



Notice of Request for Proposal

SOLICITATION # YH18-0020

Fee-For-Service Pharmacy Benefit Management Services

Procurement Officer:

Meggan Harley, MSW CPPO
Chief Procurement Officer
AHCCCS
701 E. Jefferson, MD5700
Phoenix, AZ 85034

Telephone: 602-417-4538
E-Mail: procurement@azahcccs.gov
Issue Date: January 17, 2018

LOCATION: ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION (AHCCCS)
Procurement Office (First Floor)
701 E. Jefferson, MD 5700
Phoenix, AZ 85034

DESCRIPTION: **Fee-For-Service Pharmacy Benefit Management Services**

PROPOSAL DUE DATE: **Wednesday, February 28, 2018** AT 3:00 P.M.
ARIZONA TIME

Pre-Proposal Conference: A Pre-Proposal Conference has **NOT** been scheduled.

QUESTIONS CONCERNING THIS SOLICITATION SHALL BE SUBMITTED TO THE PROCUREMENT OFFICER NAMED ABOVE, IN WRITING, VIA E-MAIL BY **Thursday, February 1, 2018 before 5:00 PM** ARIZONA TIME ON THE QUESTIONS AND ANSWERS FORM PROVIDED WITH THIS RFP. ANSWERS TO ALL QUESTIONS WILL BE POSTED IN THE AHCCCS WEBSITE IN THE FORM OF A SOLICITATION AMENDMENT FOR THE BENEFIT OF ALL POTENTIAL OFFERORS.

In accordance with A.R.S. § 36-2906, which is incorporated herein by reference, competitive sealed proposals will be received at the above specified location, until the time and date cited. Proposals received by the correct time and date will be opened and the name of each Offeror will be publicly read.

Proposals must be in the actual possession of AHCCCS on or prior to the time and date and at the location indicated above.

Late proposals shall not be considered.

Proposals must be submitted in a sealed envelope or package with the Solicitation Number and the Offeror's name and address clearly indicated on the envelope or package. All proposals must be typewritten. Additional instructions for preparing a proposal are included in this solicitation document.

Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the person named above. Requests should be made as early as possible to allow time to arrange the accommodation.

OFFERORS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE SOLICITATION.

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Exhibit 1: AHCCCS FFFS Prescription Claims Utilization*

***Also see separate file located on the AHCCCS website along with the solicitation.**

OFFER AND ACCEPTANCE

OFFER

The undersigned Offeror hereby agrees to provide all services in accordance with the terms and requirements stated herein, including all exhibits, amendments, and final proposal revisions (if any). Signature also certifies Small Business Status.

Arizona Transaction (Sales) Privilege Tax License No.:

For clarification of this offer, contact:

Name: _____

Federal Employer Identification No.:

Title: _____

E-Mail Address: _____

Phone: _____

Company Name

Signature of Person Authorized to Sign Offer

Address

Printed Name

City

State

Zip

Title

CERTIFICATION

By signature in the Offer section above, the Offeror certifies:

1. The submission of the offer did not involve collusion or other anti-competitive practices.
2. The Offeror shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, State Executive Order 2009-09 or A.R.S. §§ 41-1461 through 1465.
3. The Offeror has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer. Failure to provide a valid signature affirming the stipulations required by this clause shall result in rejection of the offer. Signing the offer with a false statement shall void the offer, any resulting contract and may be subject to legal remedies provided by law.
4. The Offeror _____ is / _____ is **not** a small business with less than 100 employees or has gross revenues of \$4 million or less.
5. The Offeror is in compliance with A.R.S. § 18-132 when offering electronics or information technology products, services, or maintenance; and
6. The Offeror certifies that it is not debarred from, or otherwise prohibited from participating in any contract awarded by federal, state, or local government.

ACCEPTANCE OF OFFER (to be completed by AHCCCS)

Your offer, including all exhibits, amendments and final proposal revisions (if any), contained herein, is accepted. The Contractor is now bound to provide all services listed by the attached contract and based upon the solicitation, including all terms, conditions, specifications, amendments, etc., and the Contractor's Offer as accepted by AHCCCS.

The Contractor is cautioned not to commence any billable work or to provide any material or service under this contract until Contractor receives purchase order, contract release document or written notice to proceed.

This contract shall henceforth be referred to as Contract No. YH18-0020.

CONTRACT SERVICE START DATE: _____.

AWARD DATE: _____.

MEGGAN HARLEY, CPPO, MSW, AHCCCS Chief Procurement Officer

SCOPE OF WORK

1. AHCCCS OVERVIEW

AHCCCS is the single state Medicaid agency for the State of Arizona. In that capacity it is responsible for operating the Title XIX and Title XXI programs through the State's 1115 Research and Demonstration Waiver, which was granted by the Centers for Medicare and Medicaid Services (CMS), U.S. Department of Health and Human Services. As of June 1, 2017, AHCCCS provides coverage to approximately 1.9 million members in Arizona.

Over 83% of the AHCCCS program's expenditures for the State Fiscal Year 2017 were through managed care programs. AHCCCS contracts with Managed Care Organizations (MCOs) that are responsible for providing Acute, Long Term Care, and Behavioral Health Services. A list of contracted plans can be found here: <https://azweb.statemedicaid.us/HealthPlanLinksNet/HPLinks.aspx>

The program has a total fund budget for SFY 2018 of approximately \$13.5 billion. AHCCCS has over 70,000 active providers in Arizona, such as individual medical and behavioral health practitioners, therapy disciplines, institutions, durable medical equipment companies and transportation entities. Additional information may be found on the AHCCCS website reporting page: <https://www.azahcccs.gov/Resources/Reports/federal.html>

Arizona's Medicaid program has been comprised primarily as a managed care program with a relatively smaller percentage of members enrolled in the Fee-For-Service Program. Additional information may be found on the AHCCCS website reporting page: <http://www.azahcccs.gov/reporting>.

The Fee-For-Service Program (FFS) is comprised mainly of American Indians, enrolled in the American Indian Health Plan (AIHP), living throughout the State. As of January 1, 2017, the total Fee-For-Service (FFS) enrollment for American Indians was approximately 125,000. American Indian members have a choice of receiving their care through the FFS Program from Indian Health Services (IHS) or tribally operated 638 facilities or by enrolling in an AHCCCS Contracted Managed Care Organization (MCO).

2. LEGAL AUTHORITY

This solicitation and any resultant contract is being entered into pursuant to A.R.S. § 36-2906, and any rules adopted thereunder. In the event that a provision of federal or state law, regulation, or policy is repealed or modified during the term of this contract, effective on the date of the repeal or modification by its own terms takes effect:

- 2.1 The provisions of this contract shall be deemed to have been amended to incorporate the repeal or modification.
- 2.2 The Contractor shall comply with all the requirements of the contract, as amended, unless the AHCCCS Administration and the Contractor otherwise stipulate in writing.

3. PROJECT OR SERVICE OVERVIEW/BACKGROUND

The purpose of this procurement is to secure an experienced, responsible and financially sound pharmacy benefit management (PBM) contractor to manage several program populations with unique programming parameters and reimbursement methodologies. The current programs and reimbursement methodologies include but are not limited to:

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- 3.1 **Acute Care:** The Acute Care pharmacy benefit serves the AHCCCS Fee-For-Service (FFS) Medicaid Title XIX population. A person enrolled in FFS Acute Care may also be eligible for benefits under the T/RBHA Behavioral Health Plan. Acute Care members are identified on the 834 eligibility file and require a specific drug list for this population.
- 3.2 **Long Term Care:** The Long Term Care pharmacy benefit serves AHCCCS FFS members. A person enrolled in the FFS Long Term Care program receives both physical health care and behavioral health care medications under this plan. Long Term Care members are identified on the 834 eligibility file and the PBM plan set up utilizes a specific drug list for this population.
- 3.3 **Tribal Regional Behavioral Health Authority (TRBHA):** AHCCCS Acute Care and Kids Care members may be enrolled in the T/RBHA, which is the pharmacy benefit that provides behavioral health medications. Members enrolled in T/RBHA have a specific drug list of behavioral health medications, a closed psychiatric provider file and are identified on the eligibility 834 file. These members may also be enrolled in the Acute Care or Kids Care program and simultaneously be enrolled in the T/RBHA.
- 3.4 **Dual Eligibles:** The Dual Eligible pharmacy benefit serves members who are eligible for Medicare and enrolled in AHCCCS as Title XIX or Title XXI. Dual Eligibles are flagged on the 834 eligibility file.
 - 3.4.1 **Medicare Part D:** AHCCCS and its Contractors are prohibited from using federal or state dollars to pay for copayments or any cost sharing for medications eligible for coverage under Medicare Part D.
 - 3.4.2 **Medicare Part B:** FFS is the secondary payer for Medicare Part B claims. The Contractor is responsible for coordination of Medicare Part B claims and reimbursing the pharmacy up to 20% of the Part B drug claim in accordance with AHCCCS policies and procedures. The primary payer reimbursement plus the secondary payer reimbursement shall not be greater than the total reimbursement if AHCCCS was the sole source primary payer.
 - 3.4.3 **Dual Eligible Pharmacy Benefit:** The Dual Eligible pharmacy benefit includes Over-the-Counter medications and in some instances, medications that are excluded by CMS from coverage under Medicare Part D Plans. The PBM Plan set up shall utilize a specific drug list for this population.
- 3.5 **Federal Emergency Services Program:** AHCCCS provides emergency health care services through the Federal Emergency Services Program (FES) for qualified and nonqualified aliens, as specified in 8 USC 1611 et seq. who meet all requirements for Title XIX eligibility as specified in the State Plan except for citizenship. For the purpose of this RFP, emergency services include medications for FES patients only receiving outpatient dialysis as defined in the AHCCCS Medical Policy Manual, Chapter 1100 - Federal Emergency Services Program Overview. These patients are identified in the 834 eligibility file. The FES pharmacy benefit is a very limited drug list of medications only associated with dialysis treatment.
- 3.6 **KidsCare:** This program is the Arizona Children's Health Care Program (CHIP) and provides health care benefits to children under the age of 19 who are not eligible to receive AHCCCS benefits.
- 3.7 **Prior Quarter Coverage:** A new AHCCCS member may be eligible for coverage in the prior quarter time period occurring before their date of their enrollment. After a review of the completed enrollment paperwork, the member may be eligible for the prior quarter (3 months) or for just 1 month, 2 of the 3 months, or all 3 months of the quarter. Prescription claims that were filled at a pharmacy that has an AHCCCS ID for the prior quarter of the member's eligibility, shall be refunded to the member and adjudicated under the Prior Quarter Coverage PBM plan set-up. Members are identified on the 834 eligibility file and the drug list is all federally reimbursable drugs. There are no PA requirements or other

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utilization management parameters. The pharmacy must have an AHCCCS ID and the claims cannot be for drugs that were eligible under a Medicare Part D Plan because AHCCCS and its Contractors are prohibited from using any federal and state monies to pay for these prescriptions. We manually manage this process, however, the plan benefit must be set-up in the PBM's system.

- 3.8 **Hemophilia 340B payment methodology shall be determined by the outcome of the AHCCCS RFP YH18-0004:** Specialty Pharmacy Services for Anti-Hemophilic and Other Blood Disorder Medications. The awarded specialty pharmacy Contractor for Hemophilia shall be paid in accordance with the terms of the contractual agreement between AHCCCS and the awarded vendor. The PBM shall ensure that reimbursement to the awarded contractor is the agreed upon payment methodology between AHCCCS and the awarded vendor.
- 3.9 **AHCCCS 340B Rule for reimbursement to FQHC/FQHC Look-Alike Pharmacies:** FQHC/FQHC Look-Alike Pharmacies are reimbursed for prescription drugs in accordance with the AHCCCS 340B Rule. The 340B Rule requires the FQHC and FQHC Look-Alike Pharmacies to submit prescription claims at the Actual Acquisition Cost (AAC) of the drug and the rule instructs AHCCCS and its Contractors to pay these claims at the AAC or the 340B Ceiling Price, whichever is less plus a dispensing fee which is listed on the AHCCCS website. The current dispensing fee/professional fee is \$8.75 and shall be adjusted in accordance with any future changes by AHCCCS. AHCCCS will identify the FQHC and FQHC Look Alike Pharmacies and provide the PBM Contractor with the 340B Drug Unit Pricing file quarterly. The Contractor shall place the FQHC and FQHC Look Alike Pharmacies in their own pharmacy network and reimburse submitted prescription claims using the 340B Drug Unit Pricing file provided by AHCCCS to adjudicate claims.
- 3.10 **340B Claims:** The awarded Contractor must be able to adjudicate prescription claims electronically using a 340B Unit Pricing File, provided by AHCCCS, for identified 340B entity pharmacies.
- 3.11 **Indian Health Services (IHS) / 638 Tribal Pharmacies Reimbursement:**
- 3.11.1 **All Inclusive Rate (AIR)** - The AIR is a reimbursement rate that is developed by the Office of Management and Budget and is used to reimburse IHS and 638 Tribal Facilities for various services delivered. The AIR is a set rate and the amount reimbursed is the same regardless of what type of service is being delivered. The IHS/638 Facilities may be reimbursed up to 5 AIRs per day per member per facility. Only one of the 5 AIRs eligible for daily reimbursement can be for a pharmacy service. For the purposes of this RFP, the AIR shall be paid to the IHS/638 Facility Pharmacies for medications dispensed to any member eligible for enrollment in the American Indian Health Plan (AIHP) as determined by AHCCCS. AHCCCS shall provide an eligibility file to the Contractor that includes all eligible AHCCCS members. The number of eligible members is greater than the number of members enrolled in the AIHP program. There are specific requirements when reimbursing the IHS/638 Pharmacy which include:
- 3.11.1.1 The AIR shall only be paid to an IHS/638 Pharmacy once daily for the first drug NDC that is a federal and state reimbursable covered outpatient drug.
- 3.11.1.2 Claims in addition to the first AIR reimbursable claim and submitted on the same day shall be adjudicated for inclusion in the member's profile if the drug is a federal and state reimbursable covered outpatient drug. The claim shall adjudicate as an acceptable claim with zero payment to the IHS/638 Pharmacy.
- 3.11.1.3 If the member is a Dual Eligible, or eligible for Medicare, the AIR shall only be paid for medications that are listed on the AHCCCS FFS Dual Eligible Drug List and all other legend drugs shall reject. If multiple claims are submitted on the same day for medications on the Dual Eligible Drug List, only the first drug that is a federal and

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state reimbursable covered outpatient drug shall be reimbursed the AIR and all subsequent medications eligible for reimbursement shall adjudicate as an accepted claim with zero payment to the IHS/638 Pharmacy. See section 8.16 for Dual eligible.

3.11.1.4 The IHS/638 Plan set-up and reimbursement of the AIR to IHS/638 Pharmacies shall begin on the latter of October 1, 2018 or upon CMS approval.

3.11.2 **Specialty Medications:** The IHS and 638 Tribal Facility Pharmacies shall be reimbursed the actual acquisition cost of specialty medications dispensed to any member eligible for enrollment in the AIHP as determined by AHCCCS. AHCCCS shall provide an 834 eligibility file to the Contractor that includes all eligible AHCCCS members. The number of eligible members is greater than the number of members enrolled in the AIHP program. These medications will be identified for the awarded PBM Contractor and the Contractor shall include this drug list in the plan set-up. The medications on this drug list are excluded from the AIR payment reimbursement methodology. The reimbursement of specialty medications shall be at the Actual Acquisition Cost (AAC)/Federal Supply Schedule (FSS) plus a Professional Fee and shall begin on the latter of October 1, 2018 or upon CMS approval. The amount of the Professional Fee shall be defined by AHCCCS.

3.11.3 **Coordination of Benefits for Non-Medicare drugs:** AHCCCS is the payer of last resort with the exception of the Indian Health Service. Members with primary insurance are identified on the 834 eligibility file as having alternate insurance, Third Party Liability (TPL). The PBM Contractor must ensure that AHCCCS, at a maximum, is the secondary payer for any member with one or more alternate insurances.

3.11.4 **Sister Agencies** – See Paragraph 16 “Sister Agencies” below for additional programs served by this contract.

4. CONTRACTOR REQUIREMENTS

The Contractor shall:

- 4.1 Provide pharmacy benefit administrative services and general account management in accordance with those provisions and requirements specified in this RFP.
- 4.2 Provide and support an online Point-of-Sale (POS) pharmacy claims adjudication system that is National Council for Prescription Drug Programs (NCPDP) compliant (with the version currently required by AHCCCS), HIPAA compliant, and available 24 hours per day, 7 days per week, 365 days per year for:
 - 4.2.1 AHCCCS Fee-for-Service Acute & Long Term Care Programs, Title XIX members
 - 4.2.2 AHCCCS KidsCare Title XXI members
 - 4.2.3 TRBHA Behavioral Health Members
 - 4.2.4 Dual Eligibles Medication Coverage for:
 - 4.2.4.1 Over-the-Counter Medication Coverage; and
 - 4.2.4.2 Drugs Excluded from Medicare Part D Coverage by CMS; and
 - 4.2.4.3 Medicare Part B Secondary Coverage
 - 4.2.5 Federal Emergency Services (FES) Dialysis Patients.
 - 4.2.6 Hemophilia/Blood Disorders Pharmacy Reimbursement Requirements as requested by AHCCCS.
 - 4.2.7 IHS AIR Reimbursement for prescription drugs to commence on the latter of October 1, 2018 or upon CMS approval.

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- 4.2.8 IHS Specialty Drugs Reimbursement at AAC/FSS to commence on the latter of October 1, 2018 or upon CMS approval. Claims adjudication and 340B Unit Pricing for Federally Qualified Health Centers (FQHCs) & FQHC Look-Alike Pharmacies prescription claims
- 4.2.9 340B Reimbursement methodology for entities as identified by AHCCCS.
- 4.2.10 Prior Quarter Coverage – All AHCCCS eligible persons with any coverage during any of the three (3) months prior to the month of application acceptance.
- 4.2.11 Sister State Agencies- See Paragraph 15 “Sister Agencies” below.
- 4.3 Adjudicate claims accurately for all identified AHCCCS members in accordance with AHCCCS’ coverage policies, reimbursement policies, and pharmacy program plan designs.
- 4.4 Develop and program the pharmacy claims processing system for new plans, which may be added at AHCCCS’ discretion.
- 4.5 Maintain and administer the Generic Drug Maximum Allowable Cost (MAC) Program.
- 4.6 Perform Concurrent and Prospective Drug Utilization Review (ProDUR) on all pharmacy claims processed on its adjudication platform, as well as, Retrospective Drug Utilization Review (RetroDUR) on selected claims monthly. At a minimum the Concurrent and ProDUR program shall include:
 - 4.6.1 Prior Authorization:
 - 4.6.1.1 An Electronic Prior Authorization program with ability to perform electronic step edits and an approval process using ICD-10 diagnostic codes for approvals in lieu of manual prior authorization requests.
 - 4.6.1.2 Process shall be telephonic, faxed and web based prior authorization requests as requested by AHCCCS.
 - 4.6.1.3 Respond to urgent and non-urgent requests within 24 hours of the receipt of the prior authorization in accordance with AHCCCS requirements and [42 CFR 438.3(s)(6).[1].;
 - 4.6.1.3.1 A decision to a submitted prior authorization request for a medication is provided by telephone, fax, electronically or other telecommunication device within 24 hours of receipt of the a completed submitted request for prior authorization.
 - 4.6.1.3.2 A request for additional information is sent to the prescriber by telephone, fax, electronically or other telecommunication devise within 24 hours of the submitted request when the prior authorization request for a medication lacks sufficient information to render a decision. A final decision shall be rendered within seven (7) business days from the initial date of the request;
 - 4.6.1.3.3 At least a 10-day supply of a covered outpatient prescription drug is provided to the member in an emergent situation. [42 CFR 438.3(s)(6).[1].
 - 4.6.1.3.4 Upon receipt and review of a prior authorization request, if the Contractor’s determination is deemed a potential denial, the Contractor agrees to forward the request to AHCCCS to render a final decision. AHCCCS will review the prior authorization request and make a determination. If the determination is to issue a denial, the Contractor shall notify the prescribing clinician that the authorization shall not be granted and that a denial will be issued unless additional information is supplied to meet medical necessity criteria. This process must adhere to the timeframes as noted above.
 - 4.6.1.3.5 Provide authorization/overrides for the dispensing of at least a ten (10) day supply of drugs in an emergency situation, hospital discharges and

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- instances when a member is transitioning from one level of care to another.
- 4.6.1.3.6 Supply a toll-free number for inquiries from pharmacists regarding network and pharmacy claims issues and for prescribers regarding prior-authorization as part of the base administrative fees with no additional cost to AHCCCS. The call center must be accessible 24 hours per day, 7 days per week, 365 days per year, including access to pharmacists for immediate responses to urgent PA requests.
 - 4.6.1.3.7 Prior authorization requests submitted and denied shall be effective immediately.
 - 4.6.1.3.8 Prior Authorization criteria shall be available on the Contractor's website.
- 4.6.2 Dose Optimization
 - 4.6.3 Quantity Limits by specific drug or therapeutic class
 - 4.6.4 Perform the Morphine Equivalent Daily Dosing Calculation and utilize Maximum Dose Edits as requested by AHCCCS
 - 4.6.5 Comply with Opioid Initiatives as defined in the AHCCCS Medical Policy Manual Policy 310-V Prescription Medications - Pharmacy Services at:
<https://www.azahcccs.gov/shared/Downloads/MedicalPolicyManual/300/310V.pdf>
- 4.7 Coordination of Benefits (COB) / Third Party Liability (TPL) Administration:
 - 4.7.1 Program and maintain a database of identified members with Third Party Liability (TPL) data as provided by AHCCCS.
 - 4.7.2 Administer a coordination of benefits (COB) program using cost avoidance logic and messaging technology during the claims adjudication process.
 - 4.8 Coordinate electronic transactions for the SureScripts medication history and eligibility provider request.
 - 4.9 Establish a dedicated and secure file transfer protocol (FTP) line to send and receive files to/from the AHCCCS FFS Program's Medicaid Management Information System (MMIS).
 - 4.10 Maintain a database of all approved AHCCCS pharmacy providers, which shall be considered the AHCCCS FFS Pharmacy Network.
 - 4.11 Maintain a database of all AHCCCS registered pharmacies and AHCCCS registered prescribers by NPI, that shall be used to adjudicate claims in accordance with the 21st Century Cures Act.
 - 4.12 Create and maintain a web portal for access by FFS AHCCCS members which includes PBM plan information. At a minimum, the portal shall contain Customer Service Contact Information, the AHCCCS Drug Lists alphabetically and by condition and/or disease state Pharmacy Network Provider Listing, Prior Authorization Procedures, and various Provider Alerts/Notices, and bulletins.
 - 4.13 Offer comprehensive onsite or web-based training and access to an online querying and reporting tool for AHCCCS as part of the base administrative fees.
 - 4.14 Upon AHCCCS' Request assist AHCCCS in the operation of a comprehensive and competitive supplemental rebate program rebates, including the management of all supplemental rebate management functions (e.g., rebate calculation, program accounting and reporting).
 - 4.15 Support the AHCCCS Pharmacy and Therapeutic Committee by providing therapeutic class and individual drug reviews and maintenance and support of the AHCCCS Drug Lists. The Contractor shall:
 - 4.15.1 Communicate the AHCCCS Drug Lists to pharmacy providers and prescribers and continue to provide maintenance and support to ensure that the AHCCCS Drug Lists employ the current, competitive, and pharmacoeconomic drug selections. Ongoing maintenance includes reviewing newly marketed brand and generic drugs, new indications, new dosage forms and strengths, new clinical guidelines and practice pattern changes.
 - 4.15.2 Support the AHCCCS Pharmacy and Therapeutics Committee with the following:
 - 4.15.2.1 Preparation and presentation of therapeutic class reviews at the AHCCCS Quarterly P&T Committee meeting.

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- 4.15.2.2 Preparation and presentation of new drugs within 180 days from the date the product becomes commercially available.
- 4.15.2.3 Update the adjudication system with the AHCCCS Preferred Drugs with the weekly and quarterly NDC changes.
- 4.15.2.4 Provide the updated drug lists quarterly with the accepted AHCCCS P&T changes.
- 4.16 Assist AHCCCS in the development of utilization and health management programs (e.g., DUR, utilization edits, and disease education) that decreases inappropriate prescribing and utilization while promoting better medication adherence with best practice treatment guidelines and improved healthcare outcomes as requested.
- 4.17 Complete the CMS DUR report if requested by AHCCCS.
- 4.18 Develop and implement a customized program for AHCCCS that profiles prescribers, pharmacies and pharmacists in order to provide targeted educational materials and academic-detailing services.
- 4.19 Adopt and disseminate practice guidelines. Decisions regarding utilization management, member and provider education, coverage of services, provision of services and other areas to which the guidelines are applicable must be consistent as they apply to all members covered under the prescription program. The practice guidelines must consider the needs of members and are:
 - 4.19.1.1 Based on reasonable medical evidence, treatment guidelines or a consensus of health care professionals in a particular field;
 - 4.19.1.2 Developed and/or adopted in consultation with contracting health care professionals;
 - 4.19.1.3 Reviewed and updated periodically annually at a minimum determined appropriate by the Contractor and approved by AHCCCS;
 - 4.19.1.4 Applied consistently to all members covered under the program; and
 - 4.19.1.5 Communicated to all providers and to individual members upon their request.
- 4.20 Develop and implement written policies and procedures to include:
 - 4.20.1 Evaluation of new pharmaceutical technologies and new uses of existing technologies that include consideration of national and state coverage guidelines, medication treatment algorithms, and legislation as appropriate as well as other compendia, research articles from respected industry journals and institutions.
 - 4.20.2 Coverage rules, practice guidelines, payment policies and pharmaceutical management that are in compliance with CMS Medicaid regulations and allows for individual medical necessity determinations.
- 4.21 Notify AHCCCS within 30 days of purchase, acquisition, and any other change in its ownership, partner status or control affecting 10% or greater interest, any acquisition by it of 10% or greater interest in any subsidiary, and any new agreement with, by, or between any affiliates that is relevant to the contract.
- 4.22 Comply with the program integrity requirements of 42 CFR Part 455, Subpart B and notify AHCCCS within thirty (30) days of purchase, acquisition, and any other change in its ownership, partner status or control affecting 5% or greater interest, any acquisition by it of 5% or greater interest in any subsidiary, and any new agreement with, by, or between any affiliates that is relevant to the contract.
- 4.23 The Contractor shall provide pharmacy benefit administrative services as listed in this document to AHCCCS members in accordance with all applicable federal, state and local laws, and regulated rules, listed by reference in this document. The services are described in detail in AHCCCS Rules R9-22, Articles 2 and 7, R9-28, Articles 2 and 7, and the AHCCCS Fee-For Service Provider Manual all of which are incorporated herein by reference. These references may be found at <http://www.azahcccs.gov>. The Contractor shall provide the same standard of care for all members regardless of the member's eligibility category.

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5. ACCOUNT MANAGEMENT

The Contractor shall:

- 5.1 Provide an account management team that is experienced and knowledgeable of the AHCCCS pharmacy plans and has authority to respond to AHCCCS concerns and issues in a timely manner. The core members of the Account Management Team include at a minimum, the Account Director, Account Manager and the availability of a Pharmacist, and an Analyst. The Account Management team shall:
 - 5.1.1 Meet on-site with AHCCCS representatives semi-annually.
 - 5.1.2 Be proactive and efficient in the management of pharmacy services, the operations, and cost trends and must have accountability and authority to respond and resolve inquiries, requests, and issues raised by AHCCCS to assure compliance and overall service quality.
 - 5.1.3 Be responsible for the overall support and relationship management of the AHCCCS account. The responsibilities include account management and coordination of day-to-day services and communication with AHCCCS to address questions regarding operations, staffing, claim issues and reporting on all services provided.
 - 5.1.4 Provide 30 days advance notice to AHCCCS of any planned change in the primary account manager. If unplanned changes occur, notify AHCCCS as soon as the information is available.
- 5.2 Review all available network information; plan parameters, and any additional information required to effectively transition from the current PBM.
- 5.3 Partner with AHCCCS in development of the initial phase-in, transition of care, and rollout of procedures prior to program implementation.
- 5.4 Respond within three (3) business days to non-urgent inquiries, and one (1) business day for any urgent inquiries from AHCCCS designated staff or representative regarding specific provider participation in the network or status of provider election submissions
- 5.5 Notify AHCCCS immediately upon determination and identification of system related, programming, or data transfer problems. The Contractor shall make every effort necessary to correct such problems immediately, including but not limited to working nights, weekends, and holidays, to minimize any negative impact to members.
- 5.6 Provide:
 - 5.6.1 An escalation process to assist in matters that are unable to be resolved at the account team level.
 - 5.6.2 Documentation of a process for prompt issue resolution in the event of a failure to perform a required service.
 - 5.6.3 Access to an electronic tracking and resolution log of AHCCCS issues.

6. CLINICAL PROGRAMS AND DRUG LISTS MANAGEMENT

The Contractor shall:

- 6.1 Adhere to, develop, and administer a clinically sound Drug List management program in conjunction with AHCCCS that includes ongoing Pharmacy and Therapeutics Committee review, updates and maintenance.
- 6.2 Agree that AHCCCS is not mandated to participate in therapeutic interchange (i.e., “switch”) programs.
- 6.3 Agree that AHCCCS will have full authority to “turn-off” any point-of-sale edits (e.g., quantity limit, step therapy).
- 6.4 Adhere to and support the use of evidence-based literature in the development of utilization management programs.

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- 6.5 Provide drug utilization review (DUR) programs integrated across the retail, mail order, and specialty distribution channels as part of the base administrative fees.
- 6.6 Be responsible for managing requests for vacation overrides, dosage changes, and/or refill too soon exceptions from AHCCCS, members and/or providers/pharmacists.
- 6.7 Provide academic detailing to physicians by pharmacists in key geographic areas with a large concentration of AHCCCS members/utilization. This academic detailing program shall be based on pharmacy claims analysis of the top prescribers who have a high potential for savings based on current prescribing habits and opportunities for changes to generic and/or drug list alternatives.
- 6.8 Obtain written approval from AHCCCS prior to implementation of any programs.
- 6.9 Work with AHCCCS to develop a blood glucose program with free meters.
- 6.10 Support and comply with electronic prescribing (e-Prescribing) foundational standards. The Contractor shall be prepared to implement operational standards for e-Prescribing when they are issued.
- 6.11 Ensure that all operational and clinical programs and processes are not modified during the term of this contract without the prior notification and approval from AHCCCS.
- 6.12 Work with AHCCCS to provide program alternative recommendations and targeted “quality and cost return on investment” for any clinical, utilization, and or medication management programs that will enhance quality or improve program cost performance as appropriately identified, analyzed, and reported to AHCCCS.
- 6.13 Include at least the following requirements for POS Drug Utilization Review (DUR) activities for the Contractor’s pharmacies:
 - 6.13.1 Determination of medication Drug List status;
 - 6.13.2 Monitoring for drug-drug, drug-allergy, drug-age and drug-disease interactions;
 - 6.13.3 Verification of dosage(s) as clinically appropriate;
 - 6.13.4 Evaluate the prescription claim for over- and under-utilization;
 - 6.13.5 Evaluate members, prescribers and pharmacy providers for opioid misuse.
 - 6.13.6 Calculate the Morphine Equivalent Daily Dose and require prior authorization for cumulative available dosages that exceed the maximum dosage set by AHCCCS.
 - 6.13.7 Potential fraud alert;
 - 6.13.8 Provide patient education materials; and
 - 6.13.9 E-Prescribing readiness capabilities must be able to accept and respond to electronically communicated requests by SureScripts and/or prescribing clinicians.
- 6.14 Ensure that the POS system provides the following capabilities and allows:
 - 6.14.1 Input of overrides by AHCCCS staff to allow the processing of claims;
 - 6.14.2 Restricting access of individual members to designated therapeutic classes of medications, prescribers and/or pharmacy providers; and
 - 6.14.3 Restricting individual prescribers from prescribing designated therapeutic classes of drugs; and
 - 6.14.4 Assigning a member to a single pharmacy provider and/or prescribing clinician.

7. SPECIALTY PHARMACY SERVICES

The Contractor shall ensure that Specialty Pharmacy providers shall:

- 7.1 Have contractual arrangements and processes in place to obtain specialty drugs that are only available through a limited distribution pharmacies.
- 7.2 Replace and reship medication at no cost to AHCCCS or the member if the medication is unusable due to any delays in shipment, temperature issues, or other situations that arise and affect the drug stabilization from the Specialty Pharmacy.
- 7.3 Provide customized letters to members taking specialty medications and to prescribers, which describes the enrollment process and the clinical services offered by the Specialty Pharmacy.

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- 7.4 Provide on-call support 24 hours a day, 7 days a week, 365 days a year for specialty pharmacy medication inquiries.
- 7.5 Provide specialty pharmacy services from a specialty pharmacy that is registered as a specialty pharmacy in at least 90% of the 50 United States.

8. MAIL ORDER

The Contractor shall:

- 8.1 Be licensed by the Arizona State Board of Pharmacy and credentialed to operate in the applicable states where dispensing mail order facilities and specialty operations and AHCCCS members reside.
- 8.2 Be able to provide a mail order program for the life of the contract.
- 8.3 If the mail order facility is a subcontractor, ensure that the subcontract is fully disclosed and a copy of the subcontract made available to AHCCCS for review upon request.
- 8.4 Upon receipt of a complete and fully accurate shipping address, Contractor's subcontracted mail order facility must be financially responsible and must not bill AHCCCS or the member for drug, shipping and reshipping costs where the shipment of the medication has been sent to the wrong address, wrong patient, improperly packaged, or shipped by the wrong carrier.
- 8.5 Ship all medications to ensure that the medication is received by the member within the appropriate temperature as listed on the medication's package insert and approved by the Food and Drug Administration.

9. CLAIMING ACTIVITIES

The Contractor shall:

- 9.1 Ensure that the billing process is in accordance with current NCPDP standards and AHCCCS requirements for claims adjudication, electronic billing and remittance advices.
- 9.2 Process and adjudicate all pharmacy claims. Ninety-five percent (95%) of clean claims must be paid to the pharmacy providers within 30 days of receipt and 100% within 60 days.
- 9.3 Submit adjudicated prescription claims to AHCCCS within 180 days from the date of service.
- 9.4 Ensure that claims are initially submitted to AHCCCS within 180 days from the date of service and those that have been denied by AHCCCS are corrected and resubmitted within 12 months from the date of service.
- 9.5 Electronically provide to AHCCCS, on no less than a biweekly basis, a file of all adjudicated claims in the format requested by AHCCCS to allow for the evaluation of appropriateness of the claims and reimbursement of the Contractor.
- 9.6 Ensure that claims data file billing to AHCCCS is post-pharmacy provider reimbursement by the Contractor and is subject to various eligibility, COB and drug list edits by AHCCCS.
- 9.7 Provide electronic point of service (POS) pharmacy claims adjudication services to communicate member eligibility and prescription approval information to the Contractor's pharmacy network.
- 9.8 Process paper claims for the life of the contract and for a period of 12 months after the contract term date if requested by AHCCCS.
- 9.9 Upon termination of the contract, provide all pertinent information including but not limited to claims data, prior authorization data, the prescriber file, and other information as identified by AHCCCS, to the succeeding Contractor or AHCCCS, as directed, at no additional charge to AHCCCS or the new Contractor. This includes but is not limited to:
 - 9.9.1 Developing and working with the new Contractor on the file format for exchanging claims data, prior authorization and other data files as required.

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- 9.9.2 Twenty-four (24) months of historical paid claims, open mail order refills, specialty claims and open prior authorizations, respectively, to any new contractor selected by AHCCCS upon termination of the contract.
- 9.9.3 All necessary data and information including but not limited to: claims data; prior authorization detail/overrides, and patient profiles, to ensure high quality member care during the transition to a new Contractor.
- 9.10 Provide AHCCCS with access to the adjudication screens of the Contractor's claims adjudication system for claims verification.
- 9.11 **Adjudicate claims for Federal Emergency Services Program (FESP):**
 - 9.11.1 AHCCCS provides emergency health care services through the Federal Emergency Services Program (FESP) for those individuals who cannot establish either US citizenship or qualified alien status (consistent with 8 USC 1611 et seq.) but who meet all other requirements for Title XIX eligibility. The Federal Emergency Services Program does **not** cover prescription medications or over-the-counter products with the exception of a defined pharmacy benefit that is specific to FES members with end stage renal disease. Currently, there are approximately 325 FES members with ESRD.
 - 9.11.2 The Contractor shall set up a separate plan for prescription claims adjudication that is specific to the FES end stage renal disease members including but not limited to:
 - 9.11.2.1 A toll free line for use by members, prescribers, and pharmacy providers that is staffed by the Contractor and able to respond to issues and inquiries specific to the FES population.
 - 9.11.2.2 The ability to upload eligibility data provided by AHCCCS electronically and manually if provided verbally or faxed to the Offeror. The Contractor may need to contact AHCCCS designated staff for verification of eligibility as prescriptions are filled.
 - 9.11.2.3 Development and management of a Drug List specific to FES members with ESRD.
 - 9.11.3 IHS and 638 Pharmacies are excluded from this plan set-up.
- 9.12 **Adjudicate claims for Hemophilia/Blood Disorders** - AHCCCS entered into a contract with a specific provider for pharmaceutical services for members with hemophilia and related blood disorders that are reimbursed at negotiated pricing between AHCCCS and the current provider. This negotiated pricing includes the cost, supplies, dispensing and delivery of the medication to the member. The Contractor shall:
 - 9.12.1 Set-up a separate prescription claims adjudication plan that meets the requirements of the AHCCCS contractual arrangement with the provider.
 - 9.12.2 Establish a pharmacy network, which shall include this provider and others as identified by AHCCCS, for adjudicating hemophilia and related blood disorder claims.
 - 9.12.3 Establish a drug list of hemophilia and related blood disorder medications as identified by AHCCCS.
 - 9.12.4 Upload the AHCCCS negotiated pricing for claims adjudication on a quarterly basis within 24 hours of receiving it from AHCCCS or the provider.
 - 9.12.5 Ensure that the dispensing fee for these drugs will in accordance with the contract between AHCCCS and the Hemophilia Factor Contractor.
 - 9.12.6 Exclude IHS and 638 Pharmacies from this plan set-up.
- 9.13 **340B Rule – FQHC (Federally Qualified Health Centers) & FQHC Look-Alike Pharmacies** A.A.C. R-9-22-710C, "FQHC Pharmacy Requirement" defines the reimbursement methodology to be used by

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Contractors for FQHC and FQHC Look-Alike Pharmacies and Contract Pharmacies that have entered into a 340B drug purchasing arrangement with any 340B entity. The Contractor shall:

- 9.13.1 Set-up a separate prescription claims adjudication plan that meets the requirements of this rule:
- 9.13.2 Abide by this rule as amended from time to time:
- 9.13.3 Upload the 340B Unit Pricing file provided by AHCCCS for adjudicating claims for pharmacies affected by this rule:
- 9.13.4 Reimburse the 340B prescription claim using the 340B Unit Price plus the Professional Fee, both as identified by AHCCCS.
- 9.13.5 Apply utilization management edits;
- 9.13.6 Perform Coordination of benefits and cost avoid prescription claim costs for members with alternate insurance:
- 9.13.7 Add 340B entity pharmacies as identified by AHCCCS..
- 9.13.8 Exclude IHS and 638 Pharmacies from this plan set-up.

9.14 IHS and 638 Tribal Pharmacies

The Contractor shall:

- 9.14.1 Use expanded eligibility for the IHS and 638 Tribal Pharmacies plan set-ups for reimbursement of the AIR and Specialty Drugs noted below:
 - 9.14.1.1 Set up a separate plan for prescription claims adjudication and reimbursement of POS claims in accordance with AHCCCS requirements to reimburse the AIR.
 - 9.14.1.2 Reimburse the AIR up to once daily per member, per IHS/648 pharmacy for the first federally and state covered outpatient reimbursable drug; the maximum reimbursement of 5 AIRs for unduplicated, unique services will include AIR claims reimbursed through the PBM.
 - 9.14.1.3 Provide one fee on the pricing sheet which shall be referred to as the claims transaction/administrative fee a federal and state reimbursable covered outpatient drugs unless the claim rejects or is denied;
 - 9.14.1.3.1 The total number of claims for SFY 2017 submitted to AHCCCS and reimbursed the AIR was 421,044;
 - 9.14.1.3.2 The total number of claims for SFY 2017 submitted to AHCCCS that were not paid the AIR but were covered outpatient federal and state reimbursable drugs was 494,097.
 - 9.14.1.4 Reverse claims reimbursed via the AIR when an individual IHS/638 Facility has submitted and been reimbursed 5 AIRs on the same date of service that the prescription claim for the AIR was paid. AHCCCS will identify claims reversals for the Contractor when the IHS/638 Facility has exceeded the 5 AIR reimbursement limit on the same date of service.
 - 9.14.1.4.1 The Drug List for this plan shall not include specialty medications.
 - 9.14.1.4.2 Apply Utilization management edits.
- 9.14.2 Set up a separate plan for prescription claims adjudication and reimbursement of POS claims for Specialty Drugs in accordance with AHCCCS requirements to reimburse these medications at the Actual Acquisition Cost plus a Dispensing Fee/Professional Fee. The Contractor shall:
 - 9.14.2.1 Utilize a Drug List for this plan that only includes specialty medications as defined by AHCCCS;
 - 9.14.2.2 Apply utilization management edits; and
 - 9.14.2.3 Perform Coordination of benefits and cost-avoid prescription claim costs for members with alternate insurance.
 - 9.14.2.4

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- 9.14.3 Include all medication utilization in the member's profile including prescription claims adjudicated at the AIR and Specialty Drugs reimbursement rate with IHS Pharmacies, 638 Tribal Pharmacies, and utilization from all other pharmacies in the Contractor's Pharmacy Network for this contract.

9.15 Prior Quarter Coverage

The Contractor shall:

- 9.15.1 Allow the AHCCCS staff to manually update eligibility for a member.
- 9.15.2 Develop the plan set up to include all federally and state reimbursable drug without any utilization edits.
- 9.15.3 Ensure that AHCCCS staff can enter a previous date to for a claims adjudication window.
- 9.15.4 Have procedures in place to contract with a pharmacy that has an AHCCCS ID but may not be in the Contractor's Pharmacy Network to ensure reimbursement for this plan.

9.16 Dual Eligibles

The Contractor shall:

- 9.16.1 Utilize the AHCCCS eligibility file to identify members eligible or enrolled in Medicare. AHCCCS flags these members on the eligibility file.
- 9.16.2 Develop a plan set-up that includes a drug list of Over-The-Counter products and drugs specifically excluded from Medicare Part D plans by CMS as identified by AHCCCS.
- 9.16.3 Develop a plan set-up for Medicare Part B claims. AHCCCS is the secondary or tertiary, etc. payer on Medicare Part B claims. AHCCCS will reimburse pharmacies up to 20% of the Medicare Part B claim. The secondary payment plus the primary payment of a Medicare Part B claim can be no greater than if AHCCCS had paid the claim as the primary payer.
- 9.16.4 Ensure that Medicare Part D claims are not included in the coordination of benefits. Federal and State monies are prohibited from being used to for copayments or cost sharing of Medicare Part D prescription claims.
- 9.16.5 IHS and 638 Pharmacies are included in the Dual Eligible plan set-up for Over-The-Counter medications.

9.17 TRBHA Behavioral Health

The Contractor shall:

- 9.17.1 Utilize the AHCCCS eligibility file to identify members enrolled in the TRBHA Plan. Members may be enrolled in AHCCCS FFS and also enrolled in the TRBHA Plan.
- 9.17.2 Develop a plan set-up that includes a drug list of Behavioral Health Drugs.
- 9.17.3 Apply utilization management edits.
- 9.17.4 Perform coordination of benefits and cost-avoid prescription claims costs for members with alternate insurance.

9.18 AHCCCS FFS Acute Care

The Contractor shall:

- 9.18.1 Utilize the AHCCCS eligibility file to identify members enrolled in the FFS Acute plan. Members may be enrolled in this plan and also enrolled in the TRBHA plan.
- 9.18.2 Develop a plan set-up that includes a drug list specific to the Acute Care Plan.
- 9.18.3 Apply utilization management edits.
- 9.18.4 Perform Coordination of benefits and cost-avoid prescription claim costs for members with alternate insurance.
- 9.18.5 Exclude IHS and 638 Pharmacies from this plan set-up as they will have their own plan set-up.

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9.19 AHCCCS Long Term Care (LTC)

The Contractor shall:

- 9.19.1 Utilize the AHCCCS eligibility file to identify members enrolled in the FFS LTC plan
- 9.19.2 Develop a plan set-up that includes a drug list specific to the LTC plan.
- 9.19.3 Apply utilization management edits.
- 9.19.4 Perform Coordination of benefits and cost-avoid prescription claim costs for members with alternate insurance.
- 9.19.5 Exclude IHS and 638 Pharmacies from this plan set-up as they will have their own plan set-up.

9.20 KidsCare Title XXI

The Contractor shall:

- 9.20.1 Utilize the AHCCCS eligibility file to identify members enrolled in the KidsCare plan. Members may be enrolled in this plan and also enrolled in the TRBHA plan.
- 9.20.2 Develop a plan set-up that includes a drug list specific to the KidsCare Program.
- 9.20.3 Ensure that IHS and 638 Pharmacies are included in this plan set-up to adjudicate prescription claims under this program.
- 9.20.4 Apply utilization management edits.
- 9.20.5 Perform Coordination of benefits and cost-avoid prescription claim costs for members with alternate insurance.
- 9.20.6 The IHS/638 Pharmacies shall be included in the KidsCare plan set-up and shall be reimbursed the guaranteed contractual rate the Contractor has provided on the pricing sheet for their non-IHS/638 pharmacy network. IHS/638 Pharmacy shall not be paid the AIR for medications dispensed to KidsCare members.

10. NETWORK MANAGEMENT

The Contractor shall:

- 10.1 Agree that AHCCCS will have full authority to add pharmacies to the network as needed.
- 10.2 Develop a statewide pharmacy network and other AHCCCS registered pharmacies in the surrounding states.
- 10.3 Verify with each prescription claim adjudication that the pharmacy provider and ordering provider is AHCCCS registered and the NPI is valid. AHCCCS shall provide the Contractor with a monthly Provider File.
- 10.4 Implement measures to recover overpayments made to pharmacies and employ a mechanism to ensure that AHCCCS receives credit for these overpayments. Details of threshold recovery levels will be finalized at the time of contract award.
- 10.5 Provide a program to annually audit 100% of the network pharmacies that have processed a minimum of 500 prescriptions. All audit recoveries shall be returned to AHCCCS. The audit tool must be able to identify submission errors, waste, fraud, and abuse at no additional charge to AHCCCS.
- 10.6 Ensure network pharmacies for meet CMS requirements, for example, for Long Term Care Pharmacies.

11. MEMBERS SERVICES

The Contractor shall:

- 11.1 Provide customer service to AHCCCS members, pharmacy providers and prescribing clinicians that include, but are not limited to the provisions of:

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- 11.1.1 A single front-end, toll-free number with touch tone routing, for members with questions concerning their prescription (retail, mail or specialty), to refill a mail order or specialty prescription, to check on a mail order or specialty prescription, etc.;
- 11.1.2 A voice response system with a user-friendly menu and alternative language options in accordance with federal regulation Section 1557 of the Affordable Care Act (or access to language translation services), and must be available 24 hours a day, 7 days a week, 365 days a year, as part of the base administrative fees with no additional cost to AHCCCS.
- 11.2 Provide a designated, trained Customer Service Center team for AHCCCS with electronic access to their eligibility system, mail order claims, and claims history. At a minimum, this designated team must be responsible for:
 - 11.2.1 Accepting all calls from AHCCCS members between the hours of 7 a.m. and 9 p.m. Arizona Time Monday through Friday, 8 a.m. to 5 p.m. Arizona Time and Saturday, Sunday, and holidays.
- 11.3 Provide Customer Service representatives that are trained on the AHCCCS Prescription Benefit Plans.
- 11.4 Ensure that people with limited English proficiency and those who are deaf or hearing impaired have access to communication services that enable members to utilize the phone lines.
- 11.5 Submit copies of all member communication materials and promotional materials to AHCCCS. All such materials shall be approved in writing by AHCCCS. Materials include, but are not limited to: notification letters; error/correction letters; form letters for additions or changes to the network; newsletters; or any material distributed to 100 or more plan members, unless the letter is in reference to an urgent drug recall.
- 11.6 Prepare and cover cost of design, production and mailing of all announcements, letters, notices, brochures, forms, and other supplies and services for US mail distribution to members. Contractor shall provide customized member communication materials during transition and implementation activities.
- 11.7 Provide member support specific to AHCCCS' plan design, including new member packets, handbooks, as part of the base administrative fees and at no additional charge to AHCCCS.
- 11.8 Provide materials as part of the base administrative fees and at no additional cost to AHCCCS.

12. DATA AND SYSTEMS

The Contractor shall:

- 12.1 Absorb all programming costs associated with data file transfers in current data file compliant formats.
- 12.2 Accept the data transmissions requirements in this section from AHCCCS or designated plans as currently transmitted and agree there will be no additional fees to establish the interface and/or any other IT services in the initial set up or to accept changes to the file layout during the contract term:
 - 12.2.1 Eligibility verification, which is also available on line through the Division of Member Services, IVR and Web.
 - 12.2.2 Prescription claims extract sent at a minimum biweekly in the NCPDP post Adjudication History (PAH) version 2.2 format.
- 12.3 Accept, process, and apply within 24 hours, a monthly 834 full eligibility file.
- 12.4 Accept, process, and apply within 12 hours, a daily 834 eligibility update file.
- 12.5 Accept, process, and reconcile the 5010 835 electronic remittance advice against submitted claims.
- 12.6 Perform concurrent electronic interface with the AHCCCS member eligibility database. Files are available on the AHCCCS server for access by the Contractor.
- 12.7 Make all data available to AHCCCS in an electronic format mutually agreeable to the Contractor and AHCCCS.
- 12.8 Work with AHCCCS to identify opportunities to improve data transmission requirements that will result in improved operational efficiencies and program effectiveness.
- 12.9 Provide online, unlimited eligibility updating and entry capabilities for authorized AHCCCS staff.
- 12.10 Conduct manual eligibility updates at no charge to AHCCCS.

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- 12.11 Have available the following online tools and services, updated at least quarterly to ensure the accuracy of the information, for members and providers as applicable:
 - 12.11.1 Mail order status and refill;
 - 12.11.2 Retail network pharmacies locator;
 - 12.11.3 Co-payment information;
 - 12.11.4 Drug List search, alphabetically, by therapeutic class and including suggested alternatives for non-preferred and generic substitution;
 - 12.11.5 Downloadable prior authorization forms;
 - 12.11.6 E-prescribing interface tools;
 - 12.11.7 Step therapy protocols.
- 12.12 Allow access to its point-of-sale system to up to three (3) authorized representatives of AHCCCS to assist in adjudication of claims, including real-time viewing and issuing of prior authorization, real-time viewing of submitted claims (denied and adjudicated), and various reference screens. The materials must be printable from the AHCCCS website.

13. REPORTING REQUIREMENTS

- 13.1 The Contractor shall maintain records in such a manner that allow reporting of claims submitted by providers. Standard and ad hoc reports shall be provided via a secured website (by SFTP and loaded in PMMIS and the data warehouse). Standard Reporting Package: List the package of standard clinical and financial reports that the Contractor plans to provide to AHCCCS including but not limited to elements, frequency and format of report. Include samples
- 13.2 The Contractor must provide a series of management reports to the AHCCCS Director of Pharmacy, no later than ten (10) business days following the last calendar day of each month providing activity detailed summaries and results from the previous month, quarterly and/or annually. The Contractor shall submit a listing of standard clinical and financial reports that address utilization by:
 - 13.2.1 Members
 - 13.2.2 Prescribers
 - 13.2.3 Pharmacy Providers
 - 13.2.4 Therapeutic Classes & Specific DUR (i.e. Controlled Substances)
 - 13.2.5 Prior Authorization Requests, Denials & Outcomes
 - 13.2.6 Plan Overview
 - 13.2.7 Specific opioid use reports including but not limited to the MEDD and short & long-acting opioid utilization.
 - 13.2.8 Expenditures & Trending and actual Plan savings (Retail, Mail, Specialty scripts) related to benchmarks that are mutually determined between the Contractor and AHCCCS after the contract award.
- 13.3 If applicable or requested, the Contractor shall submit the following rebate report quarterly to the AHCCCS Director of Pharmacy that includes:
 - 13.3.1 NDC of the Drug
 - 13.3.2 Drug Name and Strength
 - 13.3.3 Total Quantity Dispensed
 - 13.3.4 Total Number of Prescriptions
- 13.4 Data must be submitted electronically, according to the agreed upon standards designated by AHCCCS and be made available electronically and conform to HIPAA data exchange standards once finalized.
- 13.5 The Contractor shall provide access for five (5) user IDs to AHCCCS and each Sister State Agency to access the Contractor's web-enabled online reporting tools as part of the base administrative fees with no additional charge.

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- 13.6 In the event that AHCCCS cannot pull the data necessary from the web enabled on line reporting tools, AHCCCS may request reports throughout the contract period to meet its needs based on plan adjustment, legislative inquiries, or fund review. The Contractor shall provide such reports as soon as possible upon receipt of the request and no greater than 15 business days.
- 13.7 Produce and deliver standard clinical and financial reports electronically upon request in an agreed upon format to AHCCCS.
- 13.8 Monitor specialty drug utilization and refill adherence data to identify opportunities to minimize waste. Such activities must be reported to AHCCCS on a quarterly basis.
- 13.9 Provide supporting reports on a quarterly basis to demonstrate the activity of this network-auditing program.
- 13.10 90-Day Transition Plan: Provide a transition plan to begin implementation services prior to the operational period (which starts October 1, 2018) in order to prepare for program administration (e.g., data file transfer arrangements, contractor coordination, communication, and so forth). The Contractor will include how it will minimize impact to FFS members.
- 13.11 Plan Document: Describe the Plan Document that the Contractor will use to provide all pertinent details of the prescription plan benefit and including all changes.
- 13.12 Claim System Downtime: Provide procedures for the notification process for claim system downtime.
- 13.13 Provide the:
 - 13.13.1 MAC List(s) must be provided quarterly to AHCCCS
 - 13.13.2 Claims Adjudication Process Flow
 - 13.13.3 Current Standard Drug List and Utilization Management Requirements
 - 13.13.4 Prior Authorization Process Flow and Three Prior Authorization Criteria Examples
 - 13.13.5 State of Arizona Pharmacy Network Listing in Excel quarterly or when pharmacies are added or deleted.
 - 13.13.6 Pharmacy and Therapeutics Drug Review Process and Two Recent Drug Monograph Examples
 - 13.13.7 Supporting reports on a quarterly basis to demonstrate the activity of this network-auditing program.
 - 13.13.8 Business continuity and disaster recovery plans

14. PERFORMANCE GUARANTEES

- 14.1 The Contractor shall provide competitive Implementation and Aggregate Performance Service Guarantee values in which the Contractor takes full financial risk for unsatisfied guarantees. Contractor must place annual penalties at-risk for successfully maintaining Operational Performance Guarantees. Refer to **Attachment D: Performance Guarantees Matrix**, which describes the guarantees, proof of performance, measurement, timeframes and penalties.
- 14.2 The Contractor shall immediately take corrective steps and/or provide a written plan of action that clearly outlines the corrective steps and timeframes for completion when services do not meet industry standards (standards that are inappropriate, undesirable, and/or poor quality services as identified by AHCCCS). The corrective action plan must be approved by AHCCCS.
- 14.3 The resources needed to correct services that do not meet industry and AHCCCS quality standards shall be provided at no additional cost to AHCCCS.
- 14.4 Any changes to any written policies or procedures as a result of the corrective steps that are used in administration of this contract must be approved by AHCCCS in advance of implementation. A written notification shall be submitted to AHCCCS describing any proposed changes and the reason for the change.

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15. AUDIT

- 15.1 Contractor must provide operational, audit and financial information necessary for the agency to validate and confirm that the Contractor has met pricing guarantees as specified in this contract.
- 15.2 Contractor must provide their audit process for all contracted pharmacies.

16. SISTER AGENCIES

The Contractor shall enter into subcontractor agreements with Arizona State Sister Agencies under this AHCCCS PBM contract.

At present, the Department of Economic Security (DES) intends to utilize this contract for the Division of Developmental Disability (DDD) American Indian Health Plan members and State-Operated Facilities members as well as the Division of Adult and Aging Services (DAAS) Refugee Resettlement Medical Assistance Program. The total for these programs represent approximately 1,000 members and approximately 20,000 prescriptions per year.

Additionally, the Department of Child Safety (DCS) intends to utilize this contract for its Comprehensive Medical and Dental Program (CMDP) population, which is approximately 15,200 individuals and coverage of 25,000 prescriptions per quarter.

Other populations may be added and agreed to by both the Contractor and the individual State Agency. Each subcontractor agreement with another State Agency shall be sent to the AHCCCS Procurement Officer after execution for the file.

DEFINITIONS

As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

1. **AAC:** Actual Acquisition Cost.
2. **ADMINISTRATION FEE / TRANSACTION FEE:** The Administration/Transaction Fee is one fee that may be charged when a claim is adjudicated as a paid/accepted claim. The Fee is not paid for rejected or denied claims. The Administration/Transaction Fee is the only Fee that may be billed under this contract.
3. **AHCCCS:** The Arizona Health Care Cost Containment System – a managed health care program which pertains to health care services provided pursuant to A.R.S. 36-2903 et seq., and is also the name of the State agency.
4. **ALL INCLUSIVE RATE (AIR):** The AIR is a reimbursement rate that is developed by the Office of Management and Budget and is used to reimburse IHS and 638 Tribal Facilities for various services delivered.
5. **AHCCCS COVERED SERVICES:** Those services set forth in A.R.S. § § 36-2907 and 36-2939, A.A.C. Title 9 Chapter 22, Articles 2 and 12 and, Chapter 28, Articles 2 and 11.
6. **ALTCS:** Arizona Long Term Care System, a program under AHCCCS that delivers long term, acute/ambulatory health, behavioral health and case management services to eligible members, authorized by A.R.S. § 36-2932.
7. **ATTACHMENT:** Any item the Solicitation requires an Offeror to submit as part of the Offer.
8. **AVERAGE MANUFACTURER PRICE (AMP):** The manufacturer's price for a specific drug as reported to the Centers for Medicare and Medicaid (CMS).
9. **AVERAGE WHOLESALE PRICE (AWP):** The average wholesale price of a prescription drug, as determined by the current edition of the First Databank or MediSpan, including supplements and ad hoc updates, on the day the drug is dispensed or filled to the Member. The price must be based on the actual 11-digit National Drug Code Number of the drug dispensed.
10. **BEST AND FINAL OFFER:** A revision to an Offer submitted after negotiations are completed that contains the Offeror's most favorable terms for price, service and products to be delivered. Sometimes referred to as a Final Proposal Revision.
11. **BRAND NAME DRUG:** A drug that has a trade name and may only be produced and sold by the pharmaceutical company holding the patent or a pharmaceutical company that has been licensed and authorized by the patent holder to produce and sell the drug.
12. **CLEAN CLAIMS:** As defined by ARS § 36-2904 (G)(1) is a claim that may be processed without obtaining additional information from the provider of service or from a third party but does not include claims under investigation for fraud or abuse or claims under review for medical necessity.
13. **CMS:** Centers for Medicare and Medicaid Services, an organization within the U.S. Department of Health and Human Services, which administers the Medicare and Medicaid programs and the State Children's Health Insurance Program.
14. **CONTRACT:** The combination of the Solicitation, including the Instructions to Offerors, Contract Terms and Conditions, and Scope of Work; the Offer; any Best and Final Offers; any Solicitation Amendments or Contract Amendments; and any terms applied by law.

DEFINITIONS

15. **CONTRACT AMENDMENT:** A written document signed by the Procurement officer that is issued for the purpose of making changes in the contract.
16. **CONTRACTOR:** A person who has a contract with AHCCCS.
17. **CO-PAYMENT (CO-PAY):** A dollar amount or percentage of cost that a Member is responsible for paying for a specific prescription medication, over-the-counter (OTC) medication or other supply or service based on AHCCCS Prescription Plan.
18. **DAYS:** Calendar days unless otherwise specified.
19. **DISPENSING FEE (PROFESSIONAL FEE):** The amount paid to the participating pharmacy for filling a prescription.
20. **DRUG UTILIZATION REVIEW (DUR):** A program designed to measure and to assess on a concurrent, prospective and retrospective basis the clinically appropriate use of medication.
21. **DRUG LISTS:** Contractor's drug lists developed in conjunction with AHCCCS.
22. **ESRD:** End Stage Renal Disease.
23. **EXHIBIT:** Any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
24. **FFP (FEDERAL FINANCIAL PARTICIPATION):** The Federal share of reimbursement for services provided in accordance with Federal requirements for school-based Medicaid services.
25. **FMAP (FEDERAL MEDICAL ASSISTANCE PERCENTAGE):** Defined in CFR 42 §433.10 Rates of FFP for Program Services, is the Federal matching assistance percentage used to calculate payment to the states for part of their expenditures for services under an approved State Plan.
26. **FSS:** Federal Supply Schedule.
27. **GENERIC DISPENSING RATE GUARANTEE (GDR):** The percentage of generic prescriptions as compared to the total number of all prescriptions and is defined as the $[(\text{Number of Generic Rx Claims}) / (\text{Number of Total Rx Claims})]$.
28. **GENERIC DRUG:** A drug that is identical to a brand-name drug in dosage, strength, safety, how it is taken, quality, performance, and the intended use.
29. **GRATUITY:** A payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
30. **GRIEVANCE SYSTEM:** A system that includes a process for member grievances, member appeals, provider claim disputes, and access to the state fair hearing system.
31. **GUARANTEED EFFECTIVE BRAND DISCOUNT RATE:** The discount off of AWP, in aggregate, overall, for all retail brand name prescription drug claims including usual and customary (U&C) claims using the following formula: $[(\text{Total Retail Brand AWP} - \text{Discounted Retail Brand AWP}) / (\text{Total Retail Brand AWP})]$. The AWP is based on

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the 11-digit NDC of the drug dispensed on the day the drug is dispensed. The discount off of AWP, in aggregate, overall, for all retail brand name prescription drug claims including usual and customary (U&C) claims using the following formula: $[(\text{Total Retail Brand AWP} - \text{Discounted Retail Brand AWP}) / (\text{Total Retail Brand AWP})]$. The AWP is based on the 11-digit NDC of the drug dispensed on the day the drug is dispensed.

32. **GUARANTEED EFFECTIVE GENERIC DISCOUNT RATE:** The discount off of AWP, in aggregate, overall, for retail generic prescription drug claims including MAC, non-MAC, Single Source Generic Drugs and U&C claims. The guarantee will be calculated using the following formula: $[(\text{Total Retail Generic AWP} - \text{Discounted Retail Generic AWP}) / (\text{Total Retail Generic AWP})]$.
33. **HEALTH PLAN:** An organization which contracts with the AHCCCS Administration to administer the provision of a comprehensive package of AHCCCS covered acute and behavioral health care services to AHCCCS members enrolled with the health plan.
34. **MATERIAL OMISSION:** A fact, data or other information excluded from a report, contract, etc. the absence of which could lead to erroneous conclusions following reasonable review of such report, contract, etc.
35. **MATERIALS:** All property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.
36. **MAY:** Indicates something that is not mandatory but permissible.
37. **MAXIMUM ALLOWABLE COST (MAC):** The upper limit price per unit charged to AHCCCS for most generic drugs based on a pricing schedule developed and maintained by the Contractor.
38. **NATIONAL PROVIDER NUMBER (NPI):** This single, unique ID is used for billing purposes by the provider to all third party payers, including billing for reimbursement under the DSC Program. All typical health care providers must have a 10-digit National Provider Identifier (NPI).
39. **NET PAID CLAIM:** All paid claims where Claims minus reversals for a single prescription fill equals a payment to the pharmacy.
40. **NON-MAC GENERICS:** See Single Source Generics or as specified by AHCCCS.
41. **OFFER:** A response to a solicitation.
42. **OFFEROR:** A vendor or person who responds to a Solicitation.
43. **PARTICIPATING PHARMACY:** A pharmacy that is contracted with the Contractor and has agreed to provide prescription drug services to members.
44. **PERSON:** Any corporation, business, individual, union, committee, club or other organization or group of individuals.
45. **PMMIS:** Prepaid Medicaid Management Information System, the management information system used by AHCCCS.
46. **PROCUREMENT OFFICER:** The person, or his or her designee, duly authorized by the State and AHCCCS to enter into and administer Contracts and made written determinations with respect to the Contract.

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47. **PROGRAM CONTRACTOR:** An organization which contracts with the AHCCCS Administration to execute the provision of a comprehensive package of ALTCS covered acute care, behavioral health services and long term care services to ALTCS members enrolled with the program Contractor.
48. **QUALIFYING PROVIDER:** A pharmacy that provides qualifying covered services and meets all the applicable licensure/certification requirements, is registered with AHCCCS and has obtained an AHCCCS provider ID number..
49. **REBATE:** A monetary amount returned to a payer from a drug manufacturer based on drug utilization by a member or purchases by a provider.
50. **RELATED PARTY:** A party that has, or may have, the ability to control or significantly influence a Contractor, or a party that is, or may be, controlled or significantly influenced by a Contractor. "Related parties" include, but are not limited to, agents, managing employees, persons with an ownership or controlling interest in the disclosing entity, and their immediate families, subcontractors, wholly-owned subsidiaries or suppliers, parent companies, sister companies, holding companies, and other entities controlled or managed by any such entities or persons.
51. **REQUEST FOR PROPOSAL (RFP):** Document prepared by AHCCCS which describes the services required and which instructs a prospective Offeror how to prepare a response (proposal).
52. **SCOPE OF WORK:** Those provisions of this solicitation which specify the work and/or results to be achieved by the Contractor.
53. **SHALL, MUST:** Indicates a mandatory requirement. Failure to meet these mandatory requirements may result in the rejection of a proposal as non-responsive.
54. **SINGLE SOURCE GENERICS:** Generic drugs that have either recently come off patent and do not generate discounts traditionally delivered by generic drugs, or have an exclusive pharmaceutical manufacturer. For purposes of pricing, drugs, unless otherwise specified above. Single source generics will be included in the overall generic drug guarantee.
55. **SHOULD:** Indicates something that is recommended but not mandatory. If the Offeror fails to provide recommended information, the State may, at its sole option, ask the Offeror to provide the information or evaluate the proposal without the information.
56. **SOLICITATION:** An Invitation for Bids ("IFB"), a Request for Proposals ("RFP"), or a Request for Quotations ("RFQ").
57. **SOLICITATION AMENDMENT:** A written document that is authorized by the Procurement officer and issued for the purpose of making changes to the Solicitation.
58. **SPECIALTY DRUG:** Injectable, non-injectable, infused, oral, transdermal and inhaled drugs used in the management of chronic and/or complex conditions with characteristics including: significant patient proficiency in self-management or administration; a high potential for severe side effects and/or diminished outcomes absent concurrent clinical oversight; frequent dosing adjustments and intensive clinical monitoring to decrease the potential for drug toxicity and increase the probability for beneficial treatment outcomes; may require intensive patient training and compliance assistance to facilitate therapeutic goals; limited or

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exclusive product availability (refrigerated, frozen, cytotoxic, etc.) and distribution per a manufacturer's designated pharmacy network; specialized product handling and/or administration requirements (syringes, pumps, tubing, nebulizers, supplies); may be subject to Risk Evaluation and Mitigation Strategies ("REMS") per the FDA.

59. **STATE:** The State of Arizona and Department or Agency of the State that executes the Contract.
60. **STATE FISCAL YEAR:** The period beginning with July 1 and ending June 30.
61. **STATE MATCHING FUNDS:** Non-federal funds, as specified in the Arizona Medicaid State Plan that serves as the Title XIX state match for qualifying covered services provided by the LEAs. This rate is determined annually by the Federal Medical Assistance Percentage and is subject to change.
62. **SUBCONTRACT:** Any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.
63. **THIRD PARTY:** An individual, entity or program that is or may be liable to pay all or part of the medical cost of injury, disease or disability of an AHCCCS applicant, eligible person or member (including a qualified child), as defined A.A.C. R9-22, Article 10.
64. **THIRD PARTY LIABILITY:** The resources available from an individual, entity program that is or may be, by agreement, circumstance or otherwise, liable to pay all or part of the medical expenses incurred by an applicant, eligible person or member (including a qualified child) as defined in A.A.C. R9-22, Article 10.
65. **TITLE XIX:** Title XIX of the Social Security Act means Medicaid as defined in 42 U.S.C. 7.19.
66. **WAC:** The Wholesale Acquisition Cost of the drug as reported to MediSpan or First Databank.

UNIFORM INSTRUCTIONS TO OFFERORS

1 **Definitions** – all definitions listed in the definitions section of this solicitation.

2 **Inquiries:**

- 2.1 **Duty to Examine:** It is the responsibility of each Offeror to examine the entire Solicitation, seek clarification in writing (inquiries), and examine its Offer for accuracy before submitting an Offer. Lack of care in preparing an Offer shall not be grounds for modifying or withdrawing the Offer after the Offer due date and time.
- 2.2 **Solicitation Contact Person:** Any inquiry related to a Solicitation, including any requests for or inquiries regarding standards referenced in the Solicitation shall be directed solely to the Procurement Officer.
- 2.3 **Submission of Inquiries:** All inquiries related to the Solicitation are required to be submitted via email to the Procurement Officer listed on the front page of this solicitation and on the AHCCCS Q and A form. All responses to inquiries will be answered in the form of a solicitation amendment. Any inquiry related to a Solicitation shall refer to the appropriate Solicitation number, page and paragraph. Offerors are prohibited from contacting any State employee other than the Procurement Officer concerning the procurement while the solicitation and evaluation are in process.
- 2.4 **Timeliness:** Any inquiry or exception to the Solicitation shall be submitted as soon as possible and should be submitted no later than the date and time indicated on the Notice of Request for Proposal (RFP front page) for review and determination by AHCCCS. Failure to do so may result in the inquiry not being considered for a Solicitation Amendment.
- 2.5 **No Right to Rely on Verbal Responses:** Any inquiry that results in changes to the Solicitation shall be answered solely through a written Solicitation Amendment. An Offeror may not rely on verbal responses to its inquiries.
- 2.6 **Solicitation Amendments:** The Solicitation shall only be modified by a Solicitation Amendment.
- 2.7 **Pre-Offer Conference:** If a Pre-Offer Conference has been scheduled under this Solicitation, the date, time and location shall appear on the Solicitation cover sheet. Offerors should raise any questions they may have about the Solicitation at that time. An Offeror may not rely on any verbal responses to questions at the conference. Material issues raised at the conference that result in changes to the Solicitation shall be answered solely through a written Solicitation Amendment.
- 2.8 **Persons with Disabilities:** Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Solicitation Contact Person. Requests shall be made as early as possible to allow time to arrange the accommodation.

3 **Offer Preparation:**

- 3.1 **Electronic Documents:** The Solicitation is provided in an electronic format. Offerors are responsible for clearly identifying any and all changes or modifications to any Solicitation documents upon submission. Any unidentified alteration or modification to any Solicitation, attachments, exhibits, forms, charts or illustrations contained herein shall be null and void. Offeror's electronic files shall be

UNIFORM INSTRUCTIONS TO OFFERORS

submitted in a format acceptable to the State. Acceptable formats include .doc and .docx (Microsoft Word), .xls and .xlsx (Microsoft Excel), .ppt and .pptx (Microsoft PowerPoint) and .pdf (Adobe Acrobat). Offerors wishing to submit files in any other format shall submit an inquiry to the Procurement Officer.

- 3.2 **Evidence of Intent to be Bound:** The Offer and Acceptance form within the Solicitation shall be submitted with the Offer and shall include a signature by a person authorized to sign the Offer. The signature shall signify the Offeror's intent to be bound by the Offer and the terms of the Solicitation and that the information provided is true, accurate and complete. Failure to submit verifiable evidence of an intent to be bound, such as an original signature, may result in rejection of the Offer.
- 3.2.1 **Invitation for Bids.** An Offer that takes exception to a material requirement of any part of the Solicitation, including terms and conditions, shall be rejected.
- 3.2.2 **Request for Proposals.** All exceptions that are contained in the Offer **may negatively impact an Offeror's susceptibility** for award. **An Offer that takes exception to any material requirement of the solicitation may be rejected.**
- 3.3 **Subcontracts:** Offeror shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities in the Offer.
- 3.4 **Cost of Offer Preparation:** AHCCCS will not reimburse any Offeror the cost of responding to a Solicitation.
- 3.5 **Federal Excise Tax:** The State of Arizona is exempt from certain Federal Excise Tax on manufactured goods. Exemption Certificates will be provided by the State.
- 3.6 **Provision of Tax Identification Numbers:** Offerors are required to provide their Arizona Transaction Privilege Tax Number and/or Federal Tax Identification number, if applicable, in the space provided on the Offer and Acceptance Form.
- 3.6.1 **Employee Identification:** Offeror agrees to provide an employee identification number or social security number to the State for the purposes of reporting to appropriate taxing authorities, monies paid by the Department under this contract. If the federal identifier of the Offeror is a social security number, this number is being requested solely for tax reporting purposes and will be shared with only appropriate state and federal officials. This submission is mandatory under 26 U.S.C. § 6041A.
- 3.7 **Identification of Taxes in Offer.** The State of Arizona is subject to all applicable state and local transaction privilege taxes. All applicable taxes shall be identified as a separate item offered in the solicitation. When applicable, the tax rate and amount shall be identified on the price sheet.
- 3.8 **Disclosure:** If the firm, business or person submitting this Offer has been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any federal, state or local government, or if any such preclusion from participation from any public procurement activity is currently pending, the Offeror shall fully explain the circumstances relating to the preclusion or proposed preclusion in the Offer. The Offeror shall include a letter with its Offer setting forth the name and address of the governmental unit, the effective date of this suspension or debarment, the duration of the suspension or debarment, and the

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relevant circumstances relating to the suspension or debarment. If suspension or debarment is currently pending, a detailed description of all relevant circumstances including the details enumerated above shall be provided.

- 3.9 Delivery: Unless otherwise stated in the Contract, all prices shall be F.O.B. Destination and shall include all delivery and unloading at the destination.
- 3.10 Federal Immigration and Nationality Act: By signing of the Offer, the Offeror warrants that both it and all proposed subcontractors are in compliance with federal immigration laws and regulations (FINA) relating to the immigration status of their employees. The State may, at its sole discretion, require evidence of compliance during the evaluation process. Should the State request evidence of compliance, the Offeror shall have 5 days from receipt of the request to supply the adequate information. Failure to comply with this instruction or failure to supply requested information within the timeframe specified shall result in the offer not being considered for contract award.
- 3.11 Offshore Performance of Work Prohibited: Any service that are described in the specifications or scope of work that directly serve the State of Arizona or its clients involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or “overhead” services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers. Offerors shall declare all anticipated offshore services in the Offer.

4 Submission of Offer:

- 4.1 Sealed Envelope or Package: Each Offer shall be submitted to the submittal location identified in this Solicitation. Offers should be submitted in a sealed envelope or container. The envelope or container should be clearly identified with name of the Offeror and Solicitation number. The State may open envelopes or containers to identify contents if the envelope or container is not clearly identified.
- 4.2 Offer and Acceptance: Offers shall include a signed Offer and Acceptance form. The Offer and Acceptance form shall be signed with a signature by the person authorized to sign the Offer, and shall be submitted no later than the Solicitation due date and time. Failure to return an Offer and Acceptance form may result in rejection of the Offer.
- 4.3 Solicitation Amendments: Each Solicitation Amendment shall be signed with an original signature by the person signing the Offer, and shall be submitted no later than the Offer due date and time. Failure to return a signed copy of a material Solicitation Amendment may result in rejection of the Offer.
- 4.4 Offer Amendment or Withdrawal: An Offer may not be amended or withdrawn after the Offer due date and time except as otherwise provided under applicable law.
- 4.5 (reserved)
- 4.6 Public Record: All Offers submitted and opened are public records and must be retained by the State for six (6) years. Offers shall be open and available to public inspection after Contract award, except for such Offers deemed to be confidential by the State.

UNIFORM INSTRUCTIONS TO OFFERORS

- 4.7 Non-collusion, Employment, and Services: By signing the Offer and Acceptance Form or other official contract form, the Offeror certifies that:
- 4.7.1 The Offeror did not engage in collusion or other anti-competitive practices in connection with the preparation or submission of its Offer; and
 - 4.7.2 The Offeror does not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, or disability, and that it complies with all applicable federal, state and local laws and executive orders regarding employment.

5 Evaluation:

- 5.1 Unit Price Prevails: Where applicable, in the case of discrepancy between the unit price or rate and the extension of that unit price or rate, the unit price or rate shall govern.
- 5.2 Taxes: If the products and/or services specified require transaction privilege or use taxes, they shall be described and itemized separately on the offer. Arizona transaction privilege and use taxes shall not be considered for evaluation.
- 5.3 Late Offers: An Offer submitted after the exact Offer due date and time shall be rejected.
- 5.4 Disqualifications: An Offeror (including each of its principals) who is currently debarred, suspended or otherwise lawfully prohibited from any public procurement activity shall have its offer rejected.
- 5.5 Offer Acceptance Period: An Offeror submitting an Offer under this Solicitation shall hold its Offer open for the number of days from the Offer due date that is stated in the Solicitation. If the Solicitation does not specifically state a number of days for Offer acceptance, the number of days shall be one hundred and twenty (120). If a Best and Final Offer is requested pursuant to a Request for Proposals, an Offeror shall hold its Offer open for one hundred and twenty (120) days from the Best and Final Offer due date.
- 5.6 Waiver and Rejection Rights: Notwithstanding any other provision of the Solicitation, AHCCCS reserves the right to:
 - 5.6.1 Waive any minor informality;
 - 5.6.2 Reject any and all Offers or portions thereof; or
 - 5.6.3 Cancel the Solicitation.

6 Award:

- 6.1 Number or Types of Awards: AHCCCS reserves the right to make multiple awards or to award a Contract by individual line items or alternatives, by group of line items or alternatives, or to make an aggregate award, or regional awards, whichever is deemed most advantageous to AHCCCS and to the State.
- 6.2 Contract Inception: An Offer does not constitute a Contract nor does it confer any rights on the Offeror to the award of a Contract. A Contract is not created until the Offer is accepted in writing by the Procurement officer's signature on the Offer and Acceptance Form. A notice of award or of the intent to award shall not constitute acceptance of the Offer.

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6.3 **Effective Date:** The effective date of this Contract shall be the date that the Procurement officer signs the Offer and Acceptance form or other official contract form, unless another date is specifically stated in the Contract.

7 **Protests:** Any protest shall comply with and be resolved according to A.R.S. § 36-2906 and rules adopted thereunder. Protests shall be in writing and be filed with the AHCCCS Procurement officer. Any protest of a solicitation shall be filed at least fourteen (14) days before the due date of receipt of proposals. Any protest of an award shall be filed no later than ten (10) days after the procurement officer makes the procurement file available for public inspection. A protest shall include:

- 7.1 The name, email address and telephone number of the interested party;
- 7.2 The signature of the interested party or its representative;
- 7.3 Identification of the purchasing agency and the Solicitation or Contract number;
- 7.4 A detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
- 7.5 The form of relief requested.

SPECIAL INSTRUCTIONS TO OFFERORS

1. **Questions:** All questions concerning this solicitation shall be submitted **via email using the AHCCCS Q&A form found on the AHCCCS website** to the Procurement Officer identified on the first page of this solicitation document. Offerors may not contact other AHCCCS employees concerning this solicitation.
2. **Evaluation Criteria:** In accordance with the A.R.S. 36-2903 et seq., awards shall be made to the responsible Offeror(s) whose proposal is determined in writing to be the most advantageous to the State based upon the evaluation criteria listed below. The evaluation factors are listed in their relative order of importance.
 - a. Evaluation Criteria 1: Method of Approach
 - b. Evaluation Criteria 2: Cost
 - c. Evaluation Criteria 3: Experience and Expertise of the Firm and Key Personnel

Exceptions to the Terms and Conditions, as stated in the Uniform Instructions, will impact an Offeror's susceptibility for award.

3. **Proposal Information:** Offeror shall submit their proposal as **four (4) printed hard copies** of the proposal, **one(1) marked original** and **three (3) copies**, along with **one(1) electronic version in CD format**. The printed proposals should be clearly labeled "**ORIGINAL**" the remaining hard copies and the CD should each be labeled "**COPY.**"

Per the "Request for Confidential/Proprietary Determination" section of the Special Instructions to Offerors (paragraph 10), if any responses of your proposal are requested to be kept confidential, and withheld from public viewing, please submit an additional redacted copy of the proposal **ON A SEPARATE CD**.

The proposal shall include the following:

3.1 **Proposed Method of Approach:**

- 3.1.1 Proposals will be evaluated based on the Offeror's distinctive plan for providing these specialized services and the Offeror's ability to provide the specific plan set-ups detailed in the scope of work. The Offeror shall utilize a written narrative or any other printed technique to demonstrate the ability to satisfy the Scope of Work. When appropriate, the narrative should describe a logical progression of tasks and efforts starting with the initial steps or tasks to be accomplished and continuing until all proposed tasks are fully described. The Offeror's proposed method of approach is limited to **75 pages**.
- 3.1.2 The Offeror shall provide a detailed six month implementation/project plan. (This submission requirement is excluded from the page limit.)
- 3.1.3 The Offeror shall provide an excel spreadsheet listing of all contracted pharmacies located in the States of Arizona and New Mexico. The Offeror shall use Attachment E: Offeror's Contracted Pharmacy Network as the template of required fields for submitting this information. The Offeror shall list and submit their contracted pharmacies for Arizona and New Mexico on separate tabs in the excel spreadsheet. (This submission requirement is excluded from the page limit.)

SPECIAL INSTRUCTIONS TO OFFERORS

- 3.1.4 The Offeror shall respond to each Performance Guarantee in Attachment D Performance Guarantees Matrix. The Offeror may add additional performance guarantees. (This submission requirement is excluded from the page limit.)
- 3.1.5 Since the evaluators have already read the Scope of Work for the services described, it is not necessary for the Offeror to repeat the exact language, nor to present a paraphrased version, as an original idea for a technical approach. The language of the narrative should be straightforward and limited to facts, solutions to problems, and plans of proposed action. The usage of technical language should be minimized and used only to describe a technical process.
- 3.2 **Cost** The Offeror is required to propose pricing for their proposed method of approach for each program component as identified in **Attachment A: Pricing Schedule**. The pricing methodology rates shall be inclusive of all costs associated with the delivery of services. No additional fees will be paid by AHCCCS.
- 3.2.1 The Offeror shall provide an annual brand discount guarantee (in aggregate) exclusive of the retail Usual & Customary (U&C), generic products, and compounded claims pricing. Annual Guarantee rates must be stated for retail, mail order and specialty pharmacy.
- 3.2.2 The Offeror shall provide an annual overall effective generic rate and discount guarantee (in aggregate) inclusive of the generic MAC and non-MAC pricing, exclusive of retail Usual & Customary, brand name medication and compounded claims. Annual guarantee rates must be stated for retail, mail order and specialty pharmacy.
- 3.2.3 The Offeror must clearly state the “Lessor of Logic” payment methodology to be used for both brand name and generic medications, for drugs dispensed by retail, mail order and specialty pharmacies.
- 3.2.4 The Administrative/Transaction Fee must be included in the proposal on a “per paid prescription” basis and stated on **Attachment A: Pricing schedule** for drugs dispensed by retail, mail order and specialty pharmacies. The IHS AIR plan set-up is excluded from the “per paid claim” requirement and an administrative/transaction fee may be charged for each submitted AIR claim unless the claim has been denied.
- 3.2.5 The Offeror must submit their current Maximum Allowable Cost (MAC) List in an excel format using **Attachment F: MAC List**.
- 3.3 **Experience and Expertise of the Firm and Key Personnel:**
- 3.3.1 Offeror shall submit information documenting successful and reliable experience in past performances as related to the services in this RFP. The Offeror’s experience and past performance will be evaluated on the extent of its success in managing and integrating work relevant to that defined in the Scope of Work.
- 3.3.2 The qualifications of the key personnel proposed by the offeror to perform the requirements of this solicitation will be considered in the evaluation. Therefore, the offeror should submit detailed information related to the experience, technical expertise and qualifications for each key personnel proposed. Offeror should provide the names, titles and a resume for all proposed key personnel; clerical staff is not considered key personnel.
- 3.3.3 The offeror may submit any other pertinent information which would substantiate each proposed key person possesses the experience, expertise and capability to provide the assigned services.

SPECIAL INSTRUCTIONS TO OFFERORS

- 3.3.4 References of the Firm: References shall be verifiable and be able to comment on the offeror's related experience. The offeror shall submit, at a minimum, three (3) professional services references (OUTSIDE OF AHCCCS) which demonstrate the Offeror possesses an understanding and the experience in providing the required service. AHCCCS may choose to contact references when considering an Offeror's proposal at its discretion. Please insure all information is current, accurate and prior permission to use is obtained from each reference. See **Attachment B: Offeror's References**.
- 3.3.5 The offeror shall provide an organizational chart which clearly shows the reporting and lines of authority; to include all proposed key personnel and any proposed subcontractors. The organizational chart shall identify the prime point of contact between the offeror and the AHCCCS Project Manager.

3.4 **Intent to Provide Certificate of Insurance:** The Offeror shall provide a brief statement that, if notified of contract award, the Offeror will submit to AHCCCS for review and acceptance, the applicable certificate/s of insurance as required within this RFP document, within five (5) business days of contract award.

3.5 **Additional Information (OPTIONAL):** The Offeror may submit any other pertinent information which would substantiate the Offeror has the experience, expertise and capability to provide the required services.

4. **Additional Instructions for Submittal of Proposal:**

- 4.1 The material should be arranged and submitted in the sequence dictated on the "Offeror's Checklist" for this solicitation. AHCCCS will not provide any reimbursement for the cost of developing or presenting proposals in response to this RFP. Failure to include the requested information may have a negative impact on the evaluation of the Offeror's proposal.
- 4.2 When submitting your proposal, ensure your company name and AHCCCS solicitation number is clearly marked on the outside of the package. AHCCCS is not responsible for supplying boxes, envelopes, tape, etc. to Offerors at time of proposal delivery.

5. **Presentations and Demonstrations:** AHCCCS may request Offerors who are determined to be reasonably susceptible for award to give a presentation or show a demonstration of the product or service to the evaluation committee.

6. **Financial Stability** The Offeror must be financially stable and if requested shall be able to substantiate the financial stability of its company. Upon written request from AHCCCS, the Offeror shall submit an annual financial statement for itself, and parent company (if applicable) within five (5) business days of request. The State reserves the right to request additional documentation from the Offeror and to request reports on financial stability from independent financial rating services. The State reserves the right to reject any Offeror who does not demonstrate financial stability sufficient for the scope of this contract award.

7. **Clarification of Offers:** AHCCCS may request clarification of an offer any time after receipt. Clarifications may be requested orally or in writing. If clarifications are requested orally, the Offeror shall confirm the request in writing. A request for clarifications shall not be considered a determination that the Offeror is susceptible for award.

SPECIAL INSTRUCTIONS TO OFFERORS

- 8. Negotiations:** Negotiations may be conducted orally or in writing at the discretion of AHCCCS. Negotiations may be conducted in order to improve offers in such areas of cost, price, specifications performance, or terms, to achieve best value for the State. Negotiations may include demonstrations (oral presentations). Award(s) may be made without negotiations; therefore, offers should be submitted on most favorable terms.
- 9. Final Proposal Revisions / Best and Final Offers:** Written Final Proposal Revisions, or Best and Final Offers, will be requested from any Offeror with whom negotiations have been conducted, unless the Offeror has been determined not within the competitive range, not susceptible for award or non-responsible.
- 10. Request for Confidential/Proprietary Determination:**
- 10.1 If an Offeror believes that a specific portion of its bid, proposal, offer, specification, or protest contains information that should be withheld from public inspection due to confidentiality, the Offeror shall submit to the Procurement officer a detailed legal analysis, prepared by legal counsel, which sets forth the bases for the requested non-disclosure and the specific harm or prejudice which may arise if disclosed. The analysis shall be presented to the Procurement Officer at the same time as the bid, proposal, offer, specification or protest.
- 10.2 An entire bid, proposal, offer, specification, or protest shall **not** be identified as confidential; only those very limited and distinct portions which are considered by the Offeror as confidential may be identified as such. **Pricing shall not be considered as confidential.**
- 10.3 In the event that AHCCCS receives a request for disclosure of the information, AHCCCS shall disclose the information in accordance with law. Prior to disclosure, AHCCCS will inform the Offeror of such request and provide the Offeror a period of time to take action it deems appropriate to support non-disclosure. The Offeror shall be responsible for any and all costs associated with the nondisclosure of the information.
- 10.4 In addition to the required detailed legal analysis, the Offeror shall summarize in their Submittal Letter the distinct portions, including exact page numbers, of their document is requested to be kept confidential.
- 10.5 If any pieces of your proposal are being requested to be kept confidential, and withheld from public viewing, please submit an additional redacted copy of the proposal **ON A SEPARATE CD**. Our office does not require a hard copy of the redacted proposal, only an electronic copy. This will ensure that our office is crystal clear on which version of your proposal is acceptable for public viewing.
- 11. Responsibility, Responsiveness and susceptibility**
- In accordance with A.R.S. 41-2534(G), A.A.C. R2-7-C311, A.A.C. R2-7-C312, and A.A.C. R2-7-C316, the State shall consider, at a minimum the following criteria when determining and Offeror's responsibility, as well as the proposal's responsiveness and susceptibility for contract award.
- 11.1 Whether the Offeror has had a contract within the last five (5) years that was terminated for cause due to breach or similar failure to comply with the terms of the contract;

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- 11.2 Whether the Offeror's record of performance includes factual evidence of failure to satisfy the terms of the Offeror's agreements with any party to a contract. Factual evidence may consist of documented vendor performance reports, customer complaints, and/or negative references;
- 11.3 Whether the Offeror is legally qualified to contract with the State and the Offeror's financial, business, personnel, or other resources, including sub-contractors;
 - 11.3.1 Legally qualified includes if the vendor or if key personnel have been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to being disapproved as a subcontractor of any public procurement unit or other governmental body.
- 11.4 Whether the Offeror promptly supplied all requested information concerning its responsibility;
- 11.5 Whether the Offer was sufficient to permit evaluation by the State, in accordance with the evaluation criteria identified in this Solicitation or other necessary offer components. Necessary offer components include: attachments, documents or forms to be submitted with the offer, an indication of the intent to be bound, reasonable or acceptable approach to perform the Scope of Work, acknowledged Solicitation Amendments, references to include experience verification, adequacy of financial/business/personal or other resources to include a performance bond and stability including subcontractors and any other data specifically requested in the Solicitation;
- 11.6 Whether the Offer was in conformance with the requirements contained in the Scope of Work, Terms and Conditions, and Instructions for the Solicitation including its Amendments and all documents incorporated by reference;
- 11.7 Whether the Offer limits the rights of the State;
- 11.8 Whether the Offer includes or is subject to unreasonable conditions, to include conditions upon the State necessary for successful Contract performance. The State shall be the sole determiner as to the reasonableness of a condition;
- 11.9 Whether the Offer materially changes the contents set forth in the Solicitation, which includes the Scope of Work, Terms and Conditions, or Instructions; and,
- 11.10 Whether the Offeror provides misleading or inaccurate information.

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1. **Definitions** - All definitions listed in the definitions section of this solicitation.

2. **Contract Interpretation**

- 2.1 Arizona Law. The Arizona law applies to this Contract including, A.R.S. § 36-2906 and its implementing rules.
- 2.2 Implied Contract Terms. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.
- 2.3 Contract Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:
- 2.3.1 Special Terms and Conditions;
 - 2.3.2 Uniform Terms and Conditions;
 - 2.3.3 Statement or Scope of Work;
 - 2.3.4 Specifications;
 - 2.3.5 Attachments;
 - 2.3.6 Exhibits;
 - 2.3.7 Documents referenced or included in the Solicitation.
- 2.4 Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- 2.5 Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.
- 2.6 No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
- 2.7 No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

3. **Contract Administration and Operation**

- 3.1 Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.
- 3.2 Non-Discrimination. The Contractor shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

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- 3.3 Audit. Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.
- 3.4 Facilities Inspection and Materials Testing. The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes or services, at reasonable times for inspection of the facilities or materials covered under this Contract.
- The State shall also have the right to test, at its own cost, the materials to be supplied under this Contract. Neither inspection of the Contractor's facilities nor materials testing shall constitute final acceptance of the materials or services. If the State determines noncompliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.
- 3.5 Notices. Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.
- 3.6 Advertising, Publishing and Promotion of Contract. The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.
- 3.7 Property of the State. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.
- 3.8 Ownership of Intellectual Property. Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify the State, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by Contractor or its subcontractor(s) to any entity not the State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract.
- 3.9 Federal Immigration and Nationality Act. The Contractor shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the term

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of the contract. Further, the Contractor shall flow down this requirement to all subcontractors utilized during the term of the contract. The State shall retain the right to perform random audits of Contractor and subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State determine that the Contractor and/or any subcontractors be found noncompliant, the State may pursue all remedies allowed by law, including, but not limited to; suspension of work, termination of the contract for default and suspension and/or debarment of the Contractor.

3.10 E-Verify Requirements. In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with A.R.S. § 23-214, Subsection A.

3.11 Offshore Performance of Work Prohibited. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

4. Costs and Payments

4.1 Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.

4.2 Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.

4.3 Applicable Taxes.

4.3.1 Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.

4.3.2 State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.

4.3.3 Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

4.3.4 IRS W9 Form. In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.

4.4 Availability of Funds for the Next State fiscal year. Funds may not presently be available for performance under this Contract beyond the current state fiscal year. No legal liability on the part of

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the State for any payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.

- 4.5 Availability of Funds for the current State fiscal year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions:
- 4.5.1 Accept a decrease in price offered by the Contractor;
 - 4.5.2 Cancel the Contract; or
 - 4.5.3 Cancel the contract and re-solicit the requirements.

5. Contract Changes

- 5.1 Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the procurement officer in writing or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.
- 5.2 Subcontracts. The Contractor shall not enter into any Subcontract under this Contract for the performance of this contract without the advance written approval of the Procurement Officer. The Contractor shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.
- 5.3 Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

6. Risk and Liability

- 6.1 Risk of Loss. The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.
- 6.2 Indemnification.
- 6.2.1 Contractor/Vendor Indemnification The parties to this contract agree that the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held harmless by the Contractor for the vicarious liability of the State as a result of entering into this contract. However, the parties further agree that the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence.

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- 6.3 Indemnification - Patent and Copyright. The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the Contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.
- 6.4 Force Majeure.
- 6.4.1 Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.
- 6.4.2 Force Majeure shall not include the following occurrences:
- 6.4.2.1 Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;
- 6.4.2.2 Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or
- 6.4.2.3 Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.
- 6.4.3 If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.
- 6.4.4 Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.
- 6.5 Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

7. Warranties

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- 7.1 Liens. The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.
- 7.2 Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:
- 7.2.1 Of a quality to pass without objection in the trade under the Contract description;
 - 7.2.2 Fit for the intended purposes for which the materials are used;
 - 7.2.3 Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;
 - 7.2.4 Adequately contained, packaged and marked as the Contract may require; and
 - 7.2.5 Conform to the written promises or affirmations of fact made by the Contractor.
- 7.3 Fitness. The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.
- 7.4 Inspection/Testing. The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the materials by the State.
- 7.5 Compliance With Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.
- 7.6 Survival of Rights and Obligations after Contract Expiration or Termination.
- 7.6.1 Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.
 - 7.6.2 Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

8. State's Contractual Remedies

- 8.1 Right to Assurance. If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract.
- 8.2 Stop Work Order.

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8.2.1 The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

8.2.2 If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

8.3 Non-exclusive Remedies. The rights and the remedies of the State under this Contract are not exclusive.

8.4 Nonconforming Tender. Materials or services supplied under this Contract shall fully comply with the Contract. The delivery of materials or services or a portion of the materials or services that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials or services, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

8.5 Right of Offset. The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

9. Contract Termination

9.1 Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.

9.2 Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.

9.3 Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to,

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being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the Contractor is not currently suspended or debarred. If the Contractor becomes suspended or debarred, the Contractor shall immediately notify the State.

- 9.4 Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time when in the best interest of the State, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.
- 9.5 Termination for Default.
- 9.5.1 In addition to the rights reserved in the contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.
- 9.5.2 Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.
- 9.5.3 The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.
- 9.6 Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10. Arbitration

The parties to this Contract agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

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1. **Assignment of Contract and Bankruptcy:** This contract is voidable and subject to immediate cancellation by the Procurement officer upon Contractor becoming insolvent or filing proceedings in bankruptcy or assigning rights or obligations under this contract without the prior written consent of the Procurement officer.
2. **Choice of Forum:** The parties agree that jurisdiction over any action arising out of or relating to this contract shall be brought or filed in a court of competent jurisdiction located in the State of Arizona.
3. **Conflict of Interest:** The Contractor shall not undertake any work that represents a potential conflict of interest, or which is not in the best interest of AHCCCS or the State without prior written approval by AHCCCS. The Contractor shall fully and completely disclose any situation that may present a conflict of interest. If the Contractor is now performing or elects to perform during the term of this contract any services for any AHCCCS health plan, provider or Contractor or an entity owning or controlling same, the Contractor shall disclose this relationship prior to accepting any assignment involving such party.
4. **Contract Cancellation (Immediate):** This contract is critical to AHCCCS and the agency reserves the right to immediately cancel the whole or any part of this contract due to failure of the Contractor to carry out any material obligation, term or condition of the contract. The Procurement officer shall issue a written notice of default effective at once and not deferred by any interval of time. Default shall be for acting or failing to act in any of the following:
 - 4.1 The Contractor provides material that does not meet the specifications of the contract;
 - 4.2 The Contractor fails to adequately perform the services set forth in the specifications of the contract;
 - 4.3 The Contractor fails to complete the work required or furnish the materials required within the time stipulated in the contract;
 - 4.4 The Contractor fails to make progress in the performance of the contract and/or gives the Procurement officer reason to believe that the Contractor will not or cannot perform to the requirements of the contract.
 - 4.5 The Procurement officer may resort to any single or combination of the following remedies:
 - 4.5.1 Cancel any contract;
 - 4.5.2 Reserve all rights or claims to damage for breach of any covenants of the contract;
 - 4.5.3 Perform any test or analysis on materials for compliance with the specifications of the contract. If the result of any test confirms a material non-compliance with the specifications, any reasonable expense of testing shall be borne by the Contractor.
 - 4.5.4 In case of default, the Procurement officer reserves the right to purchase materials or to complete the required work in accordance with the applicable procurement regulations in Arizona. The Procurement officer may recover reasonable excess costs from the Contractor by:
 - 4.5.4.1 Deduction from an unpaid balance;
 - 4.5.4.2 Collection against the bid and/or performance bond; or
 - 4.5.4.3 Any combinations of the above or any other remedies as provided by law.
5. **Contract Disputes:** Contract claims and disputes shall be adjudicated in accordance with State Law, AHCCCS Rules and this contract. Except as provided by 9 A.A.C. Chapter 22, Article 6, the exclusive manner for the Contractor to assert any dispute against AHCCCS shall be in accordance with the process outlined in 9 A.A.C. Chapter 34 and A.R.S. §36-2932.

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- 5.1 All disputes except as provided under 9 A.A.C. Chapter 22, Article 6 shall be filed in writing and be received by AHCCCS no later than 60 days from the date of the disputed notice. All disputes shall state the factual and legal basis for the dispute.
- 5.2 Pending the final resolution of any disputes involving this contract, the Contractor shall proceed with performance of this contract in accordance with AHCCCS' instructions, unless AHCCCS specifically, in writing, requests termination or a temporary suspension of performance.
6. **Cooperation with other Contractors:** AHCCCS may award other contracts for additional or related work and the Contractor shall fully cooperate with such other contractors and AHCCCS employees or designated agents, and carefully fit its own work to such other contractors' work. Contractor shall not commit or permit any act which will interfere with the performance of work by any other contractor or by AHCCCS employees. AHCCCS shall equitably enforce this section to all contractors to prevent the imposition of unreasonable burdens on any contractor.
7. **Confidentiality of Records and Disclosure of Confidential Information:**
 - 7.1 The Contractor shall not, without prior written approval from AHCCCS, either during or after the performance of the services required by this contract, use, other than for such performance, or disclose to any person other than AHCCCS personnel with a need to know, any information, data, material, or exhibits created, developed, produced, or otherwise obtained during the course of the work required by this contract. This nondisclosure requirement shall also pertain to any information contained in reports, documents, or other records furnished to the Contractor by AHCCCS.
 - 7.2 The Contractor shall establish and maintain written policies procedures and controls, approved by AHCCCS, governing access to, duplication of, and dissemination of all such information for the purpose of assuring that no information contained in its records or obtained from AHCCCS or others carrying out its functions under the contract, is used or disclosed by it, its agents, officers or employees, except as required to efficiently perform duties under the contract. Persons requesting such information shall be referred to AHCCCS. The Contractor's data safeguard program shall further conform to the data confidentiality and security requirements of AHCCCS policy and procedures, and all-relevant state and federal requirements, including HIPAA standards.
 - 7.3 The disclosure of information in summary, statistical, or other form that does not identify particular individuals is permitted only with prior AHCCCS approval. The use or disclosure of information concerning Members will be limited to purposes directly connected with the scope of this contract.
 - 7.4 The Contractor shall advise its employees, agents and subcontractors, if any, that they are subject to these confidentiality requirements. A signed confidentiality statement containing language approved by AHCCCS will be obtained from all employees, agents and subcontractors, if any, and maintained in the individual's personnel file with a copy sent to AHCCCS upon request.
8. **Covenant against Contingent Fees:** The Contractor warrants that no person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee. For violation of this warranty, the Procurement officer shall have the right to annul this contract without liability.
9. **Contract:**

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- 9.1 The contract between AHCCCS and the Contractor shall consist of (1) the Request for Proposal (RFP) including AHCCCS policies and procedures incorporated by reference as part of the RFP and (2) the proposal submitted by the Contractor in response to the RFP including any Best and Final Offers. In the event of a conflict in language between the proposal (including any Best and Final Offers) and the RFP (including AHCCCS policies and procedures incorporated by reference), the provisions and requirements set forth and/or referenced in the RFP (including AHCCCS policies and procedures incorporated by reference) shall govern.
- 9.2 The contract shall be construed according to the laws of the State of Arizona. The State of Arizona is not obligated for the expenditures under the contract until funds have been encumbered.

10. Fraud and Abuse:

- 10.1 It shall be the responsibility of the Contractor to report all cases of suspected fraud and abuse by subcontractors, members or employees. The Contractor shall provide written notification of all such incidents to the Procurement officer.
- 10.2 As stated in A.R.S. § 13-2310, incorporated herein by reference, any person who knowingly obtains any benefit by means of false or fraudulent pretenses, representations, promises or material omissions is guilty of a class 2 felony.
- 10.3 Contractors are required to research potential overpayments identified by a fraud and abuse investigation or audit conducted by AHCCCS. After conducting a cost benefit analysis to determine if such action is warranted, the Contractor should attempt to recover any overpayments identified due to erroneous, false or fraudulent billings.

11. Independent Contractor and Employees of Contractor: The Contractor represents himself/herself to be an independent contractor offering such services to the general public and shall not represent himself/herself or his/her employees to be an employee of the State of Arizona and/or AHCCCS. Therefore, the Contractor shall assume all legal and financial responsibility for taxes, FICA, employee fringe benefits, workers compensation, employee insurance, etc. All employees of the Contractor employed or in performance of work under this Contract shall be employees of the Contractor at all times and not of AHCCCS. The Contractor shall comply with the Social Security Act, Workers' Compensation laws and unemployment laws of the State of Arizona as well as federal, state and local legislation relevant to the Contractor's business.

12. Licenses: Contractor shall maintain in current status all federal, state and local licenses and permits required for the operation of the business conducted by the Contractor.

13. Lobbying: No funds paid to the Contractor by AHCCCS, or interest earned thereon, shall be used for the purpose of influencing or attempting to influence an officer or employee of any federal or State agency, a member of the United States Congress or State Legislature, an officer or employee of a member of the United States Congress or State Legislature in connection with awarding of any federal or State contract, the making of any federal or State grant, the making of any federal or State loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal or State contract, grant, loan, or cooperative agreement. The Contractor shall disclose if any funds other than those paid to the Contractor by AHCCCS have been used or will be used to influence the persons and entities indicated above and will assist AHCCCS in making such disclosures to CMS.

14. No Guaranteed Quantities: AHCCCS does not guarantee the Contractor any minimum or maximum quantity of services or goods to be provided under this contract.

SPECIAL TERMS AND CONDITIONS

- 15. Non-exclusive Contract:** Any contract resulting from this solicitation shall be awarded with the understanding and agreement that it is for the sole convenience of AHCCCS. The state reserves the right to obtain like goods or services from another source when necessary.
- 16. Ownership of Information and Data:**
- 16.1 Any data or information system, including all software, documentation and manuals, developed by Contractor pursuant to this contract, shall be deemed to be owned by AHCCCS. The federal government reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for federal government purposes, such data or information system, software, documentation and manuals. Proprietary software which is provided at established catalog or market prices and sold or leased to the general public shall not be subject to the ownership or licensing provisions of this section.
 - 16.2 Data, information and reports collected or prepared by Contractor in the course of performing its duties and obligations under this contract shall be deemed to be owned by AHCCCS. The ownership provision is in consideration of Contractor's use of public funds in collecting or preparing such data, information and reports. These items shall not be used by Contractor for any independent project of Contractor or publicized by Contractor without the prior written permission of the Procurement officer. Subject to applicable state and federal laws and regulations, AHCCCS shall have full and complete rights to reproduce, duplicate, disclose and otherwise use all such information. At the termination of the contract, Contractor shall make available all such data to the Procurement officer within thirty (30) days following termination of the contract or such longer period as approved by the Procurement officer. For purposes of this subsection, the term "data" shall not include member medical records.
 - 16.3 Except as otherwise provided in this section, if any copyrightable or patentable material is developed by Contractor in the course of performance of this contract, the federal government, AHCCCS and the State of Arizona shall have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the work for state or federal government purposes. Contractor shall additionally be subject to the applicable provisions of 45 CFR Part 74 and 45 CFR Parts 6 and 8.
- 17. Records:**
- 17.1 In addition to the requirements set forth in this contract under the Uniform Terms and Conditions, all books and records shall be maintained to the extent and in such detail as required by AHCCCS Rules and Policies. The AHCCCS records management guidelines are located at: <http://www.azahcccs.gov>. Records shall include, but not be limited to, financial statements, case files (both hard copy and stored data), and other records specified by AHCCCS.
 - 17.2 The Contractor shall make available at its office at all reasonable times during the term of this contract and the period set forth in in this section, any of its records for inspection, audit or reproduction by any authorized representative of AHCCCS, State or Federal government.
 - 17.3 The Contractor shall preserve and make available all records for a period of five (5) years from the date of final payment under this contract except as provided below:
 - 17.3.1 If this contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of five years from the date of any such termination.

SPECIAL TERMS AND CONDITIONS

- 17.3.2 Records that relate to grievances, disputes, litigation or the settlement of claims arising out of the performance of this contract, or costs and expenses of this contract to which exception has been taken by AHCCCS, shall be retained by the Contractor for a period of five years after the date of final disposition or resolution thereof.
- 17.3.3 Completed case files shall be scheduled for archive shipment to AHCCCS, as defined by AHCCCS Policy and Procedures.

18. Responsibility for Payments Indemnification: The Contractor shall be responsible for issuing payment for services performed by the Contractor's employees and will indemnify and save AHCCCS harmless for all claims whatsoever growing out of the lawful demands of employees, subcontractors, suppliers or any other third party incurred in the furtherance of the performance of the contract. The Contractor shall, at AHCCCS' request, furnish satisfactory evidence that all obligations of the nature hereinabove designated have been paid, discharged or waived.

19. Term of Contract and Option to Renew:

- 19.1 The initial term of this contract shall be for three (3) initial years with two (2) one-year options to extend, not to exceed a total contracting period of five (5) years. The terms and conditions of any such contract extension shall remain the same as the original contract, as amended. All contract extensions shall be through contract amendment, and shall be at the sole option of AHCCCS.
- 19.2 When the Procurement officer issues an amendment to extend the contract, the provisions of such extension will be deemed to have been accepted 60 days after the date of mailing by the Procurement officer, even if the extension amendment has not been signed by the Contractor, unless within that time the Contractor notifies the Procurement officer in writing that it refuses to sign the extension amendment. If the Contractor provides such notification, the Procurement officer will initiate contract termination proceedings.
- 19.3 If the Contractor chooses not to renew this contract, the Contractor may be liable for certain costs associated with the transition of its members to a different Contractor. If the Contractor provides the Procurement officer written notice of its intent not to renew this contract at least 180 days before its expiration, this liability for transition costs may be waived by the Procurement officer.

20. Warranty of Services: The Contractor warrants that all services provided under this contract will conform to the requirements stated herein. AHCCCS' acceptance of services provided by the Contractor shall not relieve the Contractor from its obligations under this warranty. In addition to its other remedies, the Procurement officer may, at the Contractor's expense, require prompt correction of any services failing to meet the Contractor's warranty herein. Services corrected by the Contractor shall be subject to all of the provisions of this contract in the manner and to the same extent as the services originally furnished.

SPECIAL TERMS AND CONDITIONS

INSURANCE REQUIREMENTS

Standard Professional Service Contracts

1. Indemnification Clause

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Contractor for the State of Arizona.

This indemnity shall not apply if the contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

2. Insurance Requirements

- 2.1 Contractor and subcontractors shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Contract, insurance against claims for injury to persons or damage to property arising from, or in connection with, the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.
- 2.2 The Insurance Requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

2.3 Minimum Scope and Limits of Insurance

Contractor shall provide coverage with limits of liability not less than those stated below.

2.3.1 Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Damage to Rented Premises \$50,000
- Each Occurrence \$1,000,000

SPECIAL TERMS AND CONDITIONS

INSURANCE REQUIREMENTS

- a. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.
- b. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2.3.2 Workers' Compensation and Employers' Liability

- Workers' Compensation Statutory
- Employers' Liability
 - Each Accident \$1,000,000
 - Disease – Each Employee \$1,000,000
 - Disease – Policy Limit \$1,000,000

- a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- b. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

2.3.3 Professional Liability (Errors and Omissions Liability)

- Each Claim \$2,000,000
- Annual Aggregate \$2,000,000

- c. In the event that the Professional Liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract and, either continuous coverage will be maintained, or an extended discovery period will be exercised, for a period of two (2) years beginning at the time work under this Contract is completed.
- d. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

2.4 **Additional Insurance Requirements**

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

- 2.4.1 The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).
- 2.4.2 Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

SPECIAL TERMS AND CONDITIONS

INSURANCE REQUIREMENTS

2.5 **Notice of Cancellation**

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

2.6 **Acceptability of Insurers**

Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

2.7 **Verification of Coverage**

Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

2.7.1 All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

2.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

2.7.3 All certificates required by this Contract shall be sent directly to the Department. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time.

2.8 **Subcontractors**

Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of this contract, proof from the Contractor that its subcontractors have the required coverage.

2.9 **Approval and Modifications**

The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

SPECIAL TERMS AND CONDITIONS

INSURANCE REQUIREMENTS

2.10 Exceptions

In the event the Contractor or subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a certificate of self-insurance. If the Contractor or subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

HIPAA BUSINESS ASSOCIATE ADDENDUM

BUSINESS ASSOCIATE ADDENDUM

Amended 2016

This Addendum is made part of this Contract between the Arizona Health Care Cost Containment System ("AHCCCS") and the Contractor, referred to as "Business Associate" in this Addendum.

AHCCCS and Business Associate agree that the underlying Contract shall comply with the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as set forth in Title 45, Parts 160 and 164 of the Code of Federal Regulations (the "CFR"), as amended. In the event of conflicting terms or conditions, this Addendum shall supersede the underlying Contract.

1. DEFINITIONS

The following terms used in this Addendum shall have the same meaning as those terms in the HIPAA rules set forth in Title 45, Parts 160 and 164 of the CFR: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

2. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE

Business Associate agrees to:

- 2.1. Not use or disclose protected health information ("PHI") other than as permitted or required by this Addendum or as required by law;
- 2.2. Use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic PHI, to prevent use or disclosure of protected health information other than as provided for by this Addendum;
- 2.3. Report to AHCCCS any use or disclosure of PHI not provided for by this Addendum of which it becomes aware, including breaches of unsecured protected health information as required at 45 CFR §164.410, and any security incident of which it becomes aware in the following manner:
 - 2.3.1. Reporting. Business Associate shall report to AHCCCS any use or disclosure of PHI that is not authorized by the Contract, by law, or in writing by AHCCCS. Business Associate shall make an initial report to the AHCCCS Privacy Official not more than twenty-four (24) hours after Business Associate learns of such unauthorized use or disclosure. The initial report shall include all of the following information to the extent known to the Business Associate at the time of the initial report:
 - A. A description of the nature of the unauthorized use or disclosure, including the number of individuals affected by the unauthorized use or disclosure;
 - B. A description of the PHI used or disclosed;
 - C. The date(s) on which the unauthorized use or disclosure occurred;
 - D. The date(s) on which the unauthorized use or disclosure was discovered;
 - E. Identify the person(s) who used or disclosed the PHI in an unauthorized manner;
 - F. Identify the person(s) who received PHI disclosed in an unauthorized manner;
 - G. A description of actions, efforts, or plans undertaken by the Business associate to mitigated the harm of the unauthorized disclosure;

HIPAA BUSINESS ASSOCIATE ADDENDUM

- H. A description of corrective actions undertaken or planned to prevent future similar unauthorized use or disclosure;
- I. An assessment of whether a breach, as defined in 45 CFR 164.402, including, if necessary, an assessment of the probability of harm, and
- J. Such other information, as may be reasonably requested by the AHCCCS Privacy Official.

Business Associate shall provide AHCCCS with supplemental reports promptly as new information becomes available, as assessments and action plans are developed, and as action plans are implemented. In any event, Business Associate shall provide a comprehensive written report including all of the information listed above no later than twenty (20) days after discovery of the unauthorized use or disclosure.

- 2.3.2. Mitigation. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of the Contract.
- 2.3.3. Sanctions. Business Associate shall have and apply appropriate sanctions against any employee, subcontractor or agent who uses or discloses AHCCCS PHI in violation of this Addendum or applicable law.
- 2.4. In accordance with 45 CFR §164.502(e)(1)(ii) and §164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain or transmit PHI on behalf of the Business Associate agree to the same restrictions, conditions and requirements that apply to the Business Associate with respect to such information;
- 2.5. Make available PHI in a designated record set to AHCCCS as necessary to satisfy AHCCCS' obligations under 45 CFR §164.524;
- 2.6. Make any amendment(s) to PHI in a designated record set as directed or agreed to by AHCCCS pursuant to 45 CFR §164.526, or take other measures as necessary to satisfy AHCCCS' obligations under 45 CFR §164.526;
- 2.7. Maintain and make available the information required to provide an Accounting of Disclosures to AHCCCS as necessary to satisfy AHCCCS' obligations under 45 CFR §164.528;
- 2.8. To the extent Business Associate is to carry out one of more of AHCCCS' obligations under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to AHCCCS in the performance of such obligation(s); and
- 2.9. Make its internal practices, books and records available to AHCCCS and the Secretary for purposes of determining compliance with the HIPAA rules.

3. PERMITTED USES AND DISLOSURES BY BUSINESS ASSOCIATE

- 3.1. Business Associate may only use or disclosure PHI as necessary to perform the services and obligations set forth in the underlying Contract;
- 3.2. Business Associate may use or disclose protected health information as required by law;

HIPAA BUSINESS ASSOCIATE ADDENDUM

- 3.3. Business Associate agrees to make uses and disclosures and requests for protected health information consistent with AHCCCS' Minimum Necessary Policy, located at www.azahcccs.gov ;
- 3.4. Business Associate may not use or disclose protected health information in a manner that would violate Subpart E of 45 CFR Part 164 if done by AHCCCS, except for the specific uses and disclosures set forth below in (3.5 and 3.6);
- 3.5. Business Associate may use protected health information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate; and
- 3.6. Business Associate may provide data aggregation services relating to the health care operations of AHCCCS.

4. PROVISIONS FOR AHCCCS TO INFORM BUSINESS ASSOCIATE OF PRIVACY PRACTICES AND RESTRICTIONS

- 4.1. AHCCCS shall notify Business Associate of any limitation(s) in the AHCCCS Notice of Privacy Practices (found at www.azahcccs.gov) under 45 CFR §164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI;
- 4.2. AHCCCS shall notify Business Associate of any changes in, or revocation of, the permission by an individual to use or disclose his or her PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI; and
- 4.3. AHCCCS shall notify Business Associate of any restriction on the use or disclosure of PHI that AHCCCS has agreed to or is required to abide by under 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

5. TERM AND TERMINATION

- 5.1. Term: This Addendum is effective upon the effective date of the underlying Contract and shall terminate on the date AHCCCS terminates the contract for cause as authorized in paragraph (b) of this Section, or for any other reason permitted under the contract, whichever is sooner.
- 5.2. Termination for Cause: Business Associate authorizes termination of the Contract by AHCCCS if AHCCCS determines that Business Associate has breached a material term of this Addendum and Business Associate has not cured the breach or ended the violation within the time specified by AHCCCS.
- 5.3. Obligations of Business Associate Upon Termination: Upon termination, cancellation, expiration or other conclusion of the Contract, Business Associate, with respect to PHI received from AHCCCS, or created, maintained, or received by Business Associate on behalf of AHCCCS, shall:
 - 5.3.1. Retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;
 - 5.3.2. Destroy or return to AHCCCS all remaining PHI that the Business Associate still maintains in any form;
 - 5.3.3. Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic PHI to prevent use or disclosure of the PHI, other than as provided for in this Section, for as long as Business Associate retains the PHI;

HIPAA BUSINESS ASSOCIATE ADDENDUM

- 5.3.4. Not use or disclose the PHI retained by Business Associate other than for the purposes for which such protected health information was retained and subject to the same conditions set out in this Addendum that applied prior to termination; and
- 5.3.5. Destroy or return to AHCCCS the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal and contractual responsibilities.

5.4. Survival: The obligations of Business Associate under this Section shall survive the termination of the Contract.

6. INDEMNIFICATION AND MISCELLANEOUS

- 6.1. Indemnification: Business Associate shall indemnify, hold harmless and defend AHCCCS from and against any and all claims, losses, liabilities, costs, civil and criminal penalties, and other expenses resulting from, or relating to, the acts or omissions of Business Associate, its employees, agents, and sub-contractors in connection with the representations, duties and obligations of Business Associate under this Addendum. The parties' respective rights and obligations under this Section shall survive termination of the Contract.
- 6.2. Regulatory References: A reference in this Addendum to a section in the HIPAA rules means the section as in effect or as amended.
- 6.3. Amendment: The parties agree to take such action as is necessary to amend this Addendum from time to time as is necessary for compliance with the requirements of the HIPAA rules or any other applicable law.
- 6.4. Interpretation: Any ambiguity in this Addendum shall be interpreted to permit compliance with the HIPAA rules.

ATTACHMENT A: Pricing Schedule

This attachment is provided as a separate excel document located along with the RFP document. Offerors shall complete and submit with proposal.

ATTACHMENT B: Offeror's References

References should be verifiable and should be able to comment on the firm's related experience. The Offeror should submit a minimum of three (3) similar size and scope professional references (OUTSIDE OF AHCCCS) for organizations your company has provided services. Each reference should provide at least the following information:

- 1.1 Name, address, email, and telephone number of Contracting Agency or Company;
- 1.2 Contact Person, including title, phone number, email address who may be contacted for verification of all information submitted;
- 1.3 Location of Services;
- 1.4 Name of all key personnel and sub-contractors used;
- 1.5 Start and completion date of work performed, and
- 1.6 Detailed written narrative of the specific services performed.

ATTACHMENT C: Offeror's Certification regarding Boycott of Israel

Recognizing legislation has been enacted to prohibit the State from contracting with companies currently engaged in a boycott of Israel, to ensure compliance with A.R.S. §35-393.01, this form must be completed and returned with the response to the solicitation and any supporting information to assist the State in making its determination of compliance.

As defined by A.R.S. §35-393.01:

1. "Boycott" means engaging in a refusal to deal, terminating business activities or performing other actions that are intended to limit commercial relations with Israel or with persons or entities doing business in Israel or in territories controlled by Israel, if those actions are taken either:
 - (a) In compliance with or adherence to calls for a boycott of Israel other than those boycotts to which 50 United States Code section 4607(c) applies.
 - (b) In a manner that discriminates on the basis of nationality, national origin or religion and that is not based on a valid business reason.
2. "Company" means a sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company or other entity or business association, and includes a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate.
3. "Direct holdings" means all publicly traded securities of a company that are held directly by the state treasurer or a retirement system in an actively managed account or fund in which the retirement system owns all shares or interests.
4. "Indirect holdings" means all securities of a company that are held in an account or fund, including a mutual fund, that is managed by one or more persons who are not employed by the state treasurer or a retirement system, if the state treasurer or retirement system owns shares or interests either:
 - (a) together with other investors that are not subject to this section.
 - (b) that are held in an index fund.
5. "Public entity" means this State, a political subdivision of this STATE or an agency, board, commission or department of this state or a political subdivision of this state.
6. "Public fund" means the state treasurer or a retirement system.
7. "Restricted companies" means companies that boycott Israel.
8. "Retirement system" means a retirement plan or system that is established by or pursuant to title 38.

All Offerors must select one of the following:

_____ My company **does not** participate in, and agrees not to participate in during the term of the contract a boycott of Israel in accordance with A.R.S. §35-393.01.

_____ My company **does** participate in a boycott of Israel as defined by A.R.S. §35-393.01. :

By submitting this response, proposer agrees to indemnify and hold the State, its agents and employees, harmless from any claims or causes of action relating to the State's action based upon reliance on the above representations, including the payment of all costs and attorney fees incurred by the State in defending such an action.

Company Name

Address

City State Zip

Signature of Person Authorized to Sign

Printed Name

Title

ATTACHMENT D: Performance Guarantees Matrix

This attachment is provided as a separate excel document located along with the RFP document. Offerors shall complete and submit with proposal.

ATTACHMENT E: Offeror's Contracted Pharmacy Network

This attachment is provided as a separate excel document located along with the RFP document. Offerors shall complete and submit with proposal.

ATTACHMENT F: Offeror's MAC List

This attachment is provided as a separate excel document located along with the RFP document. Offerors shall complete and submit with proposal.

ATTACHMENT G: OFFEROR'S CHECKLIST

Note to Prospective Offerors: This page is added to the RFP as a convenience to Offerors. It is believed to be a complete listing of all submission requirements pursuant to this RFP. However, if a requirement is stated anywhere in the RFP text, yet does not appear in the Offeror's Checklist, the text statement takes precedence over the omission of that requirement in the Offeror's Checklist. **Provide the page number where this item is located within your proposal, in the right hand column. All items must be included and in this order.**

IN THIS ORDER	SUBMISSION REQUIREMENTS	OFFEROR'S PROPOSAL Page #
	Four (4) Printed Proposals: One (1) marked ORIGINAL, Three (3) marked COPY, One (1) Electronic Copy on a CD – see #14 below to determine if additional redacted CD is needed	na
1	Submittal Cover Letter	
2	Attachment G: Offeror's Checklist (this page)	
3	Completed and Signed Offer and Acceptance page (Requires Authorized Signature)	
4	Signed Solicitation Amendments, if any (signature page only) (Requires Authorized Signature)	
5	Method of Approach - - Written Narrative - 6 month Implementation Plan	
6	Experience and Expertise of the Firm and Key Personnel - Successful and reliable experience in related past performance - Detailed related information and resumes of Key Personnel - Organizational Chart	
7	Attachment A - Pricing Schedule	
8	Attachment B – Offeror's References	
9	Attachment C - Offeror's Certification regarding Boycott of Israel (Requires Authorized Signature)	
10	Attachment D - Performance Guarantees Matrix	
11	Attachment E - Offeror's Contracted Pharmacy Network	
12	Attachment F - Offeror's MAC List	
13	Statement of Intent to provide Certificate of Insurance	
14	Detailed Legal Analysis (If any portions are requested to be kept confidential or proprietary) If any pieces of your proposal are being requested to be kept confidential, and withheld from public viewing , please submit an additional redacted copy of the proposal ON A SEPARATE CD . Our office does not require a hard copy of the redacted proposal, only an electronic copy. This will ensure that our office is crystal clear on which version of your proposal is acceptable for public viewing.	

END OF SOLICITATION

Intentionally left blank.