Exhibit G – Pharmacy Management (150 total points)

Mandatory Scored (unless otherwise specified)

1. Pharmacy Benefit Management (PBM) **(38 maximum points)**

Please limit responses two (2) pages, excluding any flow charts, examples, etc.

1.1. Describe the Bidder's PBM structure and relationship with the Bidder. Are PBM operations conducted by the Bidder in-house, through a subsidiary subcontractor, or through an external subcontractor?

1.1.1. If subcontracted, with whom? For how long? How long is the contract effective? Identify all levels of subcontracts, including for group purchasing, wholesaler discounts, and claims processing as applicable.

1.1.2. If any PBM services are subcontracted, what is the Per Member Per Month (PMPM) rate impact for each?

1.2. Describe the Bidder's formulary rebate arrangements for its PEBB Program MA-PD Health Plan(s), and how contracted rates would be credited through lower drug prices or lower administrative fees. Include in the response the percentage of rebate revenue that is retained by the Bidder and retained by the PBM.

1.2.1. Describe the Bidder's willingness to provide regular or ad-hoc rebate transparency reports to HCA, including providing HCA with information upon request for pharmacy reimbursement rates, rebate pass-through, and spread pricing.

1.3. Describe the PBM's relationship with the MA-PD Health Plan's network pharmacies.

1.4. Describe Bidder's strategy for obtaining, managing and maximizing rebates to address rising prescription drug costs, and future plans for rebate management.

2. Benefit Design and Experience **(38 maximum points)**

Please limit responses two (2) pages, excluding any flow charts, examples, etc.

For a MA-PD plan offered by the Bidder in 2018 to an employer group with 10,000 or more members, describe:

2.1. Whether the plan uses a copay accumulator tool. If yes, how does it work? How is this policy communicated to members? If not, does the Bidder have plans to implement one?

2.2. How the Bidder uses benefit design to encourage members to use high value drugs and reduce member and plan costs.

2.3. The type of formulary the Bidder uses (open, closed, hybrid, or value). Please describe.

2.4. The percentage of the drugs on the formulary that are covered by Medicare Part B and Part D **(Mandatory Not Scored)**.

2.4.1. Please attach a list of the drugs not reimbursed by Medicare under Part B or Part D that are included on the formulary, if applicable. **(Not subject to page limit)**

2.5. The top 20 traditional and top 20 specialty drugs according to both utilization and spending. **(Mandatory Not Scored)**.

2.6. How biosimilars are covered, including:

2.6.1. How coverage policies may be different in the future for interchangeable versus non-interchangeable biosimilars.

2.6.2. How the Bidder plans to cover drugs transitioning from Section 505 of the Food Drug and Cosmetics Act to Section 351 of the Public Health Service Act in March 2020.

2.7. The percentage of members that participate in Medication Therapy Management (MTM) Programs.

2.8. The average and median annual member out-of-pocket drug spend.

2.9. The generic utilization rate.

2.10. The percentage of members who reached the catastrophic Part D phase in 2018.

2.11. Utilization Management (UM) tools/policies the Bidder uses for the plan's pharmacy benefit, including but not limited to prior authorization, step therapy, and utilization review.

2.12. The Bidder's volume of UM Appeals for 2018, including percentage of denials appealed, and number and percentage of Appeal outcomes (upheld, overturned or partially upheld/partially overturned).

3. Formulary **(22 maximum points)**

Please limit responses three (3) pages, excluding any flow charts, examples, etc.

3.1. Describe how the Bidder coordinates pharmacy benefits covered under Medicare Part D and Part B. Include in this description any member impacts and how these are addressed.

3.2. Describe the Bidder's Pharmacy & Therapeutics (P&T) committee, including:

3.2.1. How the Bidder selects P&T committee members.

3.2.1.1. Please explain how the Bidder identifies conflicts of interest within their P&T committee members. Include information regarding what happens if a member is conflicted.

3.2.2. How often can the formulary be changed?

3.3. What is the Bidder's criteria for:

3.3.1. Selecting new medications for the formulary?

3.3.2. Changing medications on the formulary?

3.3.3. Removing or deleting medications from the formulary? Please provide an example of one drug that was excluded in the past 3 years through this process and why.

3.3.3.1. How often are these criteria updated?

3.3.3.2. Describe specific criteria for new market drugs.

3.4. Describe the Bidder's process for anti-discriminatory reviews for its MA-PD formulary(ies).

3.5. Describe how Bidder's approach to formulary management reduces wasteful spending. Describe any plans the Bidder has to further reduce wasteful prescription drug spending.

4. Pharmacy Utilization Management (UM) **(15 maximum points)**

Please limit responses ten (10) pages, excluding any flow charts, examples, etc.

4.1. Describe how the Bidder performs pharmacy UM, including details on prior authorization, utilization review, step therapy, or other strategies (as applicable). Please address the following in your response:

4.1.1. Which UM tools the Bidder offers for its pharmacy benefit, including but not limited to those listed above.

4.1.2. Processes and procedures for UM, including any exceptions.

4.1.3. Process for how a provider submits a prior authorization or concurrent review request to the Bidder.

4.1.4. Process for determining medical necessity. Include the source of clinical guidelines/criteria the Bidder uses in UM decision-making.

4.1.5. Process for reviewing new drug therapies when there are no clinical guidelines/criteria (e.g. potentially experimental or investigational drug therapies).

4.1.6. Process and timeframe when a case does not meet clinical review guidelines/criteria.

4.1.7. Process for notifications when there is a denial.

4.1.8. Process for notifications when there is an Appeal.

4.1.9. Process for referrals to other services, such as MTM.

4.1.10. Whether Bidder allows for prior authorization override at the point-of-service. If yes, include in the response:

4.1.10.1. If override is only for specific codes, and list any codes for which prior authorization override would be applicable.

4.1.10.2. Professional qualifications/criteria and any required training for staff who perform these services.

4.1.11. Quantifiable savings that have been realized as a result of these tools.

4.1.12. Does the Bidder plan to use step therapy for prescriptions dispensed under Medicare Part B? If yes, when would this be implemented? If no, please explain.

4.1.13. Describe who performs the Bidder's UM. Is UM conducted in-house, through a

subsidiary subcontractor, or an external subcontractor?

4.1.13.1. If conducted in-house, describe by whom.

4.1.13.2. If subcontracted, with whom? Identify all levels of subcontracts.

4.1.13.3. If subcontracted, what is the associated PMPM rate impact for each subcontract?

4.1.14. How are Members notified of UM policies that may impact their benefits? Please provide copies of any member-facing materials or communications, including a schedule of when these materials are released.

4.1.15. What information on UM would Bidder report back to HCA? Please provide a sample report, data, or both.

4.1.16. Do you anticipate Bidder's UM for HCA being any different than those offered to other employer groups? If so, describe.

4.1.17. Describe any oversight Bidder provides for polypharmacy.

5. Medication Therapy Management (MTM) Programs **(7 maximum points)**

Please limit responses two (2) pages, excluding any flow charts, examples, etc.

5.1. Describe the MTM program(s) Bidder offers.

5.1.1. How does Bidder select MTM programs? Describe any specific processes or criteria to establish or discontinue MTM programs.

5.1.2. Please share some success stories about how your MTM has been able to assist members with their medication needs or save members and the plan money.

5.2. Are the Bidder's existing MTM programs managed in-house, through a subsidiary subcontractor, or an external subcontractor?

5.2.1. If subcontracted, with whom? Identify all levels of subcontracts.

5.2.2. If subcontracted, what is the associated PMPM rate impact for each subcontract?

5.2.3. Describe the professional qualifications/criteria and any required training for individuals providing services through Bidder's MTM program(s).

5.2.4. Describe member outreach methods for Bidder's MTM programs.

5.3. Does the Bidder anticipate its MTM program(s) for HCA being any different than those offered to other employer groups? If so, describe.

6. Customer Service **(30 maximum points)**

Please limit responses five (5) pages, excluding any flow charts, examples, etc.

6.1. Is the Bidder's customer service—including for retail, specialty and mail order pharmacy—managed in-house, through subsidiary subcontractor, or an external subcontractor?

6.1.1. If in-house, are there different lines of management for different types of Member

issues (e.g., general Health Plan Complaint versus issues at the pharmacy)?

6.1.2. If subcontracted, complete Table 1, below.

Table 1. Bidder's Customer Service Contractors

	Retail	Mail Order	Specialty	Other (specify)
6.1.3. Identify all levels of subcontracts				
6.1.4. Identify the PMPM rate impact				

6.2. Complete Table 2, below, to describe the Bidder's pharmacy customer service team(s)—including retail, specialty and mail order—that would be assigned to the HCA account.

Table 2. Pharmacy Customer Service Team

	Retail	Mail Order	Specialty	Other (specify)
6.2.1. Proposed HCA account customer service center location				
6.2.2. Hours of operation (converted to Pacific Time)				
6.2.3. Customer service staffing ratio (staff to customers/members) and its annual customer service staff turnover rate				
6.2.4. Whether customer service staff would perform other roles, such as processing Claims, Appeals and Complaints				
6.2.5. Whether customer service staff includes a				

	pharmacist				
6.2.6.	Number of Covered Lives the Bidder's customer service center currently supports				
6.2.7.	How long the customer service center has been in service				
6.2.8.	If there is a back-up customer service center and its location				

6.3. Describe the Bidder's current methods of communicating and coordinating prescription drug coverage and treatment information with Members, provider(s), and pharmacy(ies). Provide an example for each.

6.4. Describe the Bidder's communication with Members regarding the Low Income Subsidy ("Extra Help") available under the Medicare Part D prescription drug program, including at least one example. Does the Bidder proactively identify potentially eligible Members? If yes, how? If no, please explain.

6.5. Describe the Bidder's process for communicating any benefit changes - including changes to the formulary- to Members, providers, and HCA. Include in the response:

6.5.1. Timing; is there a minimum amount of time that Members have to be notified before a benefit change takes effect?

6.5.2. What channels does the Bidder use to communicate upcoming benefit and formulary changes to members?