropriate mailroom, or typical place of mail receipt, for the respective procuring unit by the time and date listed in the RFP will be deemed to be timely. If an Offeror chooses to use the U.S. Postal Service for delivery, the Department recommends that it use Express Mail, Priority Mail, or Certified Mail only as these are the only forms for which both the date and time of receipt can be verified by the Department. An Offeror using first class mail will not be able to prove a timely delivery at the mailroom and it could take several days for an item sent by first class mail to make its way by normal internal mail to the Procurement Officer.
- 4.3.2 Hand-delivery includes delivery by commercial carrier acting as agent for the Offeror. For any type of direct (non-mail) delivery, Offerors are advised to secure a dated, signed, and time-stamped (or otherwise indicated) receipt of delivery.
- 4.3.3 After receipt, a Register of Proposals will be prepared that identifies each Offeror. The Register of Proposals will be open to inspection only after the Procurement Officer makes a determination recommending the award of the Contract.

**4.4 Volume I – Technical Proposal**

**Note: No pricing information is to be included in the Technical Proposal (Volume I). Pricing information is to be included only in the Financial Proposal (Volume II).**

**4.4.1 Format of Technical Proposal**

Inside a sealed package described in Section 4.2 “Proposals,” the unbound original, six (6) copies, and the electronic version shall be provided. The RFP sections are numbered for ease of reference. Section 4.4.2 sets forth the order of information to be provided in the Technical Proposal, e.g., Section 4.4.2.1 “Title and Table of Contents,” Section 4.4.2.2 “Claim of Confidentiality,” Section 4.4.2.3 “Transmittal Letter,” Section 4.4.2.4 “Executive Summary,” etc. In addition to the instructions below, responses in the Offeror’s Technical Proposal should reference the organization and numbering of Sections in the RFP (ex. “Section 3.2.1 Response . . . ; “Section 3.2.2 Response . . .,” etc.). This Proposal organization will allow State officials and the Evaluation Committee (see RFP Section 5.1) to “map” Offeror responses directly to RFP requirements by Section number and will aid in the evaluation process.

**4.4.2 The Technical Proposal** shall include the following documents and information in the order specified as follows. Each section of the Technical Proposal shall be separated by a TAB as detailed below:

**4.4.2.1 Title Page and Table of Contents (Submit under TAB A)**

The Technical Proposal should begin with a Title Page bearing the name and address of the Offeror and the name and number of this RFP. A Table of Contents shall follow the Title Page for the Technical Proposal, organized by section, subsection, and page number.

**4.4.2.2 Claim of Confidentiality (If applicable, submit under TAB A-1)**

Any information which is claimed to be confidential is to be noted by reference and included after the Title Page and before the Table of Contents, and if applicable, also in the Offeror’s Financial Proposal. An explanation for each claim of confidentiality shall be included (see Section 1.13 “Public Information Act Notice”). The entire Proposal cannot be given a blanket confidentiality designation. Any confidentiality designation must apply to specific sections, pages, or portions of pages of the Proposal.

**4.4.2.3 Transmittal Letter (Submit under TAB B)**

A Transmittal Letter shall accompany the Technical Proposal. The purpose of this letter is to

transmit the Proposal and acknowledge the receipt of any addenda. The Transmittal Letter should be brief and signed by an individual who is authorized to commit the Offeror to the services and requirements as stated in this RFP. The Transmittal Letter should include the following:

- Name and address of the Offeror;
- Name, title, e-mail address, and telephone number of primary contact for the Offeror;
- Solicitation Title and Solicitation Number that the Proposal is in response to;
- Signature, typed name, and title of an individual authorized to commit the Offeror to its Proposal;
- Federal Employer Identification Number (FEIN) of the Offeror, or if a single individual, that individual's Social Security Number (SSN);
- Offeror's eMM number;
- Offeror's MBE certification number (if applicable);
- Acceptance of all State RFP and Contract terms and conditions (see Section 1.23); if any exceptions are taken, they are to be noted in the Executive Summary (see Section 4.4.2.4); and
- Acknowledgement of all addenda to this RFP.

#### **4.4.2.4 Executive Summary (Submit under TAB C)**

The Offeror shall condense and highlight the contents of the Technical Proposal in a separate section titled "Executive Summary." The Summary should identify the Service Category(ies) and Region(s) for which the Offeror is proposing to provide services (if applicable). The Summary shall also identify any exceptions the Offeror has taken to the requirements of this RFP, the Contract (Attachment A), or any other attachments. Exceptions to terms and conditions may result in having the Proposal deemed unacceptable or classified as not reasonably susceptible of being selected for award.

**Unless specifically stated otherwise in the Executive Summary, it will be assumed that the Offeror agrees to these standards without exception.** Any additional performance guarantees being offered should be included

If the Offeror has taken no exceptions to the requirements of this RFP, the Executive Summary shall so state.

#### **4.4.2.5 Minimum Qualifications Documentation (If applicable, Submit under TAB D)**

The Offeror shall submit any Minimum Qualifications documentation that may be required, as set forth in Section 2.1 "Offeror Minimum Qualifications."

#### **4.4.2.6 Offeror Technical Response to RFP Requirements and Proposed Work Plan (Submit under TAB E)**

- a. The Offeror shall address each Scope of Work requirement (Section 3.2) in its Technical Proposal and describe how its proposed services, including the services of any proposed subcontractor(s), will meet or exceed the requirement(s). If the State is seeking Offeror agreement to any requirement(s), the Offeror shall state its agreement or disagreement. Any paragraph in the Technical Proposal that responds to a Scope of Work (Section 3.2) requirement shall include an explanation of how the work will be done. Any exception to a requirement, term, or condition may result in having the Proposal classified as not reasonably susceptible of being selected for award or the Offeror deemed not responsible.
- b. The Offeror shall give a definitive description of the proposed plan to meet the requirements of the RFP, i.e., a Work Plan. The Work Plan shall include the specific methodology and techniques to be used by the Offeror in providing the required services as outlined in RFP

Section 3.2, Scope of Work. The description shall include an outline of the overall management concepts employed by the Offeror and a project management plan, including project control mechanisms and overall timelines. Project deadlines considered contract deliverables must be recognized in the Work Plan.

Offeror should also quote a zero co-pay for Mail Order Generic Drugs. For greater ease in comparing benefits, please note significant deviations from the current plan design in a separate section of your proposal labeled Plan Design Deviations.

Offeror must include a sample Summary Plan Description (SPD) for a Rx benefit plan, as well as samples of standard member communication materials. Copies of all documents the Offeror believes will be helpful in determination of the contract award are to be included with the RFP response.

Provider networks have been an integral part of the Rx plan offered by the MTA, and if the Offeror expects to utilize networks to provide benefits, documentation of the basic professional and quality standards for inclusion in the network must be provided, and documentation of adequate availability of providers must be provided using Proposal Forms T3, T4 and T5.

Offeror must assume MTA will not pay brokerage/third-party commissions.

**Geographic Accessibility Report** -- The Contractor must provide a Geo Access Report for the Rx plan quoted. Use the employee/retiree zip codes provided in the enclosed census files. Please produce the Geo Access reports using all covered (not eligible) active employees and retirees. To determine if an employee/retiree is covered by a service area, use a standard of 1 Pharmacy within 10 miles. The report should be broken out by State/County. Complete Proposal Form T5 to include with your Geo Access Report.

- c. The Offeror shall identify the location(s) from which it proposes to provide the services, including, if applicable, any current facilities that it operates, and any required construction to satisfy the State's requirements as outlined in this RFP.
- d. The Offeror must provide a draft Problem Escalation Procedure (PEP) that includes, at a minimum, titles of individuals to be contacted by the Department's Contract Monitor should problems arise under the Contract and explain how problems with work under the Contract will be escalated in order to resolve any issues in a timely manner. Final procedures must be submitted as indicated in RFP Section 3.6.
- e. Descriptions of the benefits offered in each proposed Prescription Drug plan, along with summaries of limitations and exclusions to coverage in the plan(s).
- f. The Offeror must complete the following Proposal Forms for the Rx Plan they are proposing:

Proposal Form T1 – PBM Business Requirements
Proposal Form T2 – Technical Questionnaire
Proposal Form T3 – Pharmacy Network By County
Proposal Form T4 –Disruption Analysis
Proposal Form T5 –Network Access Summary

#### **4.4.2.7 Experience and Qualifications of Proposed Staff (Submit under TAB F)**

The Offeror shall identify the number and types of staff proposed to be utilized under the Contract.

The Offeror shall describe in detail how the proposed staff's experience and qualifications relate to their specific responsibilities, including any staff of proposed subcontractor(s), as detailed in the Work Plan. The Offeror shall include individual resumes for the key personnel, including key personnel for any proposed subcontractor(s), who are to be assigned to the project if the Offeror is awarded the Contract. Each resume should include the amount of experience the individual has had relative to the Scope of Work set forth in this solicitation. Letters of intended commitment to work on the project, including letters from any proposed subcontractor(s), shall be included in this section.

The Offeror shall provide an Organizational Chart outlining personnel and their related duties. The Offeror shall include job titles and the percentage of time each individual will spend on his/her assigned tasks. Offerors using job titles other than those commonly used by industry standards must provide a crosswalk reference document.

#### **4.4.2.8 Offeror Qualifications and Capabilities (Submit under TAB G)**

The Offeror shall include information on past experience with similar projects and/or services. The Offeror shall describe how its organization can meet the requirements of this RFP and shall also include the following information:

- a. The number of years the Offeror has provided the similar services;
- b. The number of clients/customers and geographic locations that the Offeror currently serves;
- c. The names and titles of headquarters or regional management personnel who may be involved with supervising the services to be performed under this Contract;
- d. The Offeror's process for resolving billing errors; and
- e. An organizational chart that identifies the complete structure of the Offeror including any parent company, headquarters, regional offices, and subsidiaries of the Offeror.

#### **4.4.2.9 References (Submit under TAB H)**

At least three (3) references are requested from customers who are capable of documenting the Offeror's ability to provide the services specified in this RFP. References used to meet any Offeror Minimum Qualifications (see Section 2) may be used to meet this request. Each reference shall be from a client for whom the Offeror has provided services within the past five (5) years and shall include the following information:

- a. Name of client organization;
- b. Name, title, telephone number, and e-mail address, if available, of point of contact for client organization; and
- c. Value, type, duration, and description of services provided.

The Department reserves the right to request additional references or utilize references not provided by an Offeror.

#### **4.4.2.10 List of Current or Prior State Contracts (Submit under TAB I)**

Provide a list of all contracts with any entity of the State of Maryland for which the Offeror is currently performing services or for which services have been completed within the last five (5) years. For each identified contract, the Offeror is to provide:

- a. The State contracting entity;
- b. A brief description of the services/goods provided;
- c. The dollar value of the contract;
- d. The term of the contract;
- e. The State employee contact person (name, title, telephone number, and, if possible, e-mail address); and
- f. Whether the contract was terminated before the end of the term specified in the original contract, including whether any available renewal option was not exercised.

Information obtained regarding the Offeror's level of performance on State contracts will be used by the Procurement Officer to determine the responsibility of the Offeror and considered as part of the experience and past performance evaluation criteria of the RFP.

#### **4.4.2.11 Financial Capability (Submit under TAB J)**

An Offeror must include in its Proposal a commonly-accepted method to prove its fiscal integrity. If available the Offeror shall include Financial Statements, preferably a Profit and Loss (P&L) statement and a Balance Sheet, for the last two (2) years (independently audited preferred).

In addition, the Offeror may supplement its response to this Section by including one or more of the following with its response:

- a. Dunn and Bradstreet Rating;
- b. Standard and Poor's Rating;
- c. Lines of credit;
- d. Evidence of a successful financial track record;
- e. Evidence of adequate working capital; and
- f. A.M. Best rating.

#### **4.4.2.12 Certificate of Insurance (Submit under TAB K)**

The Offeror shall provide a copy of its current certificate of insurance showing the types and limits of insurance in effect as of the Proposal submission date. The current insurance types and limits do not have to be the same as described in Section 3.5. See Section 3.5 for the required insurance certificate submission for the recommended Offeror.

#### **4.4.2.13 Legal Action Summary (Submit under TAB L)**

This summary shall include:

- a. A statement as to whether there are any outstanding legal actions or potential claims against the Offeror and a brief description of any action;
- b. A brief description of any settled or closed legal actions or claims against the Offeror over the past five (5) years;
- c. A description of any judgments against the Offeror within the past five (5) years, including the case name, court case docket number, and what the final ruling or determination was from the court; and

- d. In instances where litigation is on-going and the Offeror has been directed not to disclose information by the court, provide the name of the judge and location of the court.

#### **4.4.2.14 Economic Benefit Factors (Submit under TAB M)**

The Offeror shall submit with its Proposal a narrative describing the benefits that will accrue to the Maryland economy as a direct or indirect result of its performance of this contract. Proposals will be evaluated to assess the benefit to Maryland's economy specifically offered. See COMAR 21.05.03.03A(3).

Proposals that identify specific benefits as being contractually enforceable commitments will be rated more favorably than Proposals that do not identify specific benefits as contractual commitments, all other factors being equal.

Offerors shall identify any performance guarantees that will be enforceable by the State if the full level of promised benefit is not achieved during the Contract term.

As applicable, for the full duration of the Contract, including any renewal period, or until the commitment is satisfied, the Contractor shall provide to the Procurement Officer or other designated agency personnel reports of the actual attainment of each benefit listed in response to this section. These benefit attainment reports shall be provided quarterly, unless elsewhere in these specifications a different reporting frequency is stated.

Please note that in responding to this section, the following do not generally constitute economic benefits to be derived from this Contract:

- a. generic statements that the State will benefit from the Offeror's superior performance under the Contract;
- b. descriptions of the number of Offeror employees located in Maryland other than those that will be performing work under this Contract; or
- c. tax revenues from Maryland based employees or locations, other than those that will be performing, or used to perform, work under this Contract.

Discussion of Maryland-based employees or locations may be appropriate if the Offeror makes some projection or guarantee of increased or retained presence based upon being awarded this Contract.

Examples of economic benefits to be derived from a contract may include any of the following. For each factor identified below, identify the specific benefit and contractual commitments and provide a breakdown of expenditures in that category:

- The Contract dollars to be recycled into Maryland's economy in support of the Contract, through the use of Maryland subcontractors, suppliers and joint venture partners. Do not include actual fees or rates paid to subcontractors or information from your Financial Proposal;
- The number and types of jobs for Maryland residents resulting from the Contract. Indicate job classifications, number of employees in each classification and the aggregate payroll to which the Offeror has committed, including contractual commitments at both prime and, if applicable, subcontract levels. If no new positions or subcontracts are anticipated as a result of this Contract, so state explicitly;
- Tax revenues to be generated for Maryland and its political subdivisions as a result of the Contract. Indicate tax category (sales taxes, payroll taxes, inventory taxes and estimated personal income taxes for new employees). Provide a forecast of the total tax revenues resulting from the Contract;
- Subcontract dollars committed to Maryland small businesses and MBEs; and

- Other benefits to the Maryland economy which the Offeror promises will result from awarding the Contract to the Offeror, including contractual commitments. Describe the benefit, its value to the Maryland economy, and how it will result from, or because of the Contract award. Offerors may commit to benefits that are not directly attributable to the Contract, but for which the Contract award may serve as a catalyst or impetus.

#### **4.4.3 Additional Required Technical Submissions (TAB N)**

**4.4.3.1** The following documents shall be completed, signed, and included in the Technical Proposal, each in its own section that follows the material submitted in response to Section 4.4.

- a. Completed Bid/Proposal Affidavit (**Attachment B**).
- b. Completed Maryland Living Wage Requirements Affidavit of Agreement (**F-1**).
- c. Completed Conflict of Interest Affidavit and Disclosure (**Attachment G**).
- d. PBM Business Requirements- Proposal Form T1
- e. Technical Questionnaire –Proposal Form T2

### **4.5 Volume II – Financial Proposal**

Under separate sealed cover from the Technical Proposal and clearly identified in the format identified in Section 4.2 “Proposals,” the Offeror shall submit an original unbound copy, six (6) copies, and an electronic version in Microsoft Word or Microsoft Excel of the Financial Proposal. The Financial Proposal shall contain all price information in the format specified on the Financial Proposal Forms P2.

The MTA expects the Offeror who is awarded a Contract under this solicitation to validate its rates for Contract Years 1 through 5 and, if warranted based on with a request by the MTA, to reduce the premium rates/fees quoted in its proposal.

All fees must be quoted on a fully loaded basis, i.e., fees must include all direct and indirect costs, general and administrative overhead, purchasing burden and profit. No other fees or charges may be added to the contract after award, nor will the Contractor be compensated on any basis other than the applicable fully loaded rates.

## **SECTION 5 – EVALUATION COMMITTEE, EVALUATION CRITERIA, AND SELECTION PROCEDURE**

### **5.1 Evaluation Committee**

Evaluation of Proposals will be performed in accordance with COMAR 21.05.03 by a committee established for that purpose and based on the evaluation criteria set forth below. The Evaluation Committee will review Proposals, participate in Offeror oral presentations and discussions, and provide input to the Procurement Officer. The Department reserves the right to utilize the services of individuals outside of the established Evaluation Committee for advice and assistance, as deemed appropriate.

### **5.2 Technical Proposal Evaluation Criteria**

The criteria to be used to evaluate each Technical Proposal (5.2.1 A thru E and Section 5.2.2 – 5.2.4) are listed below in descending order of importance. Unless stated otherwise, any subcriteria within each criterion has equal weight are also listed in descending order of importance.

#### 5.2.1 Offeror's Technical Response to RFP Requirements and Work Plan (See RFP § 4.4.2.6)

##### **A. Provider Networks**

- *Geographic Access*
- *DUR integration with mail facilities*
- *Number of providers by county*
- *History/Stability*
- *Quality*
- *Match of top providers use*
- *Real time fraud and abuse detection*

##### **B. Administration**

- *Plan adjudication process*
- *Eligibility process*
- *Customer Service Skills*
- *Interface/enrollment capabilities; enrollment support activities*
- *Clinical Management*

##### **C. Compliance with Specifications**

- *Requested Plan Design(s)*
- *Compliance with RFP Instructions*
- *Form Submission*
- *Performance Standards*

##### **D. Client References**

##### **E. Data Reporting Capabilities**

The State prefers an Offeror's response to work requirements in the RFP that illustrates a comprehensive understanding of work requirements and mastery of the subject matter, including an explanation of how the work will be done. Proposals which include limited responses to work requirements such as "concur" or "will comply" will receive a lower ranking than those Proposals that demonstrate an understanding of the work requirements and include plans to meet or exceed them.

5.2.2 Experience and Qualifications of Proposed Staff (See RFP § 4.4.2.7)

5.2.3 Offeror Qualifications and Capabilities (See RFP § 4.4.2.8)

5.2.4 Economic Benefit to State of Maryland (See RFP § 4.4.2.14)

### **5.3 Financial Proposal Evaluation Criteria**

All Qualified Offerors (see Section 5.5.2.3) will be ranked from the lowest (most advantageous) to the highest (least advantageous) price within the stated guidelines set forth in this RFP and as submitted on Attachment E: Financial Proposal Form P1 and P2.

### **5.4 Reciprocal Preference**

Although Maryland law does not authorize procuring agencies to favor resident Offerors in awarding procurement contracts, many other states do grant their resident businesses preferences over Maryland contractors. Therefore, COMAR 21.05.01.04 requires that procuring units apply a reciprocal preference under the following conditions:

- The most advantageous offer is from a responsible Offeror whose headquarters, principal base of operations, or principal site that will primarily provide the services required under this RFP is in another state.
- The other state gives a preference to its resident businesses through law, policy, or practice; and
- The preference does not conflict with a Federal law or grant affecting the procurement Contract.

The preference given shall be identical to the preference that the other state, through law, policy, or practice gives to its resident businesses.

### **5.5 Selection Procedures**

#### **5.5.1 General**

The Contract will be awarded in accordance with the Competitive Sealed Proposals (CSP) method found at COMAR 21.05.03. The Competitive Sealed Proposals method allows for the conducting of discussions and the revision of Proposals during these discussions. Therefore, the State may conduct discussions with all Offerors that have submitted Proposals that are determined to be reasonably susceptible of being selected for contract award or potentially so. However, the State reserves the right to make an award without holding discussions.

In either case (i.e., with or without discussions), the State may determine an Offeror to be not responsible and/or an Offeror's Proposal to be not reasonably susceptible of being selected for award at any time after the initial closing date for receipt of Proposals and prior to Contract award. If the State finds an Offeror to be not responsible and/or an Offeror's Technical Proposal to be not reasonably susceptible of being selected for award, that Offeror's Financial Proposal will be returned if the Financial Proposal is unopened at the time of the determination.

#### **5.5.2 Selection Process Sequence**

5.5.2.1 Technical Proposals are evaluated for technical merit and ranked. During this review, oral presentations and discussions may be held. The purpose of such discussions will be to assure a full understanding of the State's requirements and the Offeror's ability to perform the services, as well as to facilitate arrival at a Contract that is most advantageous to the State. Offerors will be contacted by the State as soon as any discussions are scheduled.

- 5.5.2.2 Offerors must confirm in writing any substantive oral clarifications of, or changes in, their Technical Proposals made in the course of discussions. Any such written clarifications or changes then become part of the Offeror's Technical Proposal. Technical Proposals are given a final review and ranked.
- 5.5.2.3 The Financial Proposal of each Qualified Offeror (a responsible Offeror determined to have submitted an acceptable Proposal) will be evaluated and ranked separately from the Technical evaluation. After a review of the Financial Proposals of Qualified Offerors, the Evaluation Committee or Procurement Officer may again conduct discussions to further evaluate the Offeror's entire Proposal.
- 5.5.2.4 When in the best interest of the State, the Procurement Officer may permit Qualified Offerors to revise their initial Proposals and submit, in writing, Best and Final Offers (BAFOs). The State may make an award without issuing a request for a BAFO.

### 5.5.3 Award Determination

Upon completion of the Technical Proposal and Financial Proposal evaluations and rankings, each Offeror will receive an overall ranking. The Procurement Officer will recommend award of the Contract to the responsible Offeror that submitted the Proposal determined to be the most advantageous to the State. In making this most advantageous Proposal determination, technical factors will receive equal weight with financial factors.

## 5.6 Documents Required upon Notice of Recommendation for Contract Award

Upon receipt of a Notification of Recommendation for Contract Award, the following documents shall be completed, signed if applicable with original signatures, and submitted by the recommended awardee within ten (10) Business Days, unless noted otherwise. Submit three (3) copies of each of the following documents:

- a. Contract (**Attachment A**),
- b. Contract Affidavit (**Attachment C**),
- c. Non-Disclosure Agreement (**Attachment H**), if applicable; \*see Section 1.37,
- d. Copy of a current Certificate of Insurance with the prescribed limits set forth in Section 3.4 "Insurance Requirements," naming the State as an additional insured, if applicable; \*see Section 3.5.

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.**

## **RFP ATTACHMENTS**

### **ATTACHMENT A – Contract**

This is the sample contract used by the Department. It is provided with the RFP for informational purposes and is not required to be submitted at Proposal submission time. Upon notification of recommendation for award, a completed contract will be sent to the recommended awardee for signature. The recommended awardee must return to the Procurement Officer three (3) executed copies of the Contract within ten (10) Business Days after receipt. Upon Contract award, a fully-executed copy will be sent to the Contractor.

### **ATTACHMENT B – Bid/Proposal Affidavit**

This Attachment must be completed and submitted with the Technical Proposal.

### **ATTACHMENT C – Contract Affidavit**

This Attachment must be completed and submitted by the recommended awardee to the Procurement Officer within ten (10) Business Days of receiving notification of recommendation for award.

### **ATTACHMENT D – Pre-Proposal Conference Response Form**

It is requested that this form be completed and submitted as described in Section 1.6 by those potential Offerors that plan on attending the Pre-Proposal Conference.

### **ATTACHMENT E – Financial Proposal Instructions and Form**

The Financial Proposal Forms P1 and P2 must be completed and submitted in the Financial Proposal package.

### **ATTACHMENT F – Maryland Living Wage Requirements for Service Contracts and Affidavit of Agreement**

Attachment F-1 Living Wage Affidavit of Agreement must be completed and submitted with the Technical Proposal.

### **ATTACHMENT G – Conflict of Interest Affidavit and Disclosure**

If required (see Section 1.36), this Attachment must be completed and submitted with the Technical Proposal.

### **ATTACHMENT H – Non-Disclosure Agreement**

If required (see Section 1.37), this Attachment must be completed and submitted within ten (10) Business Days of receiving notification of recommendation for award. However, to expedite processing, it is suggested that this document be completed and submitted with the Technical Proposal.

### **ATTACHMENT I – Mercury Affidavit**

This attachment is not required.

### **ATTACHMENT J – Location of the Performance of Services Disclosure**

This attachment is not required.

### **ATTACHMENT K – Department of Human Resources (DHR) Hiring Agreement**

This attachment is not required.

## ATTACHMENT A – CONTRACT

### (CONTRACT TITLE)

THIS CONTRACT (the “Contract”) is made this (“X<sup>th</sup>”) day of (month), (year) by and between (Contractor’s name) and the STATE OF MARYLAND, acting through the Maryland Transit Administration.

In consideration of the promises and the covenants herein contained, the parties agree as follows:

#### 1. Definitions

In this Contract, the following words have the meanings indicated:

- 1.1 “COMAR” means Code of Maryland Regulations.
- 1.2 “Contract Monitor” means the Department employee identified in Section 1.6 of the RFP as the Contract Monitor.
- 1.3 “Contractor” means (Contractor’s name) whose principal business address is (Contractor’s primary address) and whose principal office in Maryland is (Contractor’s local address).
- 1.4 “Department” means the Maryland Transit Administration.
- 1.5 “Financial Proposal” means the Contractor’s Financial Proposal dated (Financial Proposal date).
- 1.6 “Procurement Officer” means the Department employee identified in Section 1.5 of the RFP as the Procurement Officer.
- 1.7 “RFP” means the Request for Proposals for (solicitation title) Solicitation # (solicitation number), and any addenda thereto issued in writing by the State.
- 1.8 “State” means the State of Maryland.
- 1.9 “Technical Proposal” means the Contractor’s Technical Proposal dated (Technical Proposal date).

#### 2. Scope of Contract

- 2.1 The Contractor shall provide deliverables, programs, goods, and services specific to the Contract awarded in accordance with Exhibits A-C listed in this section and incorporated as part of this Contract. If there is any conflict between this Contract and the Exhibits, the terms of the Contract shall govern. If there is any conflict among the Exhibits, the following order of precedence shall determine the prevailing provision:

The Contract  
The Request for Proposal (RFP) with addenda(s)  
The Proposal (Technical and Financial) with BAFO(s)

- 2.2 The Procurement Officer may, at any time, by written order, make changes in the work within the general scope of the Contract or the RFP. No other order, statement, or conduct of the Procurement Officer or any other person shall be treated as a change or entitle the Contractor to an equitable adjustment under this section. Except as otherwise provided in this Contract, if any change under this section causes an increase or decrease in the Contractor’s cost of, or the time required for, the performance of any part of the work, whether or not changed by the order, an equitable adjustment in the Contract price shall be made and the Contract modified in writing accordingly. The Contractor must assert in writing its right to an adjustment under this section within thirty (30) days of receipt of written change order and shall include a written

statement setting forth the nature and cost of such claim. No claim by the Contractor shall be allowed if asserted after final payment under this Contract. Failure to agree to an adjustment under this section shall be a dispute under the Disputes clause. Nothing in this section shall excuse the Contractor from proceeding with the Contract as changed.

- 2.3 While the Procurement Officer may, at any time, by written change order, make unilateral changes in the work within the general scope of the Contract as provided in Section 2.2 above, the Contract may be modified by mutual agreement of the parties, provided: (a) the modification is made in writing; (b) all parties sign the modification; and (c) all approvals by the required agencies as described in COMAR Title 21, are obtained.

### **3. Period of Performance.**

- 3.1 The term of this Contract begins on the date the Contract is signed by the Department following any required approvals of the Contract, including approval by the Board of Public Works, if such approval is required. The Contractor shall provide services under this Contract as of the Go-Live date contained in the written Notice to Proceed. From this Go-Live date, the Contract shall be for a period of approximately (number of years of base term of Contract) years (change to months if necessary) beginning (anticipated Contract start date) and ending on (anticipated end date of base term of Contract).
- 3.2 Further, this Contract may be extended for (number of Option Years) periods of one year each at the sole discretion of the Department and at the prices quoted in the Bid for Option Years. (Delete this section if there are no Option Years, and change the numbering of the next section to 3.2).
- 3.3 Audit, confidentiality, document retention, and indemnification obligations under this Contract shall survive expiration or termination of the Contract.

### **4. Consideration and Payment**

- 4.1 In consideration of the satisfactory performance of the work set forth in this Contract, the Department shall pay the Contractor in accordance with the terms of this Contract and at the prices quoted on the Financial Proposal Form (Attachment E). Unless properly modified (see above Section 2.3), payment to the Contractor pursuant to this Contract shall not exceed \$ (Not-to-Exceed amount).
- 4.2 Payments to the Contractor shall be made no later than thirty (30) days after the Department's receipt of a proper invoice for services provided by the Contractor, acceptance by the Department of services provided by the Contractor, and pursuant to the conditions outlined in Section 4 of this Contract. Each invoice for services rendered must include the Contractor's Federal Tax Identification or Social Security Number for a Contractor who is an individual which is (Contractor's FEIN or SSN). Charges for late payment of invoices other than as prescribed at Md. Code Ann., State Finance and Procurement Article, §15-104 as from time-to-time amended, are prohibited. Invoices shall be submitted to the Contract Monitor. Electronic funds transfer shall be used by the State to pay Contractor pursuant to this Contract and any other State payments due Contractor unless the State Comptroller's Office grants Contractor an exemption.
- 4.3 In addition to any other available remedies, if, in the opinion of the Procurement Officer, the Contractor fails to perform in a satisfactory and timely manner, the Procurement Officer may refuse or limit approval of any invoice for payment, and may cause payments to the Contractor to be reduced or withheld until such time as the Contractor meets performance standards as established by the Procurement Officer.
- 4.4 Payment of an invoice by the Department is not evidence that services were rendered as required under this Contract.
- 4.4 Contractor's eMarylandMarketplace vendor ID number is (Contractor's eMM number).

### **5. Rights to Records**

- 5.1 The Contractor agrees that all documents and materials including, but not limited to, software, software-produced reports, drawings, studies, specifications, estimates, tests, maps, photographs, designs, graphics, mechanical, artwork, computations, and data prepared by the Contractor for purposes of this Contract shall be the sole property of the State and shall be available to the State at any time. The State shall have the right to use the same without restriction and without compensation to the Contractor other than that specifically provided by this Contract.
- 5.2 The Contractor agrees that at all times during the term of this Contract and thereafter, works created as a deliverable under this Contract, and services performed under this Contract shall be “works made for hire” as that term is interpreted under U.S. copyright law. To the extent that any products created as a deliverable under this Contract are not works made for hire for the State, the Contractor hereby relinquishes, transfers, and assigns to the State all of its rights, title, and interest (including all intellectual property rights) to all such products created under this Contract, and will cooperate reasonably with the State in effectuating and registering any necessary assignments.
- 5.3 The Contractor shall report to the Contract Monitor, promptly and in written detail, each notice or claim of copyright infringement received by the Contractor with respect to all data delivered under this Contract.
- 5.4 The Contractor shall not affix any restrictive markings upon any data, documentation, or other materials provided to the State hereunder and if such markings are affixed, the State shall have the right at any time to modify, remove, obliterate, or ignore such warnings.

## **6. Exclusive Use**

The State shall have the exclusive right to use, duplicate, and disclose any data, information, documents, records, or results, in whole or in part, in any manner for any purpose whatsoever, that may be created or generated by the Contractor in connection with this Contract. If any material, including software, is capable of being copyrighted, the State shall be the copyright owner and Contractor may copyright material connected with this project only with the express written approval of the State.

## **7. Patents, Copyrights, and Intellectual Property**

- 7.1 If the Contractor furnishes any design, device, material, process, or other item, which is covered by a patent, trademark or service mark, or copyright or which is proprietary to, or a trade secret of, another, the Contractor shall obtain the necessary permission or license to permit the State to use such item or items.
- 7.2 The Contractor will defend or settle, at its own expense, any claim or suit against the State alleging that any such item furnished by the Contractor infringes any patent, trademark, service mark, copyright, or trade secret. If a third party claims that a product infringes that party’s patent, trademark, service mark, trade secret, or copyright, the Contractor will defend the State against that claim at Contractor’s expense and will pay all damages, costs, and attorneys’ fees that a court finally awards, provided the State: (a) promptly notifies the Contractor in writing of the claim; and (b) allows Contractor to control and cooperates with Contractor in, the defense and any related settlement negotiations. The obligations of this paragraph are in addition to those stated in Section 7.3 below.
- 7.3 If any products furnished by the Contractor become, or in the Contractor’s opinion are likely to become, the subject of a claim of infringement, the Contractor will, at its option and expense: (a) procure for the State the right to continue using the applicable item; (b) replace the product with a non-infringing product substantially complying with the item’s specifications; or (c) modify the item so that it becomes non-infringing and performs in a substantially similar manner to the original item.

## **8. Confidentiality**

8.1 Subject to the Maryland Public Information Act and any other applicable laws including, without limitation, HIPAA, the HI-TECH ACT, and the Maryland Medical Records Act, all confidential or proprietary information and documentation relating to either party (including without limitation, any information or data stored within the Contractor's computer systems) shall be held in absolute confidence by the other party. Each party shall, however, be permitted to disclose relevant confidential information to its officers, agents, and employees to the extent that such disclosure is necessary for the performance of their duties under this Contract, provided that the data may be collected, used, disclosed, stored, and disseminated only as provided by and consistent with the law. The provisions of this section shall not apply to information that: (a) is lawfully in the public domain; (b) has been independently developed by the other party without violation of this Contract; (c) was already in the possession of such party; (d) was supplied to such party by a third party lawfully in possession thereof and legally permitted to further disclose the information; or (e) which such party is required to disclose by law.

8.2 This Section 8 shall survive expiration or termination of this Contract.

## **9. Loss of Data**

In the event of loss of any State data or records where such loss is due to the intentional act or omission or negligence of the Contractor or any of its subcontractors or agents, the Contractor shall be responsible for recreating such lost data in the manner and on the schedule set by the Contract Monitor. The Contractor shall ensure that all data is backed up and recoverable by the Contractor. Contractor shall use its best efforts to assure that at no time shall any actions undertaken by the Contractor under this Contract (or any failures to act when Contractor has a duty to act) damage or create any vulnerabilities in data bases, systems, platforms, and/or applications with which the Contractor is working hereunder.

## **10. Indemnification**

- 10.1 The Contractor shall hold harmless and indemnify the State from and against any and all losses, damages, claims, suits, actions, liabilities, and/or expenses, including, without limitation, attorneys' fees and disbursements of any character that arise from, are in connection with or are attributable to the performance or nonperformance of the Contractor or its subcontractors under this Contract.
- 10.2 This indemnification clause shall not be construed to mean that the Contractor shall indemnify the State against liability for any losses, damages, claims, suits, actions, liabilities, and/or expenses that are attributable to the sole negligence of the State or the State's employees.
- 10.3 The State of Maryland has no obligation to provide legal counsel or defense to the Contractor or its subcontractors in the event that a suit, claim, or action of any character is brought by any person not party to this Contract against the Contractor or its subcontractors as a result of or relating to the Contractor's performance under this Contract.
- 10.4 The State has no obligation for the payment of any judgments or the settlement of any claims against the Contractor or its subcontractors as a result of or relating to the Contractor's performance under this Contract.
- 10.5 The Contractor shall immediately notify the Procurement Officer of any claim or suit made or filed against the Contractor or its subcontractors regarding any matter resulting from, or relating to, the Contractor's obligations under the Contract, and will cooperate, assist, and consult with the State in the defense or investigation of any claim, suit, or action made or filed against the State as a result of, or relating to, the Contractor's performance under this Contract.
- 10.6 This Section 10 shall survive termination of this Contract.

## **11. Non-Hiring of Employees**

No official or employee of the State, as defined under Md. Code Ann., State Government Article, § 15-102, whose duties as such official or employee include matters relating to or affecting the subject matter of this Contract, shall, during the pendency and term of this Contract and while serving as an official or employee of the State, become or be an employee of the Contractor or any entity that is a subcontractor on this Contract.

## **12. Disputes**

This Contract shall be subject to the provisions of Md. Code Ann., State Finance and Procurement Article, Title 15, Subtitle 2, and COMAR 21.10 (Administrative and Civil Remedies). Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Contract in accordance with the Procurement Officer's decision. Unless a lesser period is provided by applicable statute, regulation, or the Contract, the Contractor must file a written notice of claim with the Procurement Officer within thirty (30) days after the basis for the claim is known or should have been known, whichever is earlier. Contemporaneously with or within thirty (30) days of the filing of a notice of claim, but no later than the date of final payment under the Contract, the Contractor must submit to the Procurement Officer its written claim containing the information specified in COMAR 21.10.04.02.

## **13. Maryland Law**

- 13.1 This Contract shall be construed, interpreted, and enforced according to the laws of the State of Maryland.
- 13.2 The Md. Code Ann., Commercial Law Article, Title 22, Maryland Uniform Computer Information Transactions Act, does not apply to this Contract or to any purchase order or Notice to Proceed issued under this Contract.
- 13.3 Any and all references to the Maryland Code, Annotated contained in this Contract shall be construed to refer to such Code sections as are from time to time amended.

## **14. Nondiscrimination in Employment**

The Contractor agrees: (a) not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, or disability of a qualified individual with a disability; (b) to include a provision similar to that contained in subsection (a), above, in any underlying subcontract except a subcontract for standard commercial supplies or raw materials; and (c) to post and to cause subcontractors to post in conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause.

## **15. Contingent Fee Prohibition**

The Contractor warrants that it has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the business, to solicit or secure the Contract, and that the business has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency, any fee or any other consideration contingent on the making of this Contract.

## **16. Non-availability of Funding**

If the General Assembly fails to appropriate funds or if funds are not otherwise made available for continued performance for any fiscal period of this Contract succeeding the first fiscal period, this Contract shall be canceled automatically as of the beginning of the fiscal year for which funds were not appropriated or otherwise made available; provided, however, that this will not affect either the State's rights or the Contractor's rights under any termination clause in this Contract. The effect of termination of the Contract hereunder will be to discharge both the Contractor and the State from future performance of the Contract, but not from their rights and obligations existing at the time of termination. The Contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the Contract. The State shall notify the Contractor as soon as it has

knowledge that funds may not be available for the continuation of this Contract for each succeeding fiscal period beyond the first.

#### **17. Termination for Default**

If the Contractor fails to fulfill its obligations under this Contract properly and on time, or otherwise violates any provision of the Contract, the State may terminate the Contract by written notice to the Contractor. The notice shall specify the acts or omissions relied upon as cause for termination. All finished or unfinished work provided by the Contractor shall, at the State's option, become the State's property. The State shall pay the Contractor fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, less the amount of damages caused by the Contractor's breach. If the damages are more than the compensation payable to the Contractor, the Contractor will remain liable after termination and the State can affirmatively collect damages. Termination hereunder, including the termination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.11B.

#### **18. Termination for Convenience**

The performance of work under this Contract may be terminated by the State in accordance with this clause in whole, or from time to time in part, whenever the State shall determine that such termination is in the best interest of the State. The State will pay all reasonable costs associated with this Contract that the Contractor has incurred up to the date of termination, and all reasonable costs associated with termination of the Contract; provided, however, the Contractor shall not be reimbursed for any anticipatory profits that have not been earned up to the date of termination. Termination hereunder, including the determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.12A(2).

#### **19. Delays and Extensions of Time**

The Contractor agrees to prosecute the work continuously and diligently and no charges or claims for damages shall be made by it for any delays, interruptions, interferences, or hindrances from any cause whatsoever during the progress of any portion of the work specified in this Contract.

Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including but not restricted to, acts of God, acts of the public enemy, acts of the State in either its sovereign or contractual capacity, acts of another Contractor in the performance of a contract with the State, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of either the Contractor or the subcontractors or suppliers.

#### **20. Suspension of Work**

The State unilaterally may order the Contractor in writing to suspend, delay, or interrupt all or any part of its performance for such period of time as the Procurement Officer may determine to be appropriate for the convenience of the State.

#### **21. Pre-Existing Regulations**

In accordance with the provisions of Md. Code Ann., State Finance and Procurement Article, § 11-206, the regulations set forth in Title 21 of the Code of Maryland Regulations (COMAR 21) in effect on the date of execution of this Contract are applicable to this Contract.

#### **22. Financial Disclosure**

The Contractor shall comply with the provisions of Md. Code Ann., State Finance and Procurement Article, § 13-221, which requires that every person that enters into contracts, leases, or other agreements with the State or its agencies

during a calendar year under which the business is to receive in the aggregate, \$100,000 or more, shall within thirty (30) days of the time when the aggregate value of these contracts, leases or other agreements reaches \$100,000, file with the Secretary of the State certain specified information to include disclosure of beneficial ownership of the business.

### **23. Political Contribution Disclosure**

The Contractor shall comply with Md. Code Ann., Election Law Article, §§ 14-101 through 14-108, which requires that every person that enters into contracts, leases, or other agreements with the State, a county, or an incorporated municipality, or their agencies, during a calendar year in which the person receives in the aggregate \$100,000 or more, shall, file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election. The statement shall be filed with the State Board of Elections: (a) before a purchase or execution of a lease or contract by the State, a county, an incorporated municipality, or their agencies, and shall cover the preceding two calendar years; and (b) if the contribution is made after the execution of a lease or contract, then twice a year, throughout the contract term, on: (i) February 5, to cover the six (6) month period ending January 31; and (ii) August 5, to cover the six (6) month period ending July 31.

### **24. Documents Retention and Inspection Clause**

The Contractor and subcontractors shall retain and maintain all records and documents relating to this contract for a period of five (5) years after final payment by the State hereunder or any applicable statute of limitations, whichever is longer, and shall make them available for inspection and audit by authorized representatives of the State, including the Procurement Officer or designee, at all reasonable times. All records related in any way to the Contract are to be retained for the entire time provided under this section. This Section 24 shall survive expiration or termination of the Contract.

If the Contractor supplies services to a State residential health care facility under the Mental Hygiene Administration, the Family Health Administration, the Alcohol and Drug Abuse Administration, or the Developmental Disabilities Administration, the Contractor agrees, in addition to the requirements above,:

- 24.1 That pursuant to 42 Code of Federal Regulations (C.F.R.) Part 420, the Secretary of Health and Human Services, and the Comptroller General of the United States, or their duly-authorized representatives, shall be granted access to the Contractor's contract, books, documents, and records necessary to verify the cost of the services provided under this contract, until the expiration of four (4) years after the services are furnished under this contract; and
- 24.2 That similar access will be allowed to the books, documents, and records of any organization related to the Contractor or controlled by the Contractor (as those terms are defined in 42 C.F.R. (420.301) if that organization is subcontracting to provide services with a value of \$10,000 or more in a twelve (12) month period to be reimbursed through funds provided by this contract.

### **25. Compliance with Laws**

The Contractor hereby represents and warrants that:

- 25.1 It is qualified to do business in the State and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified;
- 25.2 It is not in arrears with respect to the payment of any monies due and owing the State, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Contract;

- 25.3 It shall comply with all federal, State and local laws, regulations, and ordinances applicable to its activities and obligations under this Contract; and
- 25.4 It shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

## **26. Cost and Price Certification**

By submitting cost or price information, the Contractor certifies to the best of its knowledge that the information submitted is accurate, complete, and current as of the date of its Bid/Proposal.

The price under this Contract and any change order or modification hereunder, including profit or fee, shall be adjusted to exclude any significant price increases occurring because the Contractor furnished cost or price information which, as of the date of its Bid/Proposal, was inaccurate, incomplete, or not current.

## **27. Subcontracting; Assignment**

The Contractor may not subcontract any portion of the services provided under this Contract without obtaining the prior written approval of the Procurement Officer, nor may the Contractor assign this Contract or any of its rights or obligations hereunder, without the prior written approval of the Procurement Officer provided, however, that a contractor may assign monies receivable under a contract after due notice to the State. Any subcontracts shall include such language as may be required in various clauses contained within this Contract, exhibits, and attachments. The Contract shall not be assigned until all approvals, documents, and affidavits are completed and properly registered. The State shall not be responsible for fulfillment of the Contractor's obligations to its subcontractors.

## **28. Liability**

- 28.1 For breach of this Contract, negligence, misrepresentation, or any other contract or tort claim, Contractor shall be liable as follows:
- a. For infringement of patents, copyrights, trademarks, service marks, and/or trade secrets, as provided in Section 7 of this Contract;
  - b. Without limitation for damages for bodily injury (including death) and damage to real property and tangible personal property; and
  - c. For all other claims, damages, losses, costs, expenses, suits, or actions in any way related to this Contract, regardless of the form. Contractor's liability for third party claims arising under Section 10 of this Contract shall be unlimited if the State is not immune from liability for claims arising under Section 10.

## **29. Parent Company Guarantee (If Applicable)**

(Corporate name of Contractor's Parent Company) hereby guarantees absolutely the full, prompt, and complete performance by (Contractor) of all the terms, conditions and obligations contained in this Contract, as it may be amended from time to time, including any and all exhibits that are now or may become incorporated hereunto, and other obligations of every nature and kind that now or may in the future arise out of or in connection with this Contract, including any and all financial commitments, obligations, and liabilities. (Corporate name of Contractor's Parent Company) may not transfer this absolute guaranty to any other person or entity without the prior express written approval of the State, which approval the State may grant, withhold, or qualify in its sole and absolute subjective discretion. (Corporate name of Contractor's Parent Company) further agrees that if the State brings any claim, action, suit or proceeding against (Contractor), (Corporate name of Contractor's Parent Company) may be named as a party, in its capacity as Absolute Guarantor.

### **30. Commercial Nondiscrimination**

- 30.1 As a condition of entering into this Contract, Contractor represents and warrants that it will comply with the State's Commercial Nondiscrimination Policy, as described at Md. Code Ann., State Finance and Procurement Article, Title 19. As part of such compliance, Contractor may not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or other unlawful forms of discrimination in the solicitation, selection, hiring, or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall Contractor retaliate against any person for reporting instances of such discrimination. Contractor shall provide equal opportunity for subcontractors, vendors, and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that this clause does not prohibit or limit lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the marketplace. Contractor understands that a material violation of this clause shall be considered a material breach of this Contract and may result in termination of this Contract, disqualification of Contractor from participating in State contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party.
- 30.2 The Contractor shall include the above Commercial Nondiscrimination clause, or similar clause approved by the Department, in all subcontracts.
- 30.3 As a condition of entering into this Contract, upon the request of the Commission on Civil Rights, and only after the filing of a complaint against Contractor under Md. Code Ann., State Finance and Procurement Article, Title 19, as amended from time to time, Contractor agrees to provide within sixty (60) days after the request a complete list of the names of all subcontractors, vendors, and suppliers that Contractor has used in the past four (4) years on any of its contracts that were undertaken within the State of Maryland, including the total dollar amount paid by Contractor on each subcontract or supply contract. Contractor further agrees to cooperate in any investigation conducted by the State pursuant to the State's Commercial Nondiscrimination Policy as set forth at Md. Code Ann., State Finance and Procurement Article, Title 19, and to provide any documents relevant to any investigation that are requested by the State. Contractor understands that violation of this clause is a material breach of this Contract and may result in contract termination, disqualification by the State from participating in State contracts, and other sanctions.

### **31. Prompt Pay Requirements**

- 31.1 If the Contractor withholds payment of an undisputed amount to its subcontractor, the Department, at its option and in its sole discretion, may take one or more of the following actions:
- a. Not process further payments to the contractor until payment to the subcontractor is verified;
  - b. Suspend all or some of the contract work without affecting the completion date(s) for the contract work;
  - c. Pay or cause payment of the undisputed amount to the subcontractor from monies otherwise due or that may become due;
  - d. Place a payment for an undisputed amount in an interest-bearing escrow account; or
  - e. Take other or further actions as appropriate to resolve the withheld payment.
- 31.2 An "undisputed amount" means an amount owed by the Contractor to a subcontractor for which there is no good faith dispute. Such "undisputed amounts" include, without limitation:
- a. Retainage which had been withheld and is, by the terms of the agreement between the Contractor and subcontractor, due to be distributed to the subcontractor; and
  - b. An amount withheld because of issues arising out of an agreement or occurrence unrelated to the agreement under which the amount is withheld.
- 31.3 An act, failure to act, or decision of a Procurement Officer or a representative of the Department, concerning a withheld payment between the Contractor and a subcontractor under this provision, may not:

- a. Affect the rights of the contracting parties under any other provision of law;
- b. Be used as evidence on the merits of a dispute between the Department and the contractor in any other proceeding; or
- c. Result in liability against or prejudice the rights of the Department.

31.4 The remedies enumerated above are in addition to those provided under COMAR 21.11.03.13 with respect to subcontractors that have contracted pursuant to the Minority Business Enterprise (MBE) program.

**32. Contract Monitor and Procurement Officer**

The work to be accomplished under this Contract shall be performed under the direction of the Contract Monitor. All matters relating to the interpretation of this Contract shall be referred to the Procurement Officer for determination.

**33. Notices**

All notices hereunder shall be in writing and either delivered personally or sent by certified or registered mail, postage prepaid, as follows:

If to the State: Lisa Dunlap  
 Procurement Officer  
 6 St. Paul, 7<sup>th</sup> Floor  
 Baltimore, MD 21202

If to the Contractor: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**34. Hiring Agreement**

The Contractor agrees to execute and comply with the enclosed Maryland Department of Human Resources (DHR) Hiring Agreement (Attachment K). The Hiring Agreement is to be executed by the Bidder/Offeror and delivered to the Procurement Officer within ten (10) Working Days following receipt of notice by the Bidder/Offeror that it is being recommended for contract award. The Hiring Agreement will become effective concurrently with the award of the contract.

The Hiring Agreement provides that the Contractor and DHR will work cooperatively to promote hiring by the Contractor of qualified individuals for job openings resulting from this procurement, in accordance with Md. Code Ann., State Finance and Procurement Article §13-224.

**35. Miscellaneous**

35.1 Any provision of this Contract which contemplates performance or observance subsequent to any termination or expiration of this contract shall survive termination or expiration of this contract and continue in full force and effect.

35.2 If any term contained in this contract is held or finally determined to be invalid, illegal, or unenforceable in any respect, in whole or in part, such term shall be severed from this contract, and the remaining terms contained herein shall continue in full force and effect, and shall in no way be affected, prejudiced, or disturbed thereby.

IN WITNESS THEREOF, the parties have executed this Contract as of the date hereinabove set forth.

CONTRACTOR

STATE OF MARYLAND  
Maryland Transit Administration

\_\_\_\_\_  
By:  
  
+  
Date

\_\_\_\_\_  
By: (name and title of Department Head)  
  
Or designee:  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
Date

Approved for form and legal sufficiency  
this \_\_\_\_ day of \_\_\_\_\_, 20\_ .

\_\_\_\_\_  
Assistant Attorney General

APPROVED BY BPW: \_\_\_\_\_  
(Date) (BPW Item #)

Rev. 08/01/2013

**ATTACHMENT B – BID/PROPOSAL AFFIDAVIT**

**A. AUTHORITY**

I hereby affirm that I, \_\_\_\_\_ (name of affiant) am the \_\_\_\_\_ (title) and duly authorized representative of \_\_\_\_\_ (name of business entity) and that I possess the legal authority to make this affidavit on behalf of the business for which I am acting.

**B. CERTIFICATION REGARDING COMMERCIAL NONDISCRIMINATION**

The undersigned Bidder/Offeror hereby certifies and agrees that the following information is correct: In preparing its Bid/Proposal on this project, the Bidder/Offeror has considered all Proposals submitted from qualified, potential subcontractors and suppliers, and has not engaged in "discrimination" as defined in § 19-103 of the State Finance and Procurement Article of the Annotated Code of Maryland. "Discrimination" means any disadvantage, difference, distinction, or preference in the solicitation, selection, hiring, or commercial treatment of a vendor, subcontractor, or commercial customer on the basis of race, color, religion, ancestry, or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or any otherwise unlawful use of characteristics regarding the vendor's, supplier's, or commercial customer's employees or owners. "Discrimination" also includes retaliating against any person or other entity for reporting any incident of "discrimination". Without limiting any other provision of the solicitation on this project, it is understood that, if the certification is false, such false certification constitutes grounds for the State to reject the Bid/Proposal submitted by the Bidder/Offeror on this project, and terminate any contract awarded based on the Bid/Proposal. As part of its Bid/Proposal, the Bidder/Offeror herewith submits a list of all instances within the past 4 years where there has been a final adjudicated determination in a legal or administrative proceeding in the State of Maryland that the Bidder/Offeror discriminated against subcontractors, vendors, suppliers, or commercial customers, and a description of the status or resolution of that determination, including any remedial action taken. Bidder/Offeror agrees to comply in all respects with the State's Commercial Nondiscrimination Policy as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland.

**B-1. CERTIFICATION REGARDING MINORITY BUSINESS ENTERPRISES.**

The undersigned Bidder/Offeror hereby certifies and agrees that it has fully complied with the State Minority Business Enterprise Law, State Finance and Procurement Article, § 14-308(a)(2), Annotated Code of Maryland, which provides that, except as otherwise provided by law, a contractor may not identify a certified minority business enterprise in a Bid/Proposal and:

- (1) Fail to request, receive, or otherwise obtain authorization from the certified minority business enterprise to identify the certified minority Proposal;
- (2) Fail to notify the certified minority business enterprise before execution of the contract of its inclusion in the Bid/Proposal;
- (3) Fail to use the certified minority business enterprise in the performance of the contract; or
- (4) Pay the certified minority business enterprise solely for the use of its name in the Bid/Proposal.

Without limiting any other provision of the solicitation on this project, it is understood that if the certification is false, such false certification constitutes grounds for the State to reject the Bid/Proposal submitted by the Bidder/Offeror on this project, and terminate any contract awarded based on the Bid/Proposal.

**B-2. CERTIFICATION REGARDING VETERAN-OWNED SMALL BUSINESS ENTERPRISES.**

The undersigned Bidder/Offeror hereby certifies and agrees that it has fully complied with the State veteran-owned small business enterprise law, State Finance and Procurement Article, § 14-605, Annotated Code of Maryland, which provides that a person may not:

- (1) Knowingly and with intent to defraud, fraudulently obtain, attempt to obtain, or aid another person in fraudulently obtaining or attempting to obtain public money, procurement contracts, or funds expended under a procurement contract to which the person is not entitled under this title;
- (2) Knowingly and with intent to defraud, fraudulently represent participation of a veteran-owned small business enterprise in order to obtain or retain a Bid/Proposal preference or a procurement contract;
- (3) Willfully and knowingly make or subscribe to any statement, declaration, or other document that is fraudulent or false as to any material matter, whether or not that falsity or fraud is committed with the knowledge or consent of the person authorized or required to present the declaration, statement, or document;
- (4) Willfully and knowingly aid, assist in, procure, counsel, or advise the preparation or presentation of a declaration, statement, or other document that is fraudulent or false as to any material matter, regardless of whether that falsity or fraud is committed with the knowledge or consent of the person authorized or required to present the declaration, statement, or document;
- (5) Willfully and knowingly fail to file any declaration or notice with the unit that is required by COMAR 21.11.12; or
- (6) Establish, knowingly aid in the establishment of, or exercise control over a business found to have violated a provision of § B-2(1)-(5) of this regulation.

**C. AFFIRMATION REGARDING BRIBERY CONVICTIONS**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business (as is defined in Section 16-101(b) of the State Finance and Procurement Article of the Annotated Code of Maryland), or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies has been convicted of, or has had probation before judgment imposed pursuant to Criminal Procedure Article, § 6-220, Annotated Code of Maryland, or has pleaded nolo contendere to a charge of, bribery, attempted bribery, or conspiracy to bribe in violation of Maryland law, or of the law of any other state or federal law, except as follows (indicate the reasons why the affirmation cannot be given and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of person(s) involved, and their current positions and responsibilities with the business):

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**D. AFFIRMATION REGARDING OTHER CONVICTIONS**

**I FURTHER AFFIRM THAT:**

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies, has:

- (1) Been convicted under state or federal statute of:
  - (a) A criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract; or
  - (b) Fraud, embezzlement, theft, forgery, falsification or destruction of records or receiving stolen property;
- (2) Been convicted of any criminal violation of a state or federal antitrust statute;
- (3) Been convicted under the provisions of Title 18 of the United States Code for violation of the Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. § 1961 et seq., or the Mail Fraud Act, 18 U.S.C. § 1341 et seq., for acts in connection with the submission of Bids/Proposals for a public or private contract;
- (4) Been convicted of a violation of the State Minority Business Enterprise Law, § 14-308 of the State Finance and Procurement Article of the Annotated Code of Maryland;
- (5) Been convicted of a violation of § 11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland;
- (6) Been convicted of conspiracy to commit any act or omission that would constitute grounds for conviction or liability under any law or statute described in subsections (1)—(5) above;
- (7) Been found civilly liable under a state or federal antitrust statute for acts or omissions in connection with the submission of Bids/Proposals for a public or private contract;
- (8) Been found in a final adjudicated decision to have violated the Commercial Nondiscrimination Policy under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland with regard to a public or private contract; or
- (9) Admitted in writing or under oath, during the course of an official investigation or other proceedings, acts or omissions that would constitute grounds for conviction or liability under any law or statute described in §§ B and C and subsections D(1)—(8) above, except as follows (indicate reasons why the affirmations cannot be given, and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of the person(s) involved and their current positions and responsibilities with the business, and the status of any debarment):

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**E. AFFIRMATION REGARDING DEBARMENT**

**I FURTHER AFFIRM THAT:**

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers,

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directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities, including obtaining or performing contracts with public bodies, has ever been suspended or debarred (including being issued a limited denial of participation) by any public entity, except as follows (list each debarment or suspension providing the dates of the suspension or debarment, the name of the public entity and the status of the proceedings, the name(s) of the person(s) involved and their current positions and responsibilities with the business, the grounds of the debarment or suspension, and the details of each person's involvement in any activity that formed the grounds of the debarment or suspension).

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**F. AFFIRMATION REGARDING DEBARMENT OF RELATED ENTITIES**

I FURTHER AFFIRM THAT:

(1) The business was not established and it does not operate in a manner designed to evade the application of or defeat the purpose of debarment pursuant to Sections 16-101, et seq., of the State Finance and Procurement Article of the Annotated Code of Maryland; and

(2) The business is not a successor, assignee, subsidiary, or affiliate of a suspended or debarred business, except as follows (you must indicate the reasons why the affirmations cannot be given without qualification):

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**G. SUBCONTRACT AFFIRMATION**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, has knowingly entered into a contract with a public body under which a person debarred or suspended under Title 16 of the State Finance and Procurement Article of the Annotated Code of Maryland will provide, directly or indirectly, supplies, services, architectural services, construction related services, leases of real property, or construction.

**H. AFFIRMATION REGARDING COLLUSION**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business has:

(1) Agreed, conspired, connived, or colluded to produce a deceptive show of competition in the compilation of the accompanying Bid/Proposal that is being submitted;

(2) In any manner, directly or indirectly, entered into any agreement of any kind to fix the Bid/Proposal price of the Bidder/Offeror or of any competitor, or otherwise taken any action in restraint of free competitive bidding in connection with the contract for which the accompanying Bid/Proposal is submitted.

**I. CERTIFICATION OF TAX PAYMENT**

I FURTHER AFFIRM THAT:

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Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required returns and reports with the Comptroller of the Treasury, the State Department of Assessments and Taxation, and the Department of Labor, Licensing, and Regulation, as applicable, and will have paid all withholding taxes due the State of Maryland prior to final settlement.

**J. CONTINGENT FEES**

I FURTHER AFFIRM THAT:

The business has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the business, to solicit or secure the Contract, and that the business has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency, any fee or any other consideration contingent on the making of the Contract.

**K. CERTIFICATION REGARDING INVESTMENTS IN IRAN**

(1) The undersigned certifies that, in accordance with State Finance and Procurement Article, §17-705, Annotated Code of Maryland:

(a) It is not identified on the list created by the Board of Public Works as a person engaging in investment activities in Iran as described in State Finance and Procurement Article, §17-702, Annotated Code of Maryland; and

(b) It is not engaging in investment activities in Iran as described in State Finance and Procurement Article, §17-702, Annotated Code of Maryland.

2. The undersigned is unable to make the above certification regarding its investment activities in Iran due to the following activities: \_\_\_\_\_

**L. CONFLICT MINERALS ORIGINATED IN THE DEMOCRATIC REPUBLIC OF CONGO (FOR SUPPLIES AND SERVICES CONTRACTS)**

I FURTHER AFFIRM THAT:

The business has complied with the provisions of State Finance and Procurement Article, §14-413, Annotated Code of Maryland governing proper disclosure of certain information regarding conflict minerals originating in the Democratic Republic of Congo or its neighboring countries as required by federal law.

**M. ACKNOWLEDGEMENT**

I ACKNOWLEDGE THAT this Affidavit is to be furnished to the Procurement Officer and may be distributed to units of: (1) the State of Maryland; (2) counties or other subdivisions of the State of Maryland; (3) other states; and (4) the federal government. I further acknowledge that this Affidavit is subject to applicable laws of the United States and the State of Maryland, both criminal and civil, and that nothing in this Affidavit or any contract resulting from the submission of this Bid/Proposal shall be construed to supersede, amend, modify or waive, on behalf of the State of Maryland, or any unit of the State of Maryland having jurisdiction, the exercise of any statutory right or remedy conferred by the Constitution and the laws of Maryland with respect to any misrepresentation made or any violation of the obligations, terms and covenants undertaken by the above business with respect to (1) this Affidavit, (2) the contract, and (3) other Affidavits comprising part of the contract.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: \_\_\_\_\_

By: \_\_\_\_\_ (print name of Authorized Representative and Affiant)

\_\_\_\_\_ (signature of Authorized Representative and Affiant)

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.**

**ATTACHMENT C – CONTRACT AFFIDAVIT**

**A. AUTHORITY**

I hereby affirm that I, \_\_\_\_\_ (name of affiant) am the \_\_\_\_\_ (title) and duly authorized representative of \_\_\_\_\_ (name of business entity) and that I possess the legal authority to make this affidavit on behalf of the business for which I am acting.

**B. CERTIFICATION OF REGISTRATION OR QUALIFICATION WITH THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION**

I FURTHER AFFIRM THAT:

The business named above is a (check applicable box):

- (1) Corporation —  domestic or  foreign;
- (2) Limited Liability Company —  domestic or  foreign;
- (3) Partnership —  domestic or  foreign;
- (4) Statutory Trust —  domestic or  foreign;
- (5)  Sole Proprietorship.

and is registered or qualified as required under Maryland Law. I further affirm that the above business is in good standing both in Maryland and (IF APPLICABLE) in the jurisdiction where it is presently organized, and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation. The name and address of its resident agent (IF APPLICABLE) filed with the State Department of Assessments and Taxation is:

Name and Department ID  
Number: \_\_\_\_\_ Address: \_\_\_\_\_

and that if it does business under a trade name, it has filed a certificate with the State Department of Assessments and Taxation that correctly identifies that true name and address of the principal or owner as:

Name and Department ID  
Number: \_\_\_\_\_ Address: \_\_\_\_\_

**C. FINANCIAL DISCLOSURE AFFIRMATION**

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, the provisions of State Finance and Procurement Article, §13-221, Annotated Code of Maryland, which require that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more shall, within 30 days of the time when the aggregate value of the contracts, leases, or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

**D. POLITICAL CONTRIBUTION DISCLOSURE AFFIRMATION**

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, Election Law Article, §§14-101 — 14-108, Annotated Code of Maryland, which requires that every person that enters into contracts, leases, or other agreements with the State of

Maryland, including its agencies or a political subdivision of the State, during a calendar year in which the person receives in the aggregate \$100,000 or more shall file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election.

#### **E. DRUG AND ALCOHOL FREE WORKPLACE**

(Applicable to all contracts unless the contract is for a law enforcement agency and the agency head or the agency head's designee has determined that application of COMAR 21.11.08 and this certification would be inappropriate in connection with the law enforcement agency's undercover operations.)

#### **I CERTIFY THAT:**

(1) Terms defined in COMAR 21.11.08 shall have the same meanings when used in this certification.

(2) By submission of its Bid/Proposal, the business, if other than an individual, certifies and agrees that, with respect to its employees to be employed under a contract resulting from this solicitation, the business shall:

(a) Maintain a workplace free of drug and alcohol abuse during the term of the contract;

(b) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of drugs, and the abuse of drugs or alcohol is prohibited in the business' workplace and specifying the actions that will be taken against employees for violation of these prohibitions;

(c) Prohibit its employees from working under the influence of drugs or alcohol;

(d) Not hire or assign to work on the contract anyone who the business knows, or in the exercise of due diligence should know, currently abuses drugs or alcohol and is not actively engaged in a bona fide drug or alcohol abuse assistance or rehabilitation program;

(e) Promptly inform the appropriate law enforcement agency of every drug-related crime that occurs in its workplace if the business has observed the violation or otherwise has reliable information that a violation has occurred;

(f) Establish drug and alcohol abuse awareness programs to inform its employees about:

- (i) The dangers of drug and alcohol abuse in the workplace;
- (ii) The business's policy of maintaining a drug and alcohol free workplace;
- (iii) Any available drug and alcohol counseling, rehabilitation, and employee assistance programs; and
- (iv) The penalties that may be imposed upon employees who abuse drugs and alcohol in the workplace;

(g) Provide all employees engaged in the performance of the contract with a copy of the statement required by §E(2)(b), above;

(h) Notify its employees in the statement required by §E(2)(b), above, that as a condition of continued employment on the contract, the employee shall:

- (i) Abide by the terms of the statement; and
- (ii) Notify the employer of any criminal drug or alcohol abuse conviction for an offense occurring in the workplace not later than 5 days after a conviction;

(i) Notify the procurement officer within 10 days after receiving notice under §E(2)(h)(ii), above, or otherwise receiving actual notice of a conviction;

(j) Within 30 days after receiving notice under §E(2)(h)(ii), above, or otherwise receiving actual notice of a conviction, impose either of the following sanctions or remedial measures on any employee who is convicted of a drug or alcohol abuse offense occurring in the workplace:

- (i) Take appropriate personnel action against an employee, up to and including termination; or
- (ii) Require an employee to satisfactorily participate in a bona fide drug or alcohol abuse assistance or rehabilitation program; and

(k) Make a good faith effort to maintain a drug and alcohol free workplace through implementation of §E(2)(a)—(j), above.

(3) If the business is an individual, the individual shall certify and agree as set forth in §E(4), below, that the individual shall not engage in the unlawful manufacture, distribution, dispensing, possession, or use of drugs or the abuse of drugs or alcohol in the performance of the contract.

(4) I acknowledge and agree that:

(a) The award of the contract is conditional upon compliance with COMAR 21.11.08 and this certification;

(b) The violation of the provisions of COMAR 21.11.08 or this certification shall be cause to suspend payments under, or terminate the contract for default under COMAR 21.07.01.11 or 21.07.03.15, as applicable; and

(c) The violation of the provisions of COMAR 21.11.08 or this certification in connection with the contract may, in the exercise of the discretion of the Board of Public Works, result in suspension and debarment of the business under COMAR 21.08.03.

**F. CERTAIN AFFIRMATIONS VALID**

I FURTHER AFFIRM THAT:

To the best of my knowledge, information, and belief, each of the affirmations, certifications, or acknowledgements contained in that certain Bid/Proposal Affidavit dated \_\_\_\_\_, 201\_\_\_\_, and executed by me for the purpose of obtaining the contract to which this Exhibit is attached remains true and correct in all respects as if made as of the date of this Contract Affidavit and as if fully set forth herein.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: \_\_\_\_\_

By: \_\_\_\_\_ (printed name of Authorized Representative and Affiant)

\_\_\_\_\_ (signature of Authorized Representative and Affiant)

**ATTACHMENT D – PRE-PROPOSAL CONFERENCE RESPONSE FORM**

**Solicitation Number MTA 1400C  
MTA Pharmacy Benefits**

A Pre-Proposal Conference will be held at (10:00 am local time), on Friday, May 30, 2014, at (6 St. Paul St. Room 731-732, Baltimore, MD 21202). Please return this form by Wednesday, May 28, 2014), advising whether or not you plan to attend.

Return via e-mail or fax this form to the Procurement Officer:

Lisa Dunlap  
Contract Division  
6 St. Paul St., 7<sup>th</sup> Floor  
Baltimore, MD 21202  
Email: ldunlap2@mta.maryland.gov  
Fax #: (410) 333-4810

Please indicate:

\_\_\_\_\_ Yes, the following representatives will be in attendance:

- 1.
- 2.
- 3.

\_\_\_\_\_ No, we will not be in attendance.

Please specify whether any reasonable accommodations are requested (see RFP § 1.7 “Pre-Proposal Conference”):

---

Signature

Title

---

Name of Firm (please print)

## ATTACHMENT E – FINANCIAL PROPOSAL INSTRUCTIONS

In order to assist Offerors in the preparation of their Financial Proposal and to comply with the requirements of this solicitation, Financial Proposal Instructions and a Financial Proposal Form have been prepared. Offerors shall submit their Financial Proposal on the Financial Proposal Form in accordance with the instructions on the Financial Proposal Form and as specified herein. Do not alter the Financial Proposal Form or the Proposal may be determined to be not reasonably susceptible of being selected for award. The Financial Proposal Form is to be signed and dated, where requested, by an individual who is authorized to bind the Offeror to the prices entered on the Financial Proposal Form.

The Financial Proposal Form is used to calculate the Offeror's TOTAL PROPOSAL PRICE. Follow these instructions carefully when completing your Financial Proposal Form:

- A) All Unit and Extended Prices must be clearly entered in dollars and cents, e.g., \$24.15. Make your decimal points clear and distinct.
- B) All Unit Prices must be the actual price per unit the State will pay for the specific item or service identified in this RFP and may not be contingent on any other factor or condition in any manner.
- C) All calculations shall be rounded to the nearest cent, i.e., .344 shall be .34 and .345 shall be .35.
- D) Any goods or services required through this RFP and proposed by the vendor at **No Cost to the State** must be clearly entered in the Unit Price, if appropriate, and Extended Price with **\$0.00**.
- E) Every blank in every Financial Proposal Form shall be filled in. Any changes or corrections made to the Financial Proposal Form by the Offeror prior to submission shall be initialed and dated.
- F) Except as instructed on the Financial Proposal Form, nothing shall be entered on or attached to the Financial Proposal Form that alters or proposes conditions or contingencies on the prices. Alterations and/or conditions may render the Proposal not reasonably susceptible of being selected for award.
- G) It is imperative that the prices included on the Financial Proposal Form have been entered correctly and calculated accurately by the Offeror and that the respective total prices agree with the entries on the Financial Proposal Form. Any incorrect entries or inaccurate calculations by the Offeror will be treated as provided in COMAR 21.05.03.03E and 21.05.02.12, and may cause the Proposal to be rejected.
- H) If option years are included, Offerors must submit pricing for each option year. Any option to renew will be exercised at the sole discretion of the State and will comply with all terms and conditions in force at the time the option is exercised. If exercised, the option period shall be for a period identified in the RFP at the prices entered in the Financial Proposal Form.
- I) All Financial Proposal prices entered below are to be fully loaded prices that include all costs/expenses associated with the provision of services as required by the RFP. The Financial Proposal price shall include, but is not limited to, all: labor, profit/overhead, general operating, administrative, and all other expenses and costs necessary to perform the work set forth in the solicitation. No other amounts will be paid to the Contractor. If labor rates are requested, those amounts shall be fully-loaded rates; no overtime amounts will be paid.
- J) Unless indicated elsewhere in the RFP, sample amounts used for calculations on the Financial Proposal Form are typically estimates for evaluation purposes only. Unless stated otherwise in the RFP, the Department does not guarantee a minimum or maximum number of units or usage in the performance of this Contract.
- K) Failure to adhere to any of these instructions may result in the Proposal being determined not reasonably susceptible of being selected for award.

**ATTACHMENT E – FINANCIAL PROPOSAL FORM**

**Maryland Transit Administration (MTA)  
FINANCIAL QUESTIONNAIRE Rx-  
PROPOSAL FORM P1**

1. Will you agree to guarantee your quoted fees until the assumed implementation date?
2. Confirm that your fees include the cost of claims incurred/filled during the effective dates of this contract regardless of when they are actually processed and paid (run-out).
3. Confirm that postage is included in ID card generation, duplicate cards, all mail order prescriptions, and any mailings.
4. Confirm that quoted fees include postage paid mail order envelopes for member prescription submission.
5. Will you guarantee on a dollar-for-dollar basis that the average, realized AWP discounts for brand and generic drugs and quoted dispensing fees will be no less than those quoted at Retail and Mail Order for the life of the contract?
6. Provide an AWP-based pricing list of all specialty pharmaceuticals that your company dispenses and distributes to providers and patients.
7. Do you bill on actual NDC at both mail and retail?
8. Do you receive formulary rebates from manufacturers of generic drugs? If yes, will these be shared with MTA?
9. Will you agree that all mail order discount guarantees will be based on lowest listed NDC level AWP cost? If not, state your suggested pricing basis.
10. Please detail your billing procedure. Be sure to include frequency of invoice, turnaround time of payments, grace periods, format of payment, etc.
11. What is your protocol for disputed invoices?
12. Please provide performance guarantees, including aggregate and individual dollar penalties you are willing to place at risk for maintaining service levels and other important plan management functions. The penalties and guarantees are independent of all other pricing guarantees. At a minimum, please include communication turnaround time, monthly data file timeliness, and EOB production accuracy and timeliness penalties.
13. Define “brand” and “generic” for adjudication, guarantee reconciliation, and payment purposes. Please be clear and concise in your response.
14. At what discount are Non-Formulary mail claims processed?
15. How and at what rates are Specialty drugs priced?

16. Are Zero Balance Claims ineligible for rebates?
17. Do rebate ineligible paid claims exclude non-formulary or non-preferred claims?
18. Do rebate ineligible paid claims exclude non-rebated preferred claims?
19. Describe your banking arrangements and confirm no advance deposits or prefunding of claims is required.

**PRESCRIPTION DRUG COST COMPONENTS**

**GUARANTEED MINIMUM DISCOUNTS OFF MEDI-SPAN AWP\***

		Year 1	Year 2	Year 3
Retail 30	Brand	0.00%	0.00%	0.00%
	Generic	0.00%	0.00%	0.00%
	SSG	0.00%	0.00%	0.00%

Retail 90	Brand	0.00%	0.00%	0.00%
	Generic	0.00%	0.00%	0.00%
	SSG	0.00%	0.00%	0.00%

Mail	Brand	0.00%	0.00%	0.00%
	Generic	0.00%	0.00%	0.00%
	SSG	0.00%	0.00%	0.00%

Specialty	Brand	0.00%	0.00%	0.00%
	Generic	0.00%	0.00%	0.00%
	SSG	0.00%	0.00%	0.00%

**DISPENSING FEES PER FILL**

		Year 1	Year 2	Year 3
Retail 30	Brand	\$ -	\$ -	\$ -
	Generic	\$ -	\$ -	\$ -
	SSG	\$ -	\$ -	\$ -

Retail 90	Brand	\$ -	\$ -	\$ -
	Generic	\$ -	\$ -	\$ -
	SSG	\$ -	\$ -	\$ -

Mail	Brand	\$ -	\$ -	\$ -
	Generic	\$ -	\$ -	\$ -
	SSG	\$ -	\$ -	\$ -

Specialty	Brand	\$ -	\$ -	\$ -
	Generic	\$ -	\$ -	\$ -
	SSG	\$ -	\$ -	\$ -

**ADMIN FEES PER FILL**

		Year 1	Year 2	Year 3
Retail 30	Brand	\$ -	\$ -	\$ -
	Generic	\$ -	\$ -	\$ -
	SSG	\$ -	\$ -	\$ -

**MINIMUM REBATES PER FILL**

		Year 1	Year 2	Year 3
Retail 30	Brand	\$ -	\$ -	\$ -
	Generic			
	SSG	\$ -	\$ -	\$ -

Retail 90	Brand	\$ -	\$ -	\$ -
	Generic	\$ -	\$ -	\$ -
	SSG	\$ -	\$ -	\$ -

Retail 90	Brand	\$ -	\$ -	\$ -
	Generic			
	SSG	\$ -	\$ -	\$ -

Mail	Brand	\$ -	\$ -	\$ -
	Generic	\$ -	\$ -	\$ -
	SSG	\$ -	\$ -	\$ -

Mail	Brand	\$ -	\$ -	\$ -
	Generic			
	SSG	\$ -	\$ -	\$ -

Specialty	Brand	\$ -	\$ -	\$ -
	Generic	\$ -	\$ -	\$ -
	SSG	\$ -	\$ -	\$ -

Specialty	Brand	\$ -	\$ -	\$ -
	Generic			
	SSG	\$ -	\$ -	\$ -

**ADMINISTRATIVE FEES BY ENROLLMENT**

**PERCENTAGE OF REBATES RETURNED TO CLIENT**

If you intend to charge admin fees based on enrollment, only enter a value for one of the following fields:

What percentage of rebates will be returned to the client?

Per Employee Per Month:

Rebates Returned:

Per Member Per Month:   
(Member counts both employees and dependents)

**GUARANTEES AND CREDITS**

Indicate any Implementation Allowance (\$ or PEPM)

Indicate any Savings Guarantees (\$ or PEPM)

\*Indicate if discount source other than AWP

Option Fully Insured Rate for Medicare D  PEPM

## ATTACHMENT F – LIVING WAGE REQUIREMENTS FOR SERVICE CONTRACTS

### Living Wage Requirements for Service Contracts

- A. This contract is subject to the Living Wage requirements under Md. Code Ann., State Finance and Procurement Article, Title 18, and the regulations proposed by the Commissioner of Labor and Industry (Commissioner). The Living Wage generally applies to a Contractor or Subcontractor who performs work on a State contract for services that is valued at \$100,000 or more. An employee is subject to the Living Wage if he/she is at least 18 years old or will turn 18 during the duration of the contract; works at least 13 consecutive weeks on the State Contract and spends at least one-half of the employee's time during any work week on the State Contract.
- B. The Living Wage Law does not apply to:
- (1) A Contractor who:
    - (a) Has a State contract for services valued at less than \$100,000, or
    - (b) Employs 10 or fewer employees and has a State contract for services valued at less than \$500,000.
  - (2) A Subcontractor who:
    - (a) Performs work on a State contract for services valued at less than \$100,000,
    - (b) Employs 10 or fewer employees and performs work on a State contract for services valued at less than \$500,000, or
    - (c) Performs work for a Contractor not covered by the Living Wage Law as defined in B(1)(b) above, or B(3) or C below.
  - (3) Service contracts for the following:
    - (a) Services with a Public Service Company;
    - (b) Services with a nonprofit organization;
    - (c) Services with an officer or other entity that is in the Executive Branch of the State government and is authorized by law to enter into a procurement ("Unit"); or
    - (d) Services between a Unit and a County or Baltimore City.
- C. If the Unit responsible for the State contract for services determines that application of the Living Wage would conflict with any applicable Federal program, the Living Wage does not apply to the contract or program.

- D. A Contractor must not split or subdivide a State contract for services, pay an employee through a third party, or treat an employee as an independent Contractor or assign work to employees to avoid the imposition of any of the requirements of Md. Code Ann., State Finance and Procurement Article, Title 18.
- E. Each Contractor/Subcontractor, subject to the Living Wage Law, shall post in a prominent and easily accessible place at the work site(s) of covered employees a notice of the Living Wage Rates, employee rights under the law, and the name, address, and telephone number of the Commissioner.
- F. The Commissioner shall adjust the wage rates by the annual average increase or decrease, if any, in the Consumer Price Index for all urban consumers for the Washington/Baltimore metropolitan area, or any successor index, for the previous calendar year, not later than 90 days after the start of each fiscal year. The Commissioner shall publish any adjustments to the wage rates on the Division of Labor and Industry's website. An employer subject to the Living Wage Law must comply with the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate, required by the Commissioner, automatically upon the effective date of the revised wage rate.
- G. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of the health insurance premium, as provided in Md. Code Ann., State Finance and Procurement Article, §18-103(c), shall not lower an employee's wage rate below the minimum wage as set in Md. Code Ann., Labor and Employment Article, §3-413. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of health insurance premium shall comply with any record reporting requirements established by the Commissioner.
- H. A Contractor/Subcontractor may reduce the wage rates paid under Md. Code Ann., State Finance and Procurement Article, §18-103(a), by no more than 50 cents of the hourly cost of the employer's contribution to an employee's deferred compensation plan. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's contribution to an employee's deferred compensation plan shall not lower the employee's wage rate below the minimum wage as set in Md. Code Ann., Labor and Employment Article, §3-413.
- I. Under Md. Code Ann., State Finance and Procurement Article, Title 18, if the Commissioner determines that the Contractor/Subcontractor violated a provision of this title or regulations of the Commissioner, the Contractor/Subcontractor shall pay restitution to each affected employee, and the State may assess liquidated damages of \$20 per day for each employee paid less than the Living Wage.
- J. Information pertaining to reporting obligations may be found by going to the Division of Labor and Industry website <http://www.dllr.state.md.us/labor/> and clicking on Living Wage for State Service Contracts.

## Maryland Living Wage Requirements Affidavit of Agreement

(Submit with Bid/Proposal)

Contract No. \_\_\_\_\_

Name of Contractor \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

### If the Contract Is Exempt from the Living Wage Law

The Undersigned, being an authorized representative of the above named Contractor, hereby affirms that the Contract is exempt from Maryland's Living Wage Law for the following reasons (check all that apply):

- Bidder/Offeror is a nonprofit organization
- Bidder/Offeror is a public service company
- Bidder/Offeror employs 10 or fewer employees and the proposed contract value is less than \$500,000
- Bidder/Offeror employs more than 10 employees and the proposed contract value is less than \$100,000

### If the Contract Is a Living Wage Contract

A. The Undersigned, being an authorized representative of the above-named Contractor, hereby affirms its commitment to comply with Title 18, State Finance and Procurement Article, Annotated Code of Maryland and, if required, to submit all payroll reports to the Commissioner of Labor and Industry with regard to the above stated contract. The Bidder/Offeror agrees to pay covered employees who are subject to living wage at least the living wage rate in effect at the time service is provided for hours spent on State contract activities, and to ensure that its Subcontractors who are not exempt also pay the required living wage rate to their covered employees who are subject to the living wage for hours spent on a State contract for services. The Contractor agrees to comply with, and ensure its Subcontractors comply with, the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate established by the Commissioner of Labor and Industry, automatically upon the effective date of the revised wage rate.

B. \_\_\_\_\_ (initial here if applicable) The Bidder/Offeror affirms it has no covered employees for the following reasons: (check all that apply):

- The employee(s) proposed to work on the contract will spend less than one-half of the employee's time during any work week on the contract
- The employee(s) proposed to work on the contract is 17 years of age or younger during the duration of the contract; or
- The employee(s) proposed to work on the contract will work less than 13 consecutive weeks on the State contract.

The Commissioner of Labor and Industry reserves the right to request payroll records and other data that the Commissioner deems sufficient to confirm these affirmations at any time.

Name of Authorized Representative: \_\_\_\_\_

\_\_\_\_\_  
Signature of Authorized Representative Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
Witness Name (Typed or Printed)

\_\_\_\_\_  
Witness Signature Date

**(Submit with Bid/Proposal)**

**ATTACHMENT G – CONFLICT OF INTEREST AFFIDAVIT AND DISCLOSURE**

**Reference COMAR 21.05.08.08**

**(Submit with Bid/Proposal)**

A. "Conflict of interest" means that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to the State, or the person's objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage.

B. "Person" has the meaning stated in COMAR 21.01.02.01B(64) and includes a Bidder/Offeror, Contractor, consultant, or subcontractor or sub-consultant at any tier, and also includes an employee or agent of any of them if the employee or agent has or will have the authority to control or supervise all or a portion of the work for which a Bid/Proposal is made.

C. The Bidder/Offeror warrants that, except as disclosed in §D, below, there are no relevant facts or circumstances now giving rise or which could, in the future, give rise to a conflict of interest.

D. The following facts or circumstances give rise or could in the future give rise to a conflict of interest (explain in detail—attach additional sheets if necessary):

E. The Bidder/Offeror agrees that if an actual or potential conflict of interest arises after the date of this affidavit, the Bidder/Offeror shall immediately make a full disclosure in writing to the procurement officer of all relevant facts and circumstances. This disclosure shall include a description of actions which the Bidder/Offeror has taken and proposes to take to avoid, mitigate, or neutralize the actual or potential conflict of interest. If the contract has been awarded and performance of the contract has begun, the Contractor shall continue performance until notified by the procurement officer of any contrary action to be taken.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: \_\_\_\_\_ By: \_\_\_\_\_  
(Authorized Representative and Affiant)

## ATTACHMENT H – NON-DISCLOSURE AGREEMENT

This **Non-Disclosure Agreement** (“Agreement”) is made by and between the State of Maryland (the “State”), acting by and through (Maryland Transit Administration) (the “Department”), and \_\_\_\_\_ (the “Contractor”).

### RECITALS

**WHEREAS**, the Contractor has been awarded a contract (the “Contract”) following the solicitation for MTA Pharmacy Benefits Solicitation # 1400-C; and

**WHEREAS**, in order for the Contractor to perform the work required under the Contract, it will be necessary for the State at times to provide the Contractor and the Contractor’s employees, agents, and subcontractors (collectively the “Contractor’s Personnel”) with access to certain information the State deems confidential information (the “Confidential Information”).

**NOW, THEREFORE**, in consideration of being given access to the Confidential Information in connection with the solicitation and the Contract, and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties do hereby agree as follows:

1. Confidential Information means any and all information provided by or made available by the State to the Contractor in connection with the Contract, regardless of the form, format, or media on or in which the Confidential Information is provided and regardless of whether any such Confidential Information is marked as such. Confidential Information includes, by way of example only, information that the Contractor views, takes notes from, copies (if the State agrees in writing to permit copying), possesses or is otherwise provided access to and use of by the State in relation to the Contract.
2. Contractor shall not, without the State’s prior written consent, copy, disclose, publish, release, transfer, disseminate, use, or allow access for any purpose or in any form, any Confidential Information provided by the State except for the sole and exclusive purpose of performing under the Contract. Contractor shall limit access to the Confidential Information to the Contractor’s Personnel who have a demonstrable need to know such Confidential Information in order to perform under the Contract and who have agreed in writing to be bound by the disclosure and use limitations pertaining to the Confidential Information. The names of the Contractor’s Personnel are attached hereto and made a part hereof as ATTACHMENT H-1. Contractor shall update ATTACHMENT H-1 by adding additional names (whether Contractor’s personnel or a subcontractor’s personnel) as needed, from time to time.
3. If the Contractor intends to disseminate any portion of the Confidential Information to non-employee agents who are assisting in the Contractor’s performance of the Contract or who will otherwise have a role in performing any aspect of the Contract, the Contractor shall first obtain the written consent of the State to any such dissemination. The State may grant, deny, or condition any such consent, as it may deem appropriate in its sole and absolute subjective discretion.
4. Contractor hereby agrees to hold the Confidential Information in trust and in strictest confidence, to adopt or establish operating procedures and physical security measures, and to take all other measures necessary to protect the Confidential Information from inadvertent release or disclosure to unauthorized third parties and to prevent all or any portion of the Confidential Information from falling into the public domain or into the possession of persons not bound to maintain the confidentiality of the Confidential Information.
5. Contractor shall promptly advise the State in writing if it learns of any unauthorized use, misappropriation, or disclosure of the Confidential Information by any of the Contractor’s Personnel or the Contractor’s former Personnel. Contractor shall, at its own expense, cooperate with the State in seeking injunctive or other equitable relief against any such person(s).

6. Contractor shall, at its own expense, return to the Department all copies of the Confidential Information in its care, custody, control or possession upon request of the Department or on termination of the Contract.
7. A breach of this Agreement by the Contractor or by the Contractor's Personnel shall constitute a breach of the Contract between the Contractor and the State.
8. Contractor acknowledges that any failure by the Contractor or the Contractor's Personnel to abide by the terms and conditions of use of the Confidential Information may cause irreparable harm to the State and that monetary damages may be inadequate to compensate the State for such breach. Accordingly, the Contractor agrees that the State may obtain an injunction to prevent the disclosure, copying or improper use of the Confidential Information. The Contractor consents to personal jurisdiction in the Maryland State Courts. The State's rights and remedies hereunder are cumulative and the State expressly reserves any and all rights, remedies, claims and actions that it may have now or in the future to protect the Confidential Information and to seek damages from the Contractor and the Contractor's Personnel for a failure to comply with the requirements of this Agreement. In the event the State suffers any losses, damages, liabilities, expenses, or costs (including, by way of example only, attorneys' fees and disbursements) that are attributable, in whole or in part to any failure by the Contractor or any of the Contractor's Personnel to comply with the requirements of this Agreement, the Contractor shall hold harmless and indemnify the State from and against any such losses, damages, liabilities, expenses, and costs.
9. Contractor and each of the Contractor's Personnel who receive or have access to any Confidential Information shall execute a copy of an agreement substantially similar to this Agreement, in no event less restrictive than as set forth in this Agreement, and the Contractor shall provide originals of such executed Agreements to the State.
10. The parties further agree that:
  - a. This Agreement shall be governed by the laws of the State of Maryland;
  - b. The rights and obligations of the Contractor under this Agreement may not be assigned or delegated, by operation of law or otherwise, without the prior written consent of the State;
  - c. The State makes no representations or warranties as to the accuracy or completeness of any Confidential Information;
  - d. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement;
  - e. Signatures exchanged by facsimile are effective for all purposes hereunder to the same extent as original signatures;
  - f. The Recitals are not merely prefatory but are an integral part hereof; and
  - g. The effective date of this Agreement shall be the same as the effective date of the Contract entered into by the parties.

**IN WITNESS WHEREOF**, the parties have, by their duly authorized representatives, executed this Agreement as of the day and year first above written.

Contractor: \_\_\_\_\_ Maryland Transit Administration

By: \_\_\_\_\_ (SEAL) By: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_ Date: \_\_\_\_\_

**NON-DISCLOSURE AGREEMENT - ATTACHMENT H-1**

**LIST OF CONTRACTOR'S EMPLOYEES AND AGENTS WHO WILL BE GIVEN ACCESS TO  
THE CONFIDENTIAL INFORMATION**

<b>Printed Name and Address of Individual/Agent</b>	<b>Employee (E) or Agent (A)</b>	<b>Signature</b>	<b>Date</b>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**NON-DISCLOSURE AGREEMENT – ATTACHMENT H-2**

**CERTIFICATION TO ACCOMPANY RETURN OF CONFIDENTIAL INFORMATION**

I AFFIRM THAT:

To the best of my knowledge, information, and belief, and upon due inquiry, I hereby certify that: (i) all Confidential Information which is the subject matter of that certain Non-Disclosure Agreement by and between the State of Maryland and

\_\_\_\_\_ (“Contractor”) dated \_\_\_\_\_, 20\_\_\_\_ (“Agreement”) is attached hereto and is hereby returned to the State in accordance with the terms and conditions of the Agreement; and (ii) I am legally authorized to bind the Contractor to this affirmation.

**I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, HAVING MADE DUE INQUIRY.**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Contractor Name

\_\_\_\_\_  
Title of Authorized Representative and Affiant

\_\_\_\_\_  
Signature

**ATTACHMENT I – MERCURY AFFIDAVIT**

This solicitation does not include the procurement of products known to likely include mercury as a component.

**ATTACHMENT J – LOCATION OF THE PERFORMANCE OF SERVICES DISCLOSURE**

This solicitation does not require a Location of the Performance of Services Disclosure.

This solicitation does not require a DHR Hiring Agreement.

**ATTACHMENT L – TECHNICAL PROPOSAL FORMS**

**MARYLAND TRANSIT ADMINISTRATION -MTA  
PBM RFP BUSINESS REQUIREMENTS – PROPOSAL FORM T1**

	<b>Minimum Requirements</b>	<b>Agree/Disagree</b>
1.	Your responses to this Request for Proposal will be binding. Failure to identify any disagreement to the minimum requirements will assume your company is in full compliance as written.	
2.	Bidding entity agrees that the proposed pricing is for contract years 1 through 3 with renewal options for years 4 and 5 with guarantees as noted on Proposal Forms.	
3.	Any costs Bidding entities may incur as it relates to this RFP, including attending meetings, site visits or negotiations, are the responsibility of the bidding entity.	
4.	Bidding entity confirms that proposed pricing is based on MTA’s current plan design and no alterations are required to achieve the pricing represented in its bid.	
5.	Bidding entity is in full compliance with HIPAA for its processes, systems, and reporting as well as HIPAA compliant for acceptance of claim transactions in the applicable industry standard NCPDP format.	
6.	Generic Drug Definition – MTA requires that the definition of generic drugs for which there is an approved application under section 505(j) of the Federal Food, Drug, and Cosmetic Act (21 USC 355(j)). If a drug product approval is based upon an abbreviated new drug application (ANDA), that drug is a generic drug. Single-source generic drugs (SSGs) are included in the definition of “generic drugs”. This definition must be used when adjudicating claims and when quoting generic discounts and guarantees in this RFP.	
7.	Plan Design- MTA requires that 100% of MTA plan designs are loaded and tested prior to the go live date.	
8.	Plan Design Changes- MTA requires that plan design changes are loaded within five ( 5) business days of written receipt of the requested plan changes.	
9.	Emergencies- MTA requires that all prescriptions continued to be filled through national disasters or emergencies, and/or assist members with obtaining these scripts if necessary.	
10.	Mail-Order Pricing based on Days Supply – MTA requires that the mail order pricing quoted is the same for all	

	prescriptions filled at mail, with no minimum based on Days Supply.	
11.	MTA will not be responsible for any unpaid member co-payment or co-insurance amounts unless MTA requests that the member copay queue floor limit be increased from your standard amount.	
12.	Subcontractors- MTA requires that you agree to disclose all subcontractor relationships used in the performance of your services. Please disclose any subcontractors you intend to use for the following services: (1) claims processing, (2) retail networks, (3) mail order, (4) specialty pharmacy, (5) medication therapy management, and (5) rebate administration.	
13.	Dedicated Customer Service Unit- MTA requires you agree to provide a dedicated customer service unit with real time electronic access to eligibility, claims history from all pharmacy (including specialty) adjudication systems and PA/override authorization. PBM will provide customer service support to MTA members 24 x 7 x 365 with a toll-free number solely dedicated to MTA members.	
14.	Retail Pharmacy Regulatory Requirements- MTA requires that your contracts with participating pharmacies require them to be in compliance with all applicable local, state and federal laws and regulations, and if non-compliant, the pharmacy would be removed from your retail networks.	
15.	Custom Formulary- If requested, you must help develop and support a custom formulary at no cost to MTA with the understanding that this will change your pricing metrics.	
16.	Customized ID cards- if requested, provide to MTA at no additional cost.	
17.	Communication Materials- MTA requires that you provide these at no additional cost with MTA approval prior to sending to members. Mailings will be included at no charge for postage.	
18.	Standard Reports- you agree to provide standard reports and on-line access to MTA on a monthly, quarterly, and annual basis at no additional charge.	
19.	Mail Order Transfer Files- you will transition open mail order and specialty refills from the previous PBM vendor based on the provision of the open refill files from the incumbent vendor.	
20.	PBM vendor shall be properly licensed, certified, and/or credentialed to operate dispensing mail order facilities and specialty pharmacies in the states in which they reside.	
21.	Post Settlement AWP- MTA requires that the AWP used to calculate the claim (and quoted in pricing in this RFP) is the current, post-settlement AWP.	
22.	PBM agrees that the AWP used for pricing will be the 11 digit NDC of the original container in effect on the day the	

	script was dispensed to a MTA member.	
23.	OTC Step Therapy Programs – PBM agrees to implement step therapy programs at MTA request for therapeutic categories such as GERD and NSA. The rebate impact of these programs will be calculated and provided to MTA based on actual MTA member utilization.	
24.	Specialty Drugs- MTA members must have the ability to fill specialty scripts at a retail provider.	
25.	Repackaged & Re-labeled NDCs- will be allowed at both retail and mail as long as the 11 digit NDC is retained for pricing.	
26.	PBM agrees that all Specialty Rx rebates will be included in the rebate guarantee.	
27.	PBM must offer hemophilia factor assay guarantees and Specialty Rx medication dosing guarantees, where appropriate.	
28.	Specialty Rx Default Discount – PBM must agree to a default discount by therapeutic category for future brand and generic drug introductions.	
29.	MTA reserves the right to terminate the agreement, with or without cause and without termination charges, with 90 days written notice.	
30.	PBM must contractually agree to provide the new PBM vendor with Clinical PA files, full historical claims files, and open mail refill files post termination. These files will be detailed in the contract with timeframes and any costs associated with them.	
31.	PBM must agree to propose pricing based on its broad national retail network that includes all major national and regional pharmacy chains.	
32.	Third Party Audits- MTA may employ a third party auditor under the previously noted terms and conditions to conduct audits of the processing contract, including, but not limited to, pharmacy claims transactions, performance guarantees, retail pharmacy contracts(if you are proposing a pass through pricing arrangement), and Pharma rebate agreements.	
33.	Retail Pharmacy Audits- you agree to conduct electronic, bench, and field audits of all retail pharmacies that process more than 500 MTA member claims per year.	
34.	Brand MAC Drugs – PBM agrees to MAC multi-source brand drugs, where applicable, and indicate in which pricing guarantee they are included.	
35.	PBM must provide MTA designated consultant with their generic MAC pricing at an individual NDC level on a quarterly basis, subject to the appropriate NDA and BAA.	
36.	MAC Lists- you agree to use the same MAC product list at retail and mail with a more favorable pricing schedule at mail order than retail, such that the ingredient cost of individual product will never be more expensive at mail than	

	at retail.	
37.	Any per-claim administrative fees must be quoted on a paid claim basis only, with no charge for rejected or reversed claims.	
38.	Financial Guarantees- All financial guarantees will be secured on a dollar-for-dollar basis so that MTA will be made whole if the actual performance fails to meet the contract guarantee.	
39.	<p>Discounts &amp; Discount Guarantee Calculations – bidder agrees to exclude the following from all contract discounts and discount guarantee calculations: (1) DAW 5 claims, (2) member co-pays for member pay the difference claims, (3) member co-pays for ZBD claims, (4) claims audit recoveries, (5) therapeutic substitution savings, (6) COB claims, (7) DMR claims, (8) Specialty Rx claims, (9) 340b claims, (10) Workers Comp claims, (11) subrogation claims, or (12) OTC claims. Specialty Drug claims will be assigned their own guarantees and will be excluded from all other contract financial guarantees.</p> <p>Bidder also agrees that no discount guarantee value will be derived from (1) the additional co-pay value in member pay the difference claims, (2) the AWP value from any compound claims or compound claims that are labeled and adjudicated under U&amp;C, and (3) the AWP value from pharmacy input errors. All discount guarantees will be trued up on an annual basis 90 days after the end of each contract year.</p>	
40.	Zero-balance due (ZBD) claims adjudication logic – A ZBD claim is one where MTA pays no part of the pharmacy reimbursement because the pharmacy reimbursement is equal to or below the member’s co-pay amount. For ZBD claims, it is a requirement that the member pay the lower of: 1) sum of the discounted ingredient cost + dispensing fee; 2) participating pharmacy’s U&C; or 3) the member’s co-payment. This requirement extends to both retail and mail order pricing.	
41.	Brand Patent Expirations – PBM must agree that contract rebate guarantees are not subject to change as a result of known brand patent expirations. A list of known brand patent expirations with their expected expiration dates will be provided as an exhibit in the contract.	
42.	PBM must agree that any claim with a Generic indicator will be included in the Generic guarantee and any claim with a Brand indicator will be included in the Brand guarantee.	
43.	PBM must agree to a rebate guarantee per brand script. This guarantee must not be subject to any Day’s Supply or formulary percentage criteria.	

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Maryland Transit Administration (MTA)  
TECHNICAL QUESTIONNAIRE Rx  
PROPOSAL FORM T2

**SECTION I - General Company Information**

1. Detail the following company information:
  - ownership
  - history in PBM market
  - total lives covered
  - total Government Agencies covered
2. Are the retail and mail order networks solely owned and operated by your organization?
3. Please identify any recent changes in ownership, including but not limited to, acquisitions, mergers, etc. Describe any potential impact on MTA or its members.
4. Do you anticipate any major changes to your organization or structure in the next 12-24 months?
5. Have you relocated staff, changed computer, claims adjudication, or telephone systems in the last 12 months?
6. List all past, current or pending legal and regulatory actions brought against your company (and the company's parent firm, if applicable) by any financial institution, government agency, or private organization in the past five years.
7. Has your company, or any of its officers or directors, been subject to any complaint, investigation, probe, or formal inquires, or, are sanctions current or pending from any federal or state regulatory body including, but not limited to, the Department of Insurance, Department of Health, and/or the Center for Medicare and Medicaid Services (CMS)? If yes, please explain.
8. Detail your general and professional liability coverage currently in place to protect MTA from losses or negligence.
9. Is your organization in full compliance with all HIPAA regulations?
10. List your organizations quality assurance programs. Describe how these programs improved performance in the last 12 months.
11. How often do you audit the accuracy of plan program pricing and overall adjudication accuracy? Describe how this will be shared with MTA.
12. Describe the audit rights available to MTA. MTA reserves the right to select independent auditors at any time with 90-day advanced notice.
13. Regarding MTA data, describe how your company uses this data. Is any MTA data shared with outside entities? If so, who? Do you receive fees from anyone for use of this data? If so, from whom are these fees received?

14. Briefly describe the unique programs, systems, or support that you will make available to MTA. Cite specific examples of how these have brought value to a company of similar size and structure to MTA.
15. How will your approach to pharmacy benefits help MTA spend less on other health-related initiatives? Provide specific examples of how you have successfully contributed in this capacity to other clients of similar size and structure.
16. Provide references for three current and three former clients of similar size for whom you provide and have provided administration for the services you are quoting. Include the date each plan was effective, benefit plans administered, number of covered employees, name of entity/contact person, and phone number.
17. Provide a copy of your most recent SOC2/SOC3 report.

## **SECTION II - Account Management**

1. Identify the Account Management and Service Team that will be assigned to MTA. Provide a chart with Name, Title, Location, Years of Experience and Role/Responsibility servicing MTA.
2. Does the account team listed above support MTA through each phase of implementation? If no, who is the main contact and how do you ensure the account team is informed of each step in the implementation process?
3. What was your account management turnover for the past 24 months?
4. Describe your problem resolution procedures. Who is responsible for handling escalated issues? What is the frequency of communication to MTA during escalation?
5. What is the percentage of issues you resolve within 24 hours or less?
6. Will you agree to quarterly meetings with MTA to discuss plan performance, financial results, areas for improved savings, etc.?
7. What analytical tools are available to assist MTA in reaching their optimal savings and plan performance?
8. What level of experience does the MTA account team have in analyzing data, providing benchmarking reports, shifting drug spend, etc.?
9. What level of support are you willing to commit to for MTA Annual Open Enrollment meetings, new hire benefits orientation sessions, and other employer benefit events?
10. Do you survey MTA members annually for program administration satisfaction? Please provide a sample survey.

## **SECTION III - Claims and Administration**

1. List the location where your organization will process claims.
2. Will MTA have a dedicated contact for claim processing inquiries?

3. Are you currently running one claims platform for all clients? If not, please list in detail the different claims systems your organization currently runs, as well as any details surrounding plans to consolidate or change claims adjudication systems.
4. How are out-of-network claims processed?
5. What safeguards exist for preventing breaches in patient confidentiality?
6. Do you own your claims adjudication system? If not, please describe the system you use.
7. Is your claims system fully automated with real-time claims adjudication? What system edits are available? Can MTA customize these edits? To what extent? At no charge?
8. What is your claims processing turnaround time?
9. Please list your experience in administering any unique or innovative benefit designs.
10. What is your system downtime? Have you experienced delays or unplanned downtime in the last 12 months? Please describe.
11. Please describe your appeals process.
12. Will any services to the MTA plans be provided offshore? If yes, please describe.
13. Can you administer an EGWP if MTA elects that option in the future?

#### **SECTION IV- Clinical/DUR**

1. Provide a brief overview of your standard DUR programs and detail any additional costs. Please limit this to one page.
2. Identify standard Concurrent DUR edits used in your claims adjudication system.
3. What is your standard percentage for the “refill too soon” edit? What is the process for overriding this edit in cases where member has lost a prescription or will be out of the country and needs earlier refills than the standard percentage allows? Please address for both retail and mail order.
4. Describe your policy on too-early refills and emergency supplies. Outline your process for prescriptions which are ordered prior to the first available refill date.
5. Describe online integration, if any, with retail pharmacies to ensure non-duplication and to identify potential adverse interaction.
6. Do you have edits or programs in place designed to detect and address potential drug fraud and/or abuse? If yes, explain and include a listing of the drugs specifically targeted by this program.
7. How do you guard against the filling of separate prescriptions for the same or similar drugs at different pharmacies on the same day?

8. Regarding retrospective DUR programs, please discuss specific initiatives which have proven effective in changing prescribing patterns and controlling costs.
9. Describe your clinical prior authorization (PA) programs. Please provide your standard PA list. How do you develop the list of drugs requiring prior authorization? How often do you review and revise this list? Will MTA be able to customize this list at no charge?
10. Do you outsource your clinical PA's?
11. Identify the criteria by which you would approve filling a PA drug.
12. What is the typical turnaround time for prior authorizations?
13. How do you manage your step therapy program for new employer groups and for new members with no history on your claims system?
14. What utilization management programs (i.e. step therapy, disease management, etc) would you recommend for MTA based on the historical claims provided? How are candidates identified, what is your intervention methodology, and how are outcomes tracked?
15. Describe all disease state management programs you offer. Please detail costs associated with each program.
16. Describe in detail how you coordinate UM/DM programs with the medical plan administrator(s), specifically any predictive methodology for identifying members who are expected to incur large claims. Describe, as well, your intervention strategies and personalized plans to improve both the member quality of care and reduce plan costs.
17. Describe your process for administration of the following programs:
  - a. Step-Therapy
  - b. Over/under utilization management
  - c. Point of Service Utilization Review for potential drug interactions
  - d. Therapeutic Equivalency Intervention – mail and retail
18. Provide information on any other value added services or discount programs you could offer MTA .

## **SECTION V - Customer Service**

1. Will dedicated customer service representatives be assigned to MTA?
2. What are your customer service hours of operation?
3. Will you provide a toll-free number for customer service? If yes, will that number provide access to retail only or both retail and mail service? Is specialty support also available through this number?
4. List any other available methods for reaching a customer service representative.
5. Please describe the process used to educate your customer service team on the specifics of a client's benefit design.

6. Can you provide a dedicated toll-free customer service number prior to the plan effective date to answer questions from potential members?
7. Provide your standards for Average Speed of Answer (ASA), call abandonment rate, percentage of calls resolved at time of call, and response time for written inquiries.
8. How are hearing-impaired, non-English speaking member service calls facilitated?
9. What clinical support is provided to prescribers?
10. Do customer service reps have on-line access to real time claim processing information?
11. Do you currently perform membership satisfaction surveys? Provide a copy of the latest results of the survey. What percent of members indicated that they were “satisfied or very satisfied” with the overall program?

## **SECTION VI - Eligibility**

1. Please provide a detailed description and copy of the data elements required for the initial eligibility file upload. Include description of lead time, turnaround time, and the verification process for a successful upload.
2. What happens if a file record is rejected via the load process? Please provide samples of system reports used to reconcile MTA files with your files and describe your process for resolving eligibility discrepancies.
3. What is the turnaround time for MTA to receive your eligibility reporting?
4. What cycle do you recommend for eligibility file exchanges following initial upload (daily, weekly, monthly)?
5. Can you accept full-file eligibility transfers or do you require “changes-only” files for eligibility maintenance?
6. Identify the average number of business days required to update your eligibility system following receipt of “clean” data file from MTA. How quickly is eligibility information available in the system once you receive it?
7. Can you provide real-time online eligibility access for MTA or their designated administrator? If yes, provide a brief description of your system requirements and training resources that will be available.
8. What safeguards exist for preventing a group's experience from being charged to another group?
9. If you have a Plan participant that is actively enrolled in two separate unrelated employer groups how do you keep the enrollment records separate? For example, if Employer A sends an update file to add a dependent to John Doe’s policy, how do you keep from adding the dependent to John Doe’s policy under Employer B?

## **SECTION VII - Formulary**

1. Describe how your formulary is established. Please include the number of drugs, how drugs are selected, frequency of updates, and ability for MTA to customize.
2. Describe your P&T committee, including the number of members and the credentials of your members.
3. How often does your P&T committee meet?
4. Are any P&T committee members employed by or under contract with any drug manufacturer?
5. Are any P&T members directly employed by your organization?
6. How does your P&T committee factor cost into their decision making process?
7. How many formularies do you support? Which formulary is being proposed for MTA and why?
8. Please provide a copy of your most recent formulary and describe your process for member and prescriber distribution.
9. Describe your process for updating and changing the Formulary.
10. Describe your process for communicating formulary changes to members and prescribers.
11. Please provide a sample of a new drug alert.
12. How will you assist MTA in evaluating cost and utilization impact for newly approved drugs added to your formulary or removed from your formulary? Please provide a recent example of both, including the communication to the plan.
13. Do you have programs and tools in place to increase formulary compliance and promote education?
14. Describe any incentives or programs in place with providers designed to increase generic dispensing and formulary compliance.
15. Please describe your rebate contracting philosophy.
16. Please list the number of manufacturers with whom you have rebate agreements.
17. Are you willing to provide access to your rebate contracts?
18. Do you have any bundled rebate contracts?
19. List the number of unique products covered under rebate agreements. Do you collect rebates on both brand and generic drugs?
20. Explain the rebate collection process and the payment schedule to MTA.
21. Do you contract directly with the manufacturers, or is contracting out-sourced?

22. Do you have minimum formulary requirements for MTA to participate in rebate payments? Please enclose samples of any educational programs or documents required for these contracts.
23. Please provide an example of the drug-level rebate payment report you propose for MTA.
24. If requested, will you perform a formulary disruption report based on MTA current formulary?

### **SECTION VIII – Generics**

1. Please describe your generic programs. How you promote the use of generic drugs?
2. List your generic dispensing rate for the past 24 months.
3. Do you automatically fill the prescription with a generic substitute?
4. Please provide your generic substitution rate for the past 24 months.
5. Please provide a list of highly utilized brand drugs that will come off patent protection in the next 3 years.
6. Describe the programs and communication efforts you will undertake to promote the use of generic equivalents for “blockbuster” brand name drugs when they lose patent protection.
7. Please describe your MAC pricing program:
  - How it was developed, how it is updated, and the frequency of updates.
  - Define criteria used for product inclusion and removal from your MAC list.
  - Define the MAC pricing calculation methodology used.
  - How many MAC pricing lists do you manage? Please describe the differences between each list.
8. Complete the following based on the MAC list being proposed for MTA:
  - Generic Drugs with a MAC Price
  - % Generic Rx’s
  - % Total Generic AWP
  - % of GCN’s adjudicated at MAC
  - Multi Source Brand Drugs with MAC Price
9. Can you customize your MAC price list for MTA at no cost?
10. Do your MAC price lists vary contractually between network pharmacies? If yes, why?
11. Do you currently offer identical MAC programs at retail and mail?

### **SECTION IX - Implementation**

1. Describe the steps of your implementation process. Please include MTA responsibilities as well as your responsibilities throughout the process. Detail the frequency of communication with MTA throughout

implementation. How do you report on the status of each step? Include a sample timetable for a January 1, 2015 effective date.

2. Please provide the names and references for the implementation team that will be used for MTA'S implementation.
3. Please describe the benefit design accuracy testing process that occurs during implementation. If issues are found, how are they handled and communicated to MTA?
4. Please confirm that all communication to employees and retirees of MTA will be provided to MTA and not released without prior MTA approval.
5. How are members notified of the following events? Please indicate for each whether this is by phone, email, letter, or other:
  - Plan Change
  - New Drug Additions/Formulary Changes
  - Change in Pharmacy Network
  - Drug Recalls
6. What is your turnaround time on producing ID cards and replacement cards? Are ID cards customizable? Is there a cost for customization?
7. Provide samples of new member information that will be included with the mailing of ID cards – include a description of all data elements that appear on ID cards.
8. How will you facilitate the transition of members' prescriptions to your mail order pharmacy?
9. At what point in the process is the implementation team phased out and replaced by the account management team? How is the account team notified of each phase of the implementation? Does the Account team participate in implementation meetings?
10. What type of training will you provide to MTA or their administrator during implementation on your systems and reporting tools? Will the training be provided on-site?

## **SECTION X - Reporting**

1. Describe your standard reporting package and include samples. Please include the frequency of reporting and the format in which it is provided.
2. Please confirm your standard reporting package will include, at a minimum , all of the following:
  - a. Generic Utilization and Generic Dispensing data
  - b. Top 10 Drugs
  - c. Over/under Utilization data
  - d. Reporting to support rebate calculations
3. Is clinical reporting included in your standard reporting? If not, provide detailed information on your clinical reporting. Are these reports available at no additional charge?

4. What financial reporting is provided to MTA? What is the frequency of these reports and are they available at no additional cost?
5. Describe your remote or desk-top access for any ad hoc reporting available to MTA. Please include costs and training on this system.
6. Describe any other reports available regularly at no additional charge and the frequency they can be provided.
7. What analytical reports are provided to MTA? Do these reports include benchmarking against groups similar in size, plan design, and utilization?

## **SECTION XI - Retail Networks**

1. Please describe your retail network and any alternate retail network arrangements you are proposing for MTA. What is the total number of pharmacies available in your proposed network and are any retail chains excluded?
2. What percent of your network pharmacy contracts include the “lesser of retail price, MAC price, or discounted price” provision? What procedures are established to ensure that the pharmacy is in compliance?
3. How do you guarantee that members always receive the lowest price?
4. Describe the retail network pharmacy reimbursement process in detail.
5. Do you maintain multiple contracts with individual pharmacies at varying reimbursement rates? If yes, explain.
6. How often are your retail network provider contracts re-negotiated?
7. Describe the general credentialing and re-credentialing process and minimum criteria for selecting a network pharmacy. What threshold of liability insurance is the retail pharmacies required to maintain?
8. Do you produce network pharmacy report cards?
9. Describe your standard communication process with network pharmacies for introduction of a new client, as well as on-going updates. When does this communication occur in the implementation process?
10. How often are network pharmacy directories updated and distributed to members?
11. Please explain your retail auditing process. Include frequency of audits, types of audits, who conducts the audits, and how results are shared with MTA.
12. Document your audit results by type of audit for the most recent two calendar years to include the number of pharmacies audited, number of pharmacies placed on probation, number of pharmacies terminated from your network, dollar amount of funds recovered, and dollar amount of recovered funds returned to plan sponsors.

13. What percent of recovered audit funds will be returned to MTA?

## **SECTION XII - Specialty**

1. Please provide your contract definition of a specialty drug.
2. Do you manage Specialty Pharmacy Services in-house? If not, identify any Specialty Pharmacy Manager used by your organization, a description of your contractual relationship with this provider, and the length of time this organization has provided Specialty Pharmacy Services.
3. What disease states do you manage under your specialty program?
4. Please describe your Specialty Pharmacy distribution capabilities.
5. Do you exclusively distribute any specialty products? If so, what products?
6. Are all specialty products dispensed from a JCAHO-accredited facility?
7. Do you dispense all specialty medications from your Specialty Rx pharmacy or do you also dispense them from your non-specialty mail order facility?
8. Does your firm utilize courier services for specialty product delivery?
9. How are members contacted before their medication is shipped?
10. Provide the customer and member service operation hours of your specialty pharmacy program.
11. Do you maintain a formulary for specialty drugs? Explain the formulary decision and drug selection process as well as who is responsible for making decisions. Do you currently have a specialty/biotech drug P&T committee?
12. What clinical programs do you maintain for specialty patients?
13. How are members targeted for outreach services?
14. How are members enrolled into your specialty program?
15. Provide an overview of your specialty dispensing process from start to finish.
16. Explain in detail each point at which you make patient contact in the specialty drug dispensing and management process.
17. Who calls the patient when it is time for a refill?
18. How often is a registered pharmacist available?
19. What is the average turnaround time for both a clean prescription and for a prescription that requires an intervention?

20. Does a member or physician incur any costs for delivery of medications or other products? If so, please describe your billing and payment methods.
21. Are you willing to agree that specialty products shipped in error, damaged in shipment, lost in transit, left by courier without confirmation of receipt and rendered unusable due to negligence or error in delivery, are your financial responsibility?
22. Are specialty drug claims included in your on-line reporting system? In your ad-hoc reporting system?
23. As new specialty products become available, how will you price them to MTA? How do you propose to update and add pricing for the new products?
24. What is your process for communicating with the plan, member, and physician for specialty products for which there is a shortage?
25. What is the process when you receive a prescription for which you are not a designated pharmacy in a manufacturer's limited distribution network?
26. Outline any plan design requirements or parameters specific to the dispensing of specialty drugs.
27. What specific plan designs do you recommend for specialty/biotech products?
28. Please describe the clinical support available for patients through your Specialty Pharmacy, including the number of nurses and pharmacists on staff at the proposed pharmacy.
29. Are there any specialty drugs that you block coverage on? If so, please list and explain.
30. Confirm that members will continue to be able to receive specialty Rx's dispensed at retail pharmacies, and that these prescriptions are included under the retail guarantees.
31. Describe any programs that you have that are specific to specialty drugs. Please provide the cost of the program.
32. Explain any programs offered by your organization designed to encourage appropriate utilization of specialty drug products.
33. What reporting is provided to MTA for Specialty? Is this reporting included at no additional charge? Does your firm currently engage in outcomes reporting?
34. Please describe any cost saving guarantees for your specialty drug programs?
35. Please describe any Patient Assistance Programs or Co-pay Assistance Programs you offer.
36. What differentiates your company and capabilities from other specialty drug vendors?

### **SECTION XIII - Technology**

1. Please provide a description of your systems infrastructure, including security measures.
2. Do you anticipate any IS platform changes during the initial term of this contract? If so, please describe.

3. Are you planning any major technological changes (electronic or administrative) that you anticipate will provide significant value to MTA?
4. Describe your Disaster Recovery plan for data backup. Has the disaster recovery plan been tested? If so, when was your disaster recovery plan last tested? What is the normal frequency of your testing?
5. Please describe the internet resources available to MTA and its members.
6. Is your website VIPPS certified and licensed in every state?
7. Do you have an on-line personalized drug management tool that will compare member cost savings opportunities using MTA plan design for each drug in a patient's history?
8. Can you provide access to your internet services for prospective members during the annual open enrollment period and for new members or dependents during a plan year?
9. Describe security systems and protocols in place to protect confidential patient records.
10. What changes do you expect to make to your website in the next 12-36 months?
11. Can members log onto your website using a secure username and password?

Please list the number of pharmacies in each county.

**PHARMACY NETWORK BY COUNTY**

County	Number of Pharmacies	% of Total Pharmacies in the Network
<b>MARYLAND</b>		
Baltimore		
Baltimore City		
Anne Arundel		
Carroll		
Howard		
Harford		
Frederick		
Montgomery		
Prince George's		

**Disruption Analysis**

**Top Pharmacies- Prescriptions Filled**

PHARMACY ID	PHARMACY NAME	Address	City	State	Zip	In-Network 1=Yes 0=No
2135095	ONCOSOURCE RX	7172 COLUMBIA GATEWA	COLUMBIA	MD	21046	
4840383	PROSPERITY SPECIALTY	2924 TELESTAR COURT	FALLS CHURCH	VA	22042	
1013438	ACS PHARMACY #1	6251 CHANCELLOR DR	ORLANDO	FL	32859	
1001267	ICORE HEALTHCARE	855 SW 78TH AVE STE	PLANTATION	FL	33324	
2100054	NORTHERN PCHY AND ME	6701 HARFORD ROAD	BALTIMORE	MD	21234	
2101424	GIANT PHARMACY #352	3602 MILFORD MILL RO	BALTIMORE	MD	21244	
2125842	WALGREENS #6265	9110 LIBERTY ROAD	RANDALLSTOWN	MD	21133	
2101272	GIANT PHARMACY #353	8100 LOCH RAVEN BOUL	BALTIMORE	MD	21286	
2106018	RITE AID PHARMACY #0	4600 WEST NORTHERN P	BALTIMORE	MD	21215	
2101284	GIANT PHARMACY #117	622325 BALTIMORE NAT	BALTIMORE	MD	21228	
3958898	CVS CAREMARK #02921	105 MALL BOULEVARD	MONROEVILLE	PA	15146	
2102200	CVS PHARMACY #04079	5603 BALTIMORE NATIO	BALTIMORE	MD	21228	
2120448	CVS PHARMACY #04302	8302 LIBERTY RD	BALTIMORE	MD	21244	
2101246	GIANT PHARMACY #108	6340 YORK ROAD	BALTIMORE	MD	21212	
2122834	GIANT PHARMACY #317	4624 EDMONSON AVENUE	BALTIMORE	MD	21229	
2102870	RITE AID PHARMACY #0	6838 LOCH RAVEN BOUL	BALTIMORE	MD	21286	
2112768	VOSHILLS PHARMACY 1	3455 WILKENS AVENUE	BALTIMORE	MD	21229	
2127492	GIANT PHARMACY #337	6620 REISTERSTOWN RO	BALTIMORE	MD	21215	
2108644	GIANT PHARMACY #145	5150 SINCLAIR LANE	BALTIMORE	MD	21206	
2124078	WALGREENS #5638	4025 W NORTHERN PKWY	BALTIMORE	MD	21215	
2103048	RITE AID PHARMACY #0	5624 BALTIMORE NATIO	BALTIMORE	MD	21228	
2102894	RITE AID PHARMACY #0	8634 LIBERTY ROAD	RANDALLSTOWN	MD	21133	
2120436	CVS PHARMACY #03974	5407 17 HARFORD RD	BALTIMORE	MD	21214	
2136489	COMMUNITY, A WALGREE	6 NORTH HOWARD STREET	BALTIMORE	MD	21201	
2103810	THE DRUG CITY PHARMA	2805 NORTH POINT ROA	BALTIMORE	MD	21222	
2120260	CVS PHARMACY #04411	5501 PARK HEIGHTS AV	BALTIMORE	MD	21215	
2114178	GIANT PHARMACY #131	8665 PHILADELPHIA RO	BALTIMORE	MD	21237	
2121717	CVS PHARMACY #04429	7845 WISE AVE	BALTIMORE	MD	21222	
2113962	RITE AID PHARMACY #0	6622-24 SECURITY BOU	BALTIMORE	MD	21207	
2132114	WALGREENS #9028	6700 RITCHIE HWY	GLEN BURNIE	MD	21061	
2125195	WALGREENS #6366	2310 W PATAPSCO AVE	BALTIMORE	MD	21230	
2120498	GIANT PHARMACY #331	9730 GROFFS MILL DRI	OWINGS MILLS	MD	21117	
2126250	WALGREENS #5408	1300 E NORTH AVE	BALTIMORE	MD	21213	
2121248	RITE AID PHARMACY #0	250 WEST CHASE STREE	BALTIMORE	MD	21202	
2132176	WALGREENS #7574	5657 BALTIMORE NATIO	CATONSVILLE	MD	21228	
2121678	RITE AID PHARMACY #0	7153 SECURITY BOULEV	BALTIMORE	MD	21244	
2114659	RITE AID PHARMACY #0	101 REISTERSTOWN ROA	PIKESVILLE	MD	21208	
2369797	DIPLOMAT SPECIALTY P	4100 S SAGINAW ST ST	FLINT	MI	48507	
1016648	PREMIER CARE	3868 A SHERIDAN ST	HOLLYWOOD	FL	33021	
2126476	WALGREENS #6779	9616 HARFORD RD	BALTIMORE	MD	21234	
2122377	CVS PHARMACY #05764	2560 WEST FRANKLIN S	BALTIMORE	MD	21223	
2126351	WALGREENS #6320	2204 ROLLING ROAD	ROLLING HEIGHTS	MD	21244	

PHARMACY ID	PHARMACY NAME	Address	City	State	Zip	In-Network 1=Yes 0=No
2101311	GIANT PHARMACY #159	3757 OLD COURT RD	PIKESVILLE	MD	21208	
2111590	GIANT PHARMACY #166	4622 WILKENS AVENUE	BALTIMORE	MD	21229	
2127101	WALGREENS #7357	3005 EMMORTON RD	ABINGDON	MD	21009	
2126058	GIANT PHARMACY #365	3229 EMMORTON ROAD	ABINGDON	MD	21009	
2124066	WALGREENS #5409	4020 EASTERN AVE	BALTIMORE	MD	21224	
2123002	RITE AID PHARMACY #0	300 MARTIN LUTHER KI	BALTIMORE	MD	21201	
2102236	CVS PHARMACY #04107	6828 REISTERSTOWN RD	BALTIMORE	MD	21215	
2132075	WAL-MART PHARMACY #1	1238 PUTTY HILL AVE	TOWSON	MD	21286	
2123711	WALGREENS #5331	8050 LIBERTY ROAD	BALTIMORE	MD	21244	
2126313	WALGREENS #6396	8606 PHILADELPHIA RD	ROSEDALE	MD	21237	
2114685	RITE AID PHARMACY #0	6402 GOLDEN RING ROA	BALTIMORE	MD	21237	
2133243	WALGREENS #2446	6 S MARILYN AVE	ESSEX	MD	21221	
2121325	NEIGHBORCARE PHARMAC	2600 LIBERTY HEIGHTS	BALTIMORE	MD	21215	
2121729	CVS PHARMACY #05381	1000 S CHARLES ST	BALTIMORE	MD	21230	
2124357	WALGREENS #5623	3801 LIBERTY HEIGHTS	BALTIMORE	MD	21215	
2125967	GIANT PHARMACY #363	1400 MERRITT BOULEVA	DUNDALK	MD	21222	
2102250	CVS PHARMACY #04129	1000 TAYLOR AVE	TOWSON	MD	21286	
2108024	WHITEFORD PHARMACY I	2338 WHITEFORD ROAD	WHITEFORD	MD	21160	
2114798	RITE AID PHARMACY #0	4214 FRANKFORD AVENU	BALTIMORE	MD	21206	
2122454	TARGET PHARMACY #114	1238 PUTTY HILL AVE	TOWSON	MD	21286	
2136338	WALGREENS #12560	1510 REISTERSTOWN RD	PIKESVILLE	MD	21208	
2124648	CVS PHARMACY #02865	500 EASTERN BLVD	ESSEX	MD	21221	
2638635	SCHNUCKS PHARMACY #3	3960 LINDELL BLVD	SAINT LOUIS	MO	63108	
2119647	NEIGHBORCARE PHARMAC	4000 OLD COURT RD	PIKESVILLE	MD	21208	
3900859	CVS PHARMACY #01654	1500 N GEORGE ST	YORK	PA	17404	
3974892	ACCREDITO HEALTH GROUP	3000 ERICSSON DR	WARRENDALE	PA	15086	
2121868	RITE AID PHARMACY #0	3425 CLIFTON AVENUE	BALTIMORE	MD	21216	
2103288	CVS PHARMACY #04214	1013 WOODBRIDGE CTR	EDGEWOOD	MD	21040	
2108757	GIANT PHARMACY #144	792030 BELAIR ROAD	BALTIMORE	MD	21236	
2118429	UNIVERSITY PHARMACY	22 S GREENE ST	BALTIMORE	MD	21201	
2102969	RITE AID PHARMACY #0	9300 LAKESIDE BOULEV	OWINGS MILLS	MD	21117	
0131754	BRIOVARX, LLC	1100 LEE BRANCH LN	BIRMINGHAM	AL	35242	
2101412	GIANT PHARMACY #103	6626 RITCHIE HIGHWAY	GLEN BURNIE	MD	21061	
2102844	RITE AID PHARMACY #0	3804 LIBERTY HEIGHTS	BALTIMORE	MD	21215	
2110714	CVS PHARMACY #04220	2311 HANOVER PIKE	HAMPSTEAD	MD	21074	
2127226	INDEPENDENT DRUG	28 KINGSTON RD	BALTIMORE	MD	21220	
2102820	RITE AID PHARMACY #0	7649-51 HARFORD ROAD	BALTIMORE	MD	21234	
2112946	RITE AID PHARMACY #0	702 EDGEWOOD ROAD	EDGEWOOD	MD	21040	
2127377	GIANT PHARMACY #303	601 EAST 33RD STREET	BALTIMORE	MD	21218	
2112376	CVS PHARMACY #04017	28 MAGOTHY BEACH RD	PASADENA	MD	21122	
2116071	GIANT PHARMACY #197	7944 HONEYGO BOULEVA	BALTIMORE	MD	21236	
2102729	RITE AID PHARMACY #0	1762 MERRITT BOULEVA	BALTIMORE	MD	21222	
2123014	CATONSVILLE PHARMACY	6350 FREDERICK RD	BALTIMORE	MD	21228	
2113950	GIANT PHARMACY #129	7383 BALTIMORE ANNAP	GLEN BURNIE	MD	21061	
2102818	RITE AID PHARMACY #0	6300 GEORGETOWN BOUL	ELDERSBURG	MD	21784	
2112314	RITE AID PHARMACY #0	1538-42 HAVENWOOD RO	BALTIMORE	MD	21218	
2132594	WALGREENS #9342	1930 PULASKI HWY	EDGEWOOD	MD	21040	
2118049	RITE AID PHARMACY #0	4380 PARK HEIGHTS AV	BALTIMORE	MD	21215	
0802822	SAVON PHARMACY #7822	1001 N DUPONT HWY RT	DOVER	DE	19901	
2123951	HALETHORPE PHARMACY	1307 FRANCIS AVENUE	BALTIMORE	MD	21227	

PHARMACY ID	PHARMACY NAME	Address	City	State	Zip	In-Network 1=Yes 0=No
2124561	WALGREENS #5587	9621 BELAIR RD	BALTIMORE	MD	21236	
2102844	RITE AID PHARMACY #0	903 EAST FORT AVENUE	BALTIMORE	MD	21230	
2132962	JOHNS HOPKINS OP PHC	1810 E MONUMENT ST	BALTIMORE	MD	21205	
2119774	CVS PHARMACY #03976	2509 2523 PENNSYLVAN	BALTIMORE	MD	21217	
2117251	OMNICARE OF ANNAPOLI	9036 JUNCTION DR	ANNAPOLIS JUNCTION	MD	20701	
3964752	RITE AID PHARMACY #1	577 SOUTH MAIN STREE	SHREWSBURY	PA	17361	
2102983	RITE AID PHARMACY #0	3425 BELAIR ROAD	BALTIMORE	MD	21213	
2127430	WALGREENS #7554	7901 RITCHIE HWY	GLEN BURNIE	MD	21061	

NETWORK ACCESS - MTA

Standard 1 pharmacy within 10 miles

	<b>Employees with Access</b>	<b>Total Employees</b>	<b>% With Access</b>
RX			

	<b>Under age 65 Retirees with Access</b>	<b>Total Under Age 65 Retirees</b>	<b>% With Access</b>
RX			

	<b>Medicare Retirees with Access</b>	<b>Total Medicare Retirees</b>	<b>% With Access</b>
RX			

	<b>Total Employees/Retirees with Access</b>	<b>Total Employees/Retirees</b>	<b>% With Access</b>
RX			

**MTA DEFINITIONS**

For the purposes of this Addendum, the following terms shall have the meanings below. All other terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms in the Agreement and/or in the Evidence of Coverage.

**Average Wholesale Price (or AWP)** means the AWP based on the actual National Drug Code (NDC) NDC-II Dispensed as of the fill date submitted to the PBM by the Pharmacy and used to fill the Prescription.

**Brand Name Drug** means, for purposes of calculation of guarantees, a Prescription Drug categorized by the PBM as a Brand Name Drug and which is not categorized as a Specialty Drug.

**Specialty Brand Name Drug** means, for purposes of calculation of Rebates, a Prescription Drug categorized by the PBM as a Brand Name Drug and which is categorized as a Specialty Drug.

**Claim(s)** means a request for payment for drugs or Pharmacy services submitted by a Contracting Pharmacy or Member that passes through Pharmacy edits at the point of service and results in either the Dispensing of a Program Drug, or the return of a Prescription to the Member under the Plan.

**Compound Drug** means a Prescription where two or more solid, semi-solid, or liquid medications are mixed together, at least one of which is a Program Drug. The end product must not be available in an equivalent commercial form. The product will not be considered a Compound Drug if it is reconstituted or if, to the active ingredient, only water, alcohol, flavoring, coloring, or sodium chloride solutions are added. Compound Drugs shall be priced using the NCPDPD.O standard which shall capture each ingredient used in the medication.

**Contracting Pharmacy** means a Pharmacy/Mail Order Pharmacy that has contracted with CareFirst's PBM to provide Members broad access to Program Drugs.

**Discount** means Contracting Pharmacy Prescription Drug discount amounts, based on the amount of the Sponsor's reimbursement to CareFirst for a Program Drug measured against the AWP for that drug in the month in which the drug was dispensed.

**Dispense(d) (or Dispensing)** means a Pharmacy's filling of a Prescription; however, Dispensing by a Mail Order Pharmacy also requires placing the Prescription in an order form (or package), and affixing postage to the order form through the mail manifest process. Dispensing by a Specialty Pharmacy shall be as directed by CareFirst.

**Dispensing Fee** means the fee paid for Dispensing a Prescription. For a Contracting Pharmacy, the Dispensing Fee may be added to the discounted AWP or Maximum Allowable Cost.

**Drug Utilization Review (or DUR)** means the process whereby the therapeutic effects and cost effectiveness of various drug therapies are reviewed, monitored, and acted upon consistent with the Plan.

**Eligible Claim(s)** means any Claim paid for a Program Drug that is covered under the Plan for a Member. Eligible Claims exclude any reversals or Claims for an ineligible person.

**Formulary (or Formularies or Drug Formulary)** means the lists of Prescription Drugs approved by the CareFirst Pharmacy & Therapeutics (P&T) Committee or the PBM P&T Committee if the Sponsor has selected a PBM Formulary. Formularies may include all drugs approved by the United States Food and Drug Administration for which a Prescription is necessary.

The Formularies will be available to Contracting Pharmacies, Members, Prescribing Providers, or other Health Care Providers for purposes of providing information about the coverage and tier status of Program Drugs.

**Generic Drug** means, for purposes of calculation of guarantees, a drug categorized by Medi-Span® as a Generic Drug including a Single Source Generic Drug, and which is not categorized as a Specialty Drug.

**Mail Order Pharmacy** means a PBM affiliate or owned Contracting Pharmacy that has been approved by CareFirst as a Mail Order Pharmacy and whose primary method of delivery of Program Drugs is shipping through mail, express delivery, or other similar vehicle.

**Mail Service** means the provision of a Program Drug by a Mail Order Pharmacy.

**Manufacturer** means a company that manufactures, distributes, or is a wholesaler of pharmaceutical drug products, also referred to as a pharmaceutical manufacturer.

**Maximum Allowable Cost ("MAC")** is a PBM and Retail Pharmacy term that means the proprietary database listing(s), owned and maintained by PBM, of multi-source pharmaceutical drug products and supplies, and the corresponding MAC,

**Member Benefit Adjustment (s)** means, for purposes of determining the Sponsor's Liability for a Program Drug after Member cost sharing: (i) Coinsurance; (ii) Copays; (iii) Deductibles; (IV) CareFirst's waiver of (i), (ii), or (iii); (v) if applicable, the differential paid by a Member between the price of a Brand Name Drug and the price of a Generic Drug when the Member chooses the Brand Name Drug; and (vi) the differential between Contracting Pharmacy and Non-Contracting Pharmacy prices for a Program Drug.

**Non-Contracting Pharmacy** means a Pharmacy/mail order pharmacy that has not contracted with CareFirst's PBM to be paid directly for a Program Drug.

**Prescribing Provider** means a physician, institution, or health care professional licensed to prescribe Prescription Drugs.

**Prescription** means a prescription or authorized refill for a Program Drug prescribed for a Member by a Prescribing Provider.

**Program Drug(s)** means all drugs available under the Plan. Such drugs consist of (i) certain drugs (including insulin) that, under federal law, require the written Prescription of a Prescribing Provider; (ii) such other drugs, including Over-the Counter drugs; and Diabetic Supplies if identified as a Covered Service under the Contract.

**Program Drug Paid Claims** is the amount the Sponsor pays CareFirst for Program Drugs. Dispensing Fees are also included in Program Drug Paid Claims.

**Program Services** means those services that Plan Sponsor directs CareFirst (through its PBM) to provide pursuant to the Agreement, including, but not limited to: (i) account management; (ii) Retail Pharmacy Network management; (iii) Claims adjudication; (iv) Mail Service and Specialty Drug Prescription processing and Dispensing; (v) customer services support; (vi) clinical management, including Formulary management; (vii) Rebate contracting and management services; and (viii) any additional services offered by CareFirst that Sponsor may direct CareFirst or its PBM to provide.

**Rebate Guarantee Amount** means the minimum Rebate that CareFirst guarantees it will pay the Sponsor for Eligible Claims submitted by Contracting Pharmacies as set forth herein.

**Rebates** means Formulary rebates, including base and market share rebates and performance/incentive rebates, from various pharmaceutical companies that are attributable to the utilization of Brand Name Drugs by Members. CareFirst has employed a PBM in order to obtain these Rebates. PBM or its

affiliates may receive concurrent or retrospective discounts from pharmaceutical companies which are attributable to or based on products purchased by PBM affiliated Dispensing Pharmacies. The term "Rebates" shall not include any compensation, concurrent, or retrospective discounts associated with the purchase price of products which belong exclusively to PBM or its affiliates.

**Retail 30-Day Network** means a Pharmacy network of Retail Pharmacies contracted with PBM to provide Members with 30-day supplies of Program Drugs.

**Retail 90-Day Network** means a Pharmacy network of Retail Pharmacies contracted with PBM to provide Members with 90-day supplies of Program Drugs at preferential pricing.

**Retail Network or Retail Pharmacy Network** means a Pharmacy network of Retail Pharmacies, including the Retail 30-Day Network and the Retail 90-Day Network that will provide Members with Program Drugs.

**Retail Pharmacy(ies)** means Contracting Pharmacies licensed to provide Program Drugs and whose primary method of delivery is not shipping through mail, express delivery, or other similar vehicle.

**Single Source Generic Drug ("SSG")** means, for purposes of calculation of the Discount guarantee, a Generic Drug with limited availability (available from three 01' less Abbreviated New Drug Application (ANDA) generic Manufacturers), exclusivity, or competition which is likely to have market rates which more closely mirror a Brand Name Drug than a Generic Drug.

**Specialty Drug** means a list of Program Drugs defined solely by CareFirst or PBM which include, but are not limited to, drugs that are very expensive, large molecule, high potential for adverse effects, have stability concerns - requiring special handling, and/or are often derived from biologic processes rather than chemical processes. These drugs are often highly effective when used according to a strict administration regimen and therefore may require support and management services.

**Specialty Pharmacy Network (or Specialty Pharmacy)** means a network of Specialty Drug Contracting Pharmacies.

**Exclusive Specialty Pharmacy Network** means a limited Specialty Pharmacy Network. A Member must use a Specialty Pharmacy designated as "Exclusive" to obtain benefits for a Specialty Drug.

**Open Specialty Pharmacy Network** means an open Specialty Pharmacy Network. A Member may use any Pharmacy to obtain benefits for a Specialty Drug, subject to that Pharmacy's stocking of the Specialty Drug.

**Usual and Customary (or U&C)** means the price a Pharmacy would charge a particular customer without any insurance coverage if such customer were paying cash for the identical Program Drug on the date Dispensed. This includes any applicable discounts, including but not limited to senior discounts, frequent shopper discounts, and other special discounts offered to customers.

## **INDEMNIFICATION**

INDEMNIFICATION: The Sponsor acknowledges and agrees that the indemnification provisions of the Agreement are incorporated by reference herein and shall survive the termination of this Addendum.

## **GENERAL PROVISIONS**

USE OF AGENTS OR SUBCONTRACTORS: CareFirst may perform any of the services described herein through agents and subcontractors selected by CareFirst, including the services of a PBM. Carefirst shall reasonably supervise any such agent or subcontractor, and the retention of agents or subcontractors shall not relieve Carefirst of its duties hereunder.

GUARANTEES: All guarantees offered to Sponsor are measured in aggregate whereby Carefirst may use any over-performance in any other guarantee(s) offered to Sponsor to offset, under-performance in any other guarantees. Carefirst shall retain amounts in excess of guarantees.

## PRESCRIPTION DRUG BENEFITS

**2.1** Benefits will be provided for a Prescription Drug dispensed by a Contracting Provider for self-administered-use on an outpatient basis for the treatment of a condition for which benefits are provided under the terms of the Description of Covered Services or an Attachment.

**2.2** CareFirst BlueChoice or its designee reserves the right to substitute a Generic Drug for any Brand Name Drug unless otherwise indicated on the prescription order.

**2.3** Members may obtain up to a thirty-four (34) day supply of a Prescription Drug from a Contracting Provider, and up to a ninety (90) day supply of a Maintenance Drug, via retail or through the mail order program described in Section 3, Mail Order Program. Members must use 75% of a dispensed non-Maintenance Drug or Maintenance Drug in the manner prescribed before a refill of that prescription can be obtained.

**2.4** A Member may select a Prescription Drug that is not included on the Preferred Drug List. In addition to the non-Preferred Brand Name Drug Copayment, an additional penalty will apply if the non-Preferred Brand Name Drug is a Brand Drug that has a Generic equivalent. If a Member selects a non-Preferred Brand Name Drug when a Generic Drug is available, the Member will pay the non-Preferred Brand Name Drug Copayment plus the difference between the price of the non-Preferred Brand Name Drug and the Generic Drug up to the cost of the prescription.

**2.5** Providers must obtain prior authorization by providing information to support Medical Necessity before prescribing any Prescription Drug on the Prior Authorization List. A copy of the Prior Authorization List is available to the Member or Provider upon request.

**2.6** In cases of Emergency Services or Out-of-Area Urgent Care situations, if the Member purchases a covered Prescription Drug from a non-Contracting Provider, the Member is responsible for paying the total charge and submitting a claim to CareFirst BlueChoice or its designee for reimbursement. Members will be entitled to reimbursement from CareFirst BlueChoice or its designee in the amount of the Allowed Benefit, minus any applicable Copayment. Members may be responsible for balances above the Allowed Benefit.

**2.7** Benefits include:

A. Any contraceptive drug or device that is approved by the FDA for use as a contraceptive and is obtained under a prescription written by an authorized prescriber. Coverage for procedures for insertion or removal and any Medically Necessary examinations associated with the use of such contraceptive drugs or devices shall be provided under the medical benefits outlined in the Description of Covered Services to which this Attachment is attached.

B. Human growth hormones (prior authorization is required).

C. Any drug that is approved by the FDA as an aid for the cessation of the use of tobacco products and is obtained under a prescription written by an authorized prescriber. Coverage is not provided for a drug that may be obtained Over-the-Counter without a prescription.

Nicotine Replacement Therapy. Nicotine Replacement Therapy means a product that is used to deliver nicotine to an individual attempting to cease the use of tobacco products, approved by the FDA as an aid for the cessation of the use of tobacco products and obtained under a prescription written by an authorized prescriber. Nicotine Replacement Therapy does not include any Over-the-Counter product that may be obtained without a prescription. Coverage for Nicotine Replacement Therapy will be provided on an unlimited yearly basis.

D. Injectable medications that are self-administered and the prescribed syringes.

- E. Standard covered items such as insulin, glucagon and anaphylaxis kits.
- F. Fluoride products.
- G. Diabetic Supplies.
- H. Infertility drugs and agents.

### **MAIL ORDER PROGRAM**

All Members have the option of ordering Prescription Drugs via mail order. Members ordering Prescription Drugs through the mail order program will be entitled to a [thirty-four (34)] day supply for non-Maintenance Drugs and a [ninety (90)] day supply for Maintenance Drugs. Members will be responsible for the Copayments as outlined in Section 4 Copayments.

### **COPAYMENTS**

- 4.1** The Member must pay the Copayment at the time that a prescription is filled by the Pharmacist.
- 4.2** For Prescription Drugs purchased in a Pharmacy or purchased through the mail order program, there is one Copayment due for each thirty-four (34) day supply. For Maintenance Drugs, a Member may receive up to a ninety (90) day supply provided the Member pays one Copayment for the first thirty-four (34) day supply and a second Copayment for a supply of thirty-five (35) days or more.
- 4.3** The Copayment is:
  - A. Generic Drug: \$8 per prescription or refill.
  - B. Preferred Brand Name Drug: \$15 per prescription or refill.
  - C. Non-Preferred Brand Name Drug: \$25 per prescription or refill.
  - D. If the cost of the Prescription Drug is less than the Copayment, then the cost of the Prescription Drug will be payable by the Member at the time the prescription is filled.
  - E. Diabetic Supplies are not subject to any Copayments.

### **DESCRIPTION OF COVERED SERVICES**

Benefits are available for:

- 1. Up to a 34~day supply of a Prescription Drug.
- 2. Up to 100-day supply of. Maintenance Drug.
- 3. Up to a 100~day supply of allergy sera (serum).
- 4. Insulin, insulin syringes, and other Diabetic Supplies.
- 5. Nicotine Replacement Therapy.
- 6. Prescription Drug vitamins, limited to:
  - a. Prenatal vitamins
  - b. Fluoride and fluoride-containing vitamins
  - c. Single entity vitamins, such as Rocaltrol and DHT.
- 7. Any contraceptive drug or device on the Preferred Preventive Drug List that is obtained under a prescription written by a Health Care Provider.
- 8. Growth hormones (Prior Authorization List).
- 9. Self-administered injectable Prescription Drugs and the prescribed syringes.
- 10. Fertility drugs or agents.

## EXCLUSIONS

Benefits will not be provided under this Attachment for:

- 6.1** Any devices, appliances, supplies, and equipment except as otherwise provided in Section 2 in this Attachment.
- 6.2** Routine immunizations and boosters such as immunizations for foreign travel, and for work or school related activities.
- 6.3** Prescription Drugs for cosmetic use.
- 6.4** Prescription Drugs administered by a physician or dispensed in a physician's office.
- 6.5** Drugs, drug therapies or devices that are considered Experimental/Investigational by CareFirst BlueChoice.
- 6.6** Drugs or medications lawfully obtained without a prescription such as those that are available in the identical formulation, dosage, form, or strength of a prescription (Over-the-Counter medications).
- 6.7** Vitamins, except CareFirst BlueChoice will provide a benefit for Prescription Drug:
  - A. prenatal vitamins.
  - B. fluoride and fluoride containing vitamins.
  - C. single entity vitamins, such as Rocaltrol and DHT.
- 6.8** Any portion of a Prescription Drug that exceeds:
  - A. a thirty-four (34) day supply for Prescription Drugs; or,
  - B. a ninety (90) day supply for Maintenance Drugs unless authorized by CareFirst BlueChoice.
- 6.9** Prescription Drugs that are administered or dispensed by a health care facility for a Member who is a patient in the health care facility. This exclusion does not apply to Prescription Drugs that are dispensed by a Pharmacy on the health care facility's premises for a Member who is not a patient in the health care facility.
- 6.10** Prescription Drugs for weight loss.
- 6.11** Biologicals and allergy extracts.
- 6.12** Blood and blood products. (May be covered under the medical benefits in the Description of Covered Services to which this Attachment is attached.)

## EXCLUSIONS

Note: these exclusions are in addition to the exclusions in the attached Evidence of Coverage.

Benefits are not provided for:

- Prescription Drugs administered or dispensed by a health care facility for a Member who is a patient in the health care facility. This exclusion does not apply to Prescription Drugs that are dispensed by a Pharmacy on the health care facility's premises for a Member who is not an inpatient in the health care facility.
- Prescription Drugs for cosmetic use.
- Prescription Drugs for weight loss.
- Prescription Drug vitamins, except as listed herein.
- Injectable Prescription Drugs that require administration by a Health Care Provider, including, but not limited to routine immunizations and boosters. This exclusion does not apply to non-surgical, injectable contraceptives.
- Prescription Drugs administered or dispensed in a Health Care Provider's office except allergy sera (serum).
- Biologicals and allergy extracts.

### SCHEDULE OF BENEFITS

CareFirst pays (on the Plan's behalf) only for Covered Services. Services that are not listed in the Description of Covered Services, or are listed in Exclusions, are not Covered Services.

The Member pays for services, supplies or care which are not covered. The Member pays any applicable Deductible, and Coininsurance or Copayment.

When determining the benefits a Member may receive, CareFirst considers all provisions of this Evidence of Coverage, its medical policies, and its operating procedures.

Only Pharmacy-dispensed Prescription Drugs intended for outpatient use are covered, unless otherwise stated.

Unless otherwise stated for a particular Covered Service during a Benefit Period:

<b>Lifetime Maximum</b>
The Lifetime Maximum for all Prescription Drug Covered Services is unlimited per person. This Lifetime Maximum creates no rights to benefits after a Member loses entitlement to coverage or is no longer covered under the Group Contract.

<b>Important note regarding CareFirst/Member Payments</b>
If the cost of the Prescription Drug is less than the Member payment, then the cost of the Prescription Drug will be payable by the Member at the time the prescription is filled.
Member payments are waived for the following:
Insulin syringes and other Diabetic Supplies
Preferred Preventive Drugs
Contraceptive drugs or devices on the Preferred Preventive Drug that is obtained under a prescription written by a Health Care Provider

Member Copays shall be applied as shown in the below table:	Non-Maintenance Drug		Maintenance Drug	
Mail Order And Retail	Up to a 34-day supply	The member pays one Copay	Up to a 100-day supply	The Member pays one Copay

If a member selects:	When:	The member will pay:	Plus the difference in cost between the Preferred Brand Name Drug and the Non-Preferred Brand Name Drug
Non-Preferred Brand Name Drug	Preferred Brand Name Drug is available	Non-Preferred Brand Name Drug Copay	Yes

Covered Service	CareFirst Payment	Member Payment	
Generic Drug	100% of Allowed Benefit after Member payment	Retail	Mail
Preferred Brand Name Drug		\$8 Copay	No Copay
Non-Preferred Brand Name Drug		\$15 Copay	\$15 Copay
Allergy sera (serum)		\$25 Copay	\$25 Copay
The Member pays one Copay			

## **GENERAL PROVISIONS**

**7.1** As a condition precedent to the approval of claims hereunder, each Member authorizes and directs any Pharmacy that furnishes Prescription Drugs hereunder to make available to CareFirst BlueChoice or its designee information relating to such benefits, copies of records thereof, and such other information and records as may be needed by CareFirst BlueChoice or its designee. CareFirst BlueChoice or its designee will in every case hold such information and records as confidential.

**7.2** CareFirst BlueChoice or its designee will not be liable for any claim or demand for injury or damage arising out of or in connection with the manufacturing, compounding, dispensing, or use of any Prescription Drug or any other item whether or not covered under this Contract.

**7.3** The Employee/Member's current identification card must be presented when a Member purchases Prescription Drugs at a Contracting Provider to receive the maximum amount of benefits under this Program. If the Member fails to present his identification card, the Member may be responsible for charges above the Allowed Benefit.

**7.4** The Prescription Drug Program carries no conversion privileges.