



STATE OF HAWAII
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

P.O. BOX 2121
HONOLULU, HAWAII 96805-2121
Oahu (808) 586-7390
Toll Free 1(800) 295-0089
www.eutf.hawaii.gov

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February 21, 2014

ADDENDUM 1

TO

REQUEST FOR PROPOSALS

NO. 14-003

SEALED OFFERS FOR
PRESCRIPTION DRUG CLAIM AUDITING SERVICES

The following are responses to written questions submitted:

	Question	Answer
1	<p>Page 19, Section 4.04, bullet 1: "Offeror Must have been in business for a minimum of five (5) years."</p> <p>Will the state accept an offeror who will have been in business five years after the likely contract date but before the likely issuance of the final audit report? If no, can the respondent utilize a subcontractor to meet this requirement, eg the subcontractor company has been in business more than 5 years?</p>	<p>No. The prime contractor must have five years of experience on the proposal submission date.</p> <p>A subcontractor cannot be used to meet this requirement since the prime contractor must have five years of experience on the proposal submission date.</p>
2	<p>Page 19, Section 4.04, bullet 2: "Offeror must have provided PBM claims audit services to at least one health and welfare plan with at least 50,000 members (employee or retiree with dependents) within the past 5 years."</p> <p>How does the EUTF define a health and welfare plan?</p>	<p>Medical with pharmacy benefits, or stand-alone pharmacy benefits.</p>

3	<p>Page 19, Section 4.04, bullet 2: "Offeror must have provided PBM claims audit services to at least one health and welfare plan with at least 50,000 members (employee or retiree with dependents) within the past 5 years."</p> <p>Would a commercial health plan satisfy this requirement?</p>	<p>A commercial health plan with pharmacy benefits will satisfy this requirement.</p>
4	<p>Page 19, Section 4.04, bullet 2: "Offeror must have provided PBM claims audit services to at least one health and welfare plan with at least 50,000 members (employee or retiree with dependents) within the past 5 years."</p> <p>Can the respondent partner with a subcontractor company to meet this requirement?</p>	<p>No. The prime contractor must have five years of experience.</p>
5	<p>Page 8, Section 2.2, Scope of work, Item A, Period of Audit:</p> <p>Why is the audit period 14 months for active instead of the traditional 12 months?</p>	<p>For the active employee contract, the duration of the first contract period with Caremark was 14 months.</p>
6	<p>Page 8, Section 2.2, Scope of work, Item A, Period of Audit:</p> <p>Are there different pricing guarantees between the annual periods for actives?</p>	<p>No.</p>
7	<p>Page 8, Section 2.2, Scope of work, Item A, Period of Audit:</p> <p>Technically, Caremark and SilverScript are two PBMs. Will this audit consist of two distinct sets of claims data and ancillary files?</p>	<p>Yes.</p>
8	<p>Page 9, Section 2.2, Scope of work, Item B3, Rebate Audits:</p> <p>What is the rebate sharing arrangement?</p>	<p>The exact terms of the contractual provision will be shared with the successful contractor upon execution of a contract and a business associate agreement.</p>
9	<p>Page 9, Section 2.2, Scope of work, Item B3, Rebate Audits:</p>	<p>See answer to number 8, above.</p>

	Is the rebate sharing arrangement a per-claim guarantee or a percentage of rebates collected or a combination of both?	
10	For actives, how many different benefit design options does the EUTF have?	Two.
11	Are there any accumulators associated with the benefit designs?	Yes, specialty drugs and EGWP TrOOP.
12	For the retirees, is there more than one benefit option? If so, how many?	Four.
13	Who will be providing the following files, the EUTF or the PBM: a) eligibility, b) MAC pricing, c) administrative and clinical edits, d) for Medicare will there be TrOOP transfer totals?	<ul style="list-style-type: none"> a) The EUTF and PBM b) The PBM c) The EUTF and PBM d) Yes
14	How will low income subsidy members be identified?	This is determined by the PBM.
15	Please identify the number of recovery audit contractors for the EUTF?	None.
16	Please provide the number of pharmacy claims from Caremark and SilverScript for the periods to be audited.	This information will be provided as a separate addendum.
17	Is separate reporting required for each entity subject to audit?	A separate report for SilverScript and Caremark is required.
18	How many benefit plans are to be audited for Caremark and SilverScript?	See answers to questions 10 and 12.
19	Which benefit functions, if any, does Hawaii EUTF manage/administer (i.e., formularies, pharmacy networks, edits, etc.)	None.
20	Section 2.2, Item A - Is Hawaii EUTF flexible on the completion time frame of 8 weeks from receipt of data? The scope of work described in the RFP usually requires 5 to 6 months to complete.	List the request as an exception in Attachment 5, Exceptions.

21	Section 2.2, Item B2-a - Please provide a comprehensive list of contract provisions that require verification (i.e., pricing, copay, pricing guarantees, quantity limits, etc.).	The exact terms of the contractual provisions will be shared with the successful contractor upon execution of a contract and a business associate agreement.
22	Section 2.2, Item 3a - The RFP refers to 10 pharmaceutical company contracts. Does this refer to 5 pharmaceutical companies per Caremark and Silverscript or 10 for each?	This refers to ten combined pharmaceutical company contracts as described on page 9, section 2.2, item B3 Rebate Audits.
23	Section 2.2, Item C2 - With regard to sampling methodology, is Hawaii EUTF agreeable to a 100% of claims audit (except where explicitly stated otherwise) to establish a baseline audit?	List the request as an exception in Attachment 5, Exceptions. However, the proposal shall include pricing for a sampling methodology.
24	Section 2.2, Item B1-a - Is the requirement to form an eligibility audit (i.e., test eligibility files to the pharmacy claims), or a review of eligibility procedures?	Both of these (eligibility audit and review of eligibility procedures) are required.
25	Section 2.2, Items 4a, 4b, and 4c - Please confirm that these requirements are intended to validate pass-through pricing.	Confirmed.