

Questions submitted prior to and during the Bidders' Conference:

Question	Answer
<p>1. The PBM does not have control over how the prescriptions are issued or received by the pharmacy. Is this a mandatory requirement?</p>	<p>Yes, it is the State's expectation that the selected PBM will have the ability to provide the pharmacy with an edit that does not allow paper scripts to be filled. Refer to section 2.3.1.</p>
<p>2. According to the RFP, hard copies that are required to be sent are listed as submitting via fax or certified mail. Are we restricted to certified mail or can we ship documents via an overnight courier service such as Fed Ex?</p>	<p>Yes, documents may be shipped by a courier service such as Fed EX, UPS, etc.</p>
<p>3. Clarify whether the current MAC must also be for April 2005 or whether current is defined as "today." Further, please confirm that the MAC values that are required to be held at the same rate for six months from the initial contract term are the MAC values furnished as Worksheet 2.</p>	<p>Yes, the 'current MAC' should be the MAC that was in place in April 2005. The MAC input to Worksheet 2 is not allowed to increase for first 6 months of the contract.</p>
<p>4. Will the State disclose what % of zip codes are required to be within this access range?</p>	<p>There is no required percentage of zip codes that must meet this standard. The standard contained in the RFP is being used to facilitate comparison of each bidder. Refer to section 2.4.3 in the RFP.</p>
<p>5. Is the State interested in pursuing mail order pharmacy services for this population?</p>	<p>Mail order pharmacy services do not apply to this population and are not being sought.</p>

Question	Answer
<p>6. Who is currently administering this benefit? 7. What retail pharmacy chain is currently in the network for this benefit? 8. Who is the current contract holder and when does their contract expire? 9. Who is the current pharmacy chain that provides prescription drugs to the parolees?</p>	<p>The State currently does not have a contract for a PBM. The current program is being supported by Rite Aid on a monthly basis.</p>
<p>10. Can you please explain how the current vendor administers providing a reliable data tracking system for the current retailer to identify Medi-Cal eligibility?</p>	<p>The current vendor does not have this requirement. The State will provide the selected PBM with an eligibility file that contains an indicator if the parolee is determined to be Medi-Cal eligible.</p>
<p>11. For rebate pricing, what number of units per script should be used? I.e. 100 units per Rx</p>	<p>For evaluation purposes, bidders should use a 100 unit per script for calculations of rebates. An addendum will be forthcoming to that effect.</p>
<p>12. If a brand drug eligible for rebates now changes status in the course of the contract will you make adjustments?</p>	<p>Please clarify and re-submit your question via email to the Procurement Official by August 11th.</p>
<p>13. Need summary of contract activities labor hours bidders summary of contract activities</p>	<p>This requirement has been deleted per addendum #1 issued in the eTool August 3rd, 2005.</p>
<p>14. Does the State have any constraints for reimbursing the cost of drugs on a weekly, bi-weekly, or monthly basis?</p>	<p>Yes, the State cannot reimburse the cost of drugs on a weekly, bi-weekly or monthly basis. Based on the State General Provisions in section 3 paragraph 30.</p>
<p>15. What is the expectation with regard to medications allowed for the treatment of side-effects-----will they require a prior authorization? Who would handle the prior authorization: the selected vendor or the POC program?</p>	<p>It is the State expectation that only drugs on the formulary will be dispensed.</p>
<p>16. Will the network require customization down to the individual parolee level? (This refers to the original thought i.e.'03 that the covered individual would access pharmacies only in a specific county)</p>	<p>Please clarify and re-submit your question via email to the Procurement Official by August 11th.</p>

Question	Answer
17. Please provide plan design information, e.g. days supply limit per Rx, procedure for approval of non-formulary drugs (if possible), co-pay, use of mail pharmacies, etc.	The drugs that are on the formulary are covered at 100% by the State, i.e there are no co-payments. As stated previously there is no mail pharmacy.

Questions Submitted after the Bidder's Conference

18. Are we required to submit a draft response?	The Draft Proposal is optional but recommended.
19. The Contract Development Instructions state that four (4) copies of the Standard Agreement be submitted (with original signatures on each document). Other instructions in the eRFP state that five (5) copies are needed of all other forms. Which is correct?	The State requires (4) four copies with original signatures of the Standard Agreement (Exhibit 5.2) per Section 1.13.1. All other mandatory and optional documents require five (5) copies per Section 1.7.2.
20. Also, do you wish to receive five (5) copies of the customer references, GeoAccess Report and Formulary report?	Yes, per Section 1.7.2, submit five (5) copies of these documents.
21. The effective date is assumed to be December 1, 2005. Is this accurate or has this changed?	The dates stated in Section 2.4.40 are provided for informational purposes only. Upon contract award the dates will be formalized.
22. What is the estimated timeframe for proposal evaluation? What is the estimated date of contract award assuming you have an implementation date of December 1, 2005?	The State anticipates awarding a contract prior to mid October.
23. The industry standard for payment to pharmacies for prescription drugs by a third party is every two weeks or twice each month. In section 2.3.7 of the eRFP it requires monthly billing. What is the average length of time the State takes to pay an obligation from the time it receives an invoice? This will make a significant difference in the network discounts.	The State is required to pay properly submitted, undisputed invoices within 45 days of receipt. Refer to the General Provisions, paragraph 30, "Required Payment Date."

<p>24. Do I submit our proposal online or mail it? My understanding was online but some pages require signatures.</p>	<p>Bidder responses for the draft and final proposals must be submitted via the eRFP (online). Please refer to sections 1.13 and 1.14 for submittal instructions for forms and exhibits.</p>
<p>25. There are a number of products on the PBM Pricing Worksheet 1: Branded Drugs that cannot be rebated unless all strengths of the drug are included on the formulary. Does the state have a compelling reason for excluding these drugs from the formulary, e.g. FLUOXETINE HCL/OLANZAPINE 25MG-6MG?</p>	<p>An Addendum will be issued to clarify this question. The formulary provided in this eRFP is not intended to exclude other strengths of a branded drug.</p>
<p>26. If a brand drug on the formulary becomes available as a generic, will the state make an adjustment to accommodate the changed status of the drug?</p>	<p>The PBM should fill the script according to the formulary but advise Parole that a generic equivalent exists. Refer to the eRFP section 2.4.14, regarding generic substitution.</p>
<p>27. All bidders are to submit their pricing response what they would charge the State for brand and generic medications. Is the successful bidder allowed to pay the pharmacy more or less than the rate charged to the State? This will be helpful so that small pharmacies in rural areas that require higher compensation can be included in the network. To make up for the shortfall, some of the larger chains may accept less compensation.</p>	<p>The State will not dictate how a PBM chooses to pay each pharmacy. That's determined by the contractual arrangement between the PBM and the pharmacy.</p>
<p>28. Addendum #1 removed all language and advantage for small business. Will there be any provision or advantage for a certified small business and what was the rational for issuing Addendum #1?</p>	<p>There will not be any additional provisions in this RFP.</p>
<p>29. On page 49, section 1.16.1, item #12 it requires a copy of the bidders "Retail Seller's Permit". Most of the bidders will be contracting with pharmacies to provide medications to the beneficiaries. They will not be actually dispensing the medications unless they are a pharmacy. Can the requirement of a Retail Sellers Permit be waived if you are not a pharmacy and have contracted with a network of pharmacies in California?</p>	<p>Please refer to Section 1.14.8. The Retail Seller's Permit is required to recognize bidders who are authorized to conduct business in California.</p>

30. Can you provide the existing contract number that CDC has for current services provided through the existing chain store relationship?	The State doesn't have a contract for these services. Previously addressed in response to questions 6-9.
31. Who is the current retail chain used to distribute prescriptions for the POC program?	Previously addressed in response to questions 6-9
32. Are there any automatic linkages to other prescription services for parolees, e.g. Medi-Cal based on diagnosis or otherwise?	There are no other prescription services and no automatic linkages to other services.
33. Are parolees screened for Medi-Cal eligibility prior to admission into the POC program?	No, parolees are screened and Medi-Cal eligibility identified AFTER admission to the Parole Outpatient Clinic (POC). Parole division will provide a monthly eligibility file to the selected supplier.
34. Will you provide a link to Medi-Cal's database to verify parolee eligibility?	No. The State doesn't have a link to the Medi-Cal database, but we will provide a parolee eligibility file that contains an indicator that will identify a parolee's Medi-Cal eligibility. Please see question 33 for clarification.
35. What is the duration of parolee eligibility in the program? Is there a defined renewal process?	Parolees are eligible for prescription drugs covered through this program for up to three years after their release on the current offense. There is no renewal process; parolees are not eligible for renewal under the same offense.
36. Within daily eligibility batch updates, what is the mechanism of transfer and format of data file? Can you provide a sample file structure?	The State can provide eligibility updates on a daily basis in most formats (i.e. Excel, Access, text). The State will provide a sample file structure to the awarded supplier.
37. Is this program open to the option of mail-order prescription delivery?	No. See response to question five (5).
38. Is CDC eligible to receive any rebates thru federal or state government affiliations or other rebate options?	Apart from the Medi-Cal program, there are no other known formal rebates.
39. Does the \$14M historical spend include a negotiated rate with the retail chain plus any drug rebate?	The \$14 million of historical spend is the net amount paid through the current arrangement with Rite-Aid. There are no rebates being received through the current arrangement.

40. Will the CDC allow the contractor the ability to negotiate with the pharmacy network independent of the amount negotiated with CDC?	It's up to the PBM to determine how they will negotiate with its network.
41. What is the timeframe between invoicing and receipt of payment from CDC?	Please refer to the response to question 23.
42. What is the time requirement for disbursement of reimbursements to the pharmacy network?	Please refer to the response to question 23.
43. Is there flexibility in defining the invoicing frequency to CDC, so as to increase pharmacy network participation?	Please refer to the response in question 23. In addition, increased invoicing frequency will not accelerate payment frequency.
44. How are the Regions specifically defined? Is there a map?	The regions are defined using parolee population densities and grouped into four geographic regions. There is no map defining the POC program.
45. Will you expect network pharmacies to retroactively bill claims to Medi-Cal when eligibility is issued retroactively?	Only claims submitted to Medi-Cal after eligibility is established.
46. What are the current CDC prescribing and or dispensing guidelines?	The prescribing guidelines are based on the patient's needs as determined by the psychiatrist, and the dispensing guides are based upon the formulary.
47. Will the contractor be responsible for providing program ID cards to parolees?	No.
48. Can the contractor amend the contract after award if additional services are agreed upon to be provided?	Please refer to section 2.1..."this contract may be amended by mutual consent."
49. What percentage of prescription claims require Prior Authorization? 50. What formulary items and/or transactions require Prior Authorization?	Under the current program, none. As part of this solicitation, the State would like to implement a limited form of Prior Authorization to address poly-pharmacy and dosing issues.
51. Will CDC provide an electronic data file of authorized prescribers which includes DEA# and State license #?	Yes, the information will be provided to the selected supplier upon award.
52. Will CDC provide to the contractor a mechanism for communication with authorized prescribers, such as an email distribution list?	The selected supplier will have all appropriate contact information for the authorized providers.

