Page	Section	Redaction	Rationale
38, 39	B – Vendor Experience, Subsection 2.2	Specific descriptions of how GHS has been managing and addressing recent changes to Medicaid pharmacy programs.	GHS' executed plans for these changes were designed by GHS to support or specific client base. These plans were not / are not know by our competitors.
53	B – Vendor Experience, Subsection 3.2	A table of contact information GHS' credit references.	GHS considers this information to be confidential. .
87 - 221	D – Organization and Staffing, E – Staff Experience, as well as other sections.	All names, resumes, and other identifying information regarding our proposed staffing for the project.	GHS considers the qualifications of our key staff to be a unique mechanism of the solution we provide. If disclosed, the names and credentials of our named staff could be used by other vendors to align their staffing with our own, or even attempt to recruit our staff.
126 – 129	D – Organization and Staffing, Subsections 8.0 and 9.0	Calculations of business and technical staffing resources.	These estimates were calculated using GHS proprietary methodology. This information is only known to certain people within GHS and provides GHS with a business advantage over competitors who do not use it.
265 – 496	G – Functional Requirements	All application screen shots and descriptions of functionality.	GHS considers the functionality of our software tools to be a trade secret.
265 – 496	G – Functional Requirements	All sample reports.	GHS considers the form and function of our proprietary reporting and analysis to be a trade secret.
345	G – Functional Requirements, Subsection 1.2.2	Automated PA logic example	GHS considers PA decision business rules designed by our clinical staff to be a trade secret.
371 – 376	G – Functional Requirements, Subsection 1.2.3, FR2.26	Substantive descriptions of our processes for developing clinical reports and documentation for the DUR / P&T committee	GHS considers these methods and procedures to be a trade secret.
379 – 388	G – Functional Requirements, Subsection 1.2.4	Substantive descriptions of our SMAC rate setting process.	GHS considers these methods and procedures to be a trade secret.
400 – 402	G – Functional Requirements, Subsection 1.2.7	Substantive of how GHS will manage Physician-Administered Drugs	GHS considers these methods and procedures to be a trade secret.
425	G – Functional Requirements, Subsection 1.2.10	Descriptions of GHS performance measurement criteria.	GHS considers these methods and procedures to be a trade secret.
443	G – Functional Requirements, Subsection 1.3.1, FR3.10, FR3.11	Table 19, Figure 91 describing production data elements	These tables describe production data.

Page	Section	Redaction	Rationale
469	G – Functional Requirements, Subsection 1.3.1, FR3.25	Substantive description of our historic data import process	GHS considers these methods and procedures to be a trade secret.
482 – 483	G – Functional Requirements, Subsection 1.3.1, FR3.36	Substantive descriptions of our supplemental drug rebate management process	GHS considers these methods and procedures to be a trade secret.
486 – 490	G – Functional Requirements, Subsection 1.3.2	Substantive descriptions of our supplemental drug rebate management process	GHS considers these methods and procedures to be a trade secret.
557 – 758	I – Non-Functional Requirements	All application screen shots and descriptions of functionality.	GHS considers the functionality of our software tools to be a trade secret.
557 – 758	I – Non-Functional Requirements	All sample reports.	GHS considers the form and function of our proprietary reporting and analysis to be a trade secret.
557 – 758	I – Non-Functional Requirements	All system workflow diagrams	GHS considers the internal workflow to be a trade secret.
585 – 586	I – Non-Functional Requirements, Subsection 3.1, A3.2	Descriptions of internal programming practices	GHS considers the internal workflow to be a trade secret.
681 – 682	I – Non-Functional Requirements, Subsection 8.0	Table 21, Summary of defect severity levels.	GHS considers these methods and procedures to be a trade secret.
691 – 693	I – Non-Functional Requirements, Subsection 9.0, I4.5	Figure 185, interface register and Figure 186.	These tables describe production data interfaces.

RESPONSE TO REQUEST FOR PROPOSAL (RFP) 03410-127-14
Pharmacy Benefit Management Solution Design, Development and Implementation

TECHNICAL PROPOSAL
COPY

Submitted January 31st, 2014

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Prepared for:
Department of Vermont Health Access
312 Hurricane Lane
Williston, VT 05495-2087

Prepared by:
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Section A – RFP Cover Letter and Executive Summary

1.0 Submission Cover Letter

The Vendor must include a cover letter and executive summary stating the Vendor's intent to bid for this RFP. The Vendor's response must include a transmittal (cover) letter; table of contents; executive summary; Vendor contact information and locations.

Instructions: The Vendor must include the following cover letter provided and, an individual authorized to legally bind the Vendor must sign the cover letter in ink and include it in the labeled "Original Proposal".

GHS has provided a submission cover letter on the following page.

1.0 Submission Cover Letter

The Vendor must include a cover letter and executive summary stating the Vendor's intent to bid for this RFP. The Vendor's response must include a transmittal (cover) letter; table of contents; executive summary; Vendor contact information and locations.

Instructions: The Vendor must include the following cover letter provided and, an individual authorized to legally bind the Vendor must sign the cover letter in ink and include it in the labeled "Original Proposal".

Provide the following information regarding the person responsible for the completion of the Vendor response. This person should also be the person the Department of Vermont Health Access (DVHA) should contact for questions and/or clarifications.

Name	Eliza Mathias	Phone	207-622-7153
Address	45 Commerce Drive, Suite 5	Fax	207-623-5125
	Augusta, ME 04330	E-mail	emathias@ghsinc.com

Subject to acceptance by the State, the Vendor acknowledges that by submitting a response AND signing in the space indicated below, the Vendor is submitting a formal offer to meet the requirements and intent of the RFP and should a contract result of this RFP with said vendor, the vendor shall be contractually obligated to comply with all items in this Request for Proposal (RFP), including Vermont Agency of Human Services (AHS) Attachments C, E, F. While the Vendor is directed to list exceptions on the Exception Summary form in Template B, all such exceptions shall be subject to State acceptance and/or further negotiation. If no exceptions are noted, none will apply. Vendors who sign below may not later take exception to any point during contract negotiations.

Failure to sign the Submission Cover Sheet or signing it with a false statement shall void the submitted response or any resulting contracts.

Jas A. Clair / 01/28/2014

Original signature of individual authorized to legally bind the Company / Date

Name (typed or printed)	James A. Clair
Title	Vice President
Company name	Goold Health Systems, an Emdeon
Physical address	45 Commerce Drive, Suite 5
	Augusta, ME 04330
State of Incorporation	Maine

By signature hereon, the Vendor certifies that:

1. All statements and information prepared and submitted in the response to this RFP are (to the best of Vendor's information, knowledge and belief) current, complete and accurate.
2. Proposed solution for the Project meets all the requirements of this RFP.
3. The Vendor will comply with all applicable federal and state laws, rules, and regulations that are in force currently or anytime during the term of a resulting Contract.
4. The company represented here is an authorized dealer in good standing of the products/services included in this response.
5. The Vendor and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity and that Respondent is in compliance with the State of Vermont statutes and rules relating to procurement and that Vendor is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at http://www.epls.gov.

2.0 Submission Cover Sheet

Instructions: Along with the Cover Sheet, the Vendor must also provide the following information:

A statement regarding the Vendor's legal structure, federal tax identification number, and principal place of business and (http://www.irs.gov/pub/irs-pdf/fw9.pdf)

Goold Health Systems, an Emdeon company is incorporated in the State of Maine and is a privately-held, wholly-owned subsidiary of Emdeon. Our FEIN# is 01-0475134 and our principal place of business is Augusta, Maine. As instructed, GHS has attached our W-9 form in Appendix 2.

- A list of the people who prepared the Vendor's Proposal, including their titles

As requested, below is a list of people who prepared this proposal:

- James A. Clair, MPA, MS – Vice President
- Jason Hargrove, MBA, PMP – Senior Director of Administrative Services
- Eliza Mathias, CAPM – Business Development Manager

- A list of all subcontractors, if any, that the Vendor will use on the Project, if the State selects the Vendor to do the work
  - For each proposed subcontractor, the Vendor must attach a letter from the subcontractor, signed by an individual authorized to legally bind the subcontractor, with the following included in the letter
    - The subcontractor's legal status, tax identification number, and principal place of business address
    - The name, phone number, fax number, email address, and mailing address of a person who is authorized to legally bind the subcontractor to contractual obligations
    - A description of the work the subcontractor will do
    - A commitment by the subcontractor to do the work if the Vendor is selected
    - A statement that the subcontractor has read and understood the RFP and will comply with the requirements of the RFP
    - A statement that the subcontractor will maintain any permits, licenses, and certifications required to perform its portion of the work

GHS has chosen Diplomat Specialty Pharmacy as a Subcontractor to perform the scope of work listed in this RFP.GHS is pleased to partner with such a qualified pharmacy vendor. GHS has attached a letter from Diplomat Specialty Pharmacy, signed by Ryan Ruzziconi, Vice President, General Counsel, who is authorized to legally bind the company.

January 31, 2014

Ms. Kate Jones
Procurement Manager
Department of Vermont Health Access (DVHA)
312 Hurricane Lane
Williston, VT 05495-2087
Email: Kate.jones@state.vt.us
Phone: 802-879-8256

Dear Ms. Jones:

On behalf of Goold Health Systems, an Emdeon Company (GHS), I am pleased to present Vermont's Department of Vermont Health Access, hereinafter referred to as "DVHA", "the Department", or "the State", with our response to the Request for Proposal (RFP) RFP # 03410-127-14: Pharmacy Benefits Management Solution (PBMS) Design, Development and Implementation (DDI). This letter shall serve as our intent to bid for this RFP.

As the negotiating vendor for the Vermont-administered multi-state drug rebate pooling program, known as the Sovereign States Drug Consortium (SSDC), GHS has established relationships with the Department and is familiar with Vermont's drug benefit. We are proud of our collaboration throughout the years to increase the savings for all SSDC member states. Regarding our full Medicaid PBM solution, we are currently certified by CMS in all 4 of the states in which we provide these services.

GHS has chosen Diplomat Specialty Pharmacy as a Subcontractor to perform the specialty pharmacy scope of work listed in this RFP. GHS is pleased to partner with such a qualified pharmacy vendor. GHS has attached a letter from Diplomat Specialty Pharmacy.

As Vice President, I am authorized to bind GHS to all statements, including services and prices contained in the proposal and to negotiate on behalf of the company. I shall be responsible for the overall management of any potential contract as a result of this RFP, including any requests for clarification or other communication needed between the State staff and GHS. My contact information is as follows:

James A. Clair
Vice President, PBA Services
Goold Health Systems
45 Commerce Drive, Suite 5
P.O. Box 1090
Augusta, Maine 04332-1090

P: 800.832.9672
C: 207.242.2715
F: 207.623.5125
E: jclair@ghsinc.com

GHS is a privately-held, wholly-owned subsidiary of Emdeon that has built a national health care management business nationwide that focuses of helping our clients effectively manage the Medicaid pharmacy benefit. We were incorporated in the state of Maine and are currently registered to do business in the State of Vermont. Our Federal Employer Identification Number (FEIN) is 01-0475134. As instructed, GHS has also included our W-9 form with our RFP response.

GHS acknowledges that by submitting a response and signing in the space indicated below, that we are submitting a formal offer to meet the requirements and intent of the RFP and should a contract result of this RFP with GHS, we shall be contractually obligated to comply with all items in this Request for Proposal (RFP), including Vermont Agency of Human Services (AHS) Attachments C, E, F. GHS has listed exceptions on the Exception Summary form in Template B and realizes that all such exceptions shall be subject to State acceptance and/or further negotiation. In the event Goold be awarded this RFP, we will welcome the opportunity to discuss the contractual terms and conditions in detail so that your organization and Goold can come to mutually agreeable terms

GHS has carefully evaluated all of the requirements presented in this RFP, and our proposal reflects our understanding and agreement to all provisions of this RFP without reservation.

GHS certifies that:

1. All statements and information prepared and submitted in the response to this RFP are current, complete and accurate.
2. The Goold proposed solution for the Project meets all the requirements of this RFP.
3. Goold and Emdeon will comply with all federal and state laws, rules, and regulations that are in force currently or anytime during the term of a resulting Contract.
4. Goold and Emdeon are authorized dealers in good standing of the products/services included in this response.
5. Goold and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity and that Respondent is in compliance with the State of Vermont statutes and rules relating to procurement and that Vendor is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at http://www.epls.gov.

This proposal will remain in effect until a contract is signed or the RFP is cancelled. As required by the RFP, GHS is submitting a package containing one clearly marked original proposal and seven (7) identical copies of the complete proposal, including all sections and exhibits, in three-ring binders, and one (1) electronic copy on a compact disc.

As requested, below is a list of the key people who prepared this proposal:

- James A. Clair, MPA, MS – Vice President
- Jason Hargrove, MBA, PMP – Senior Director of Administrative Services
- Eliza Mathias – Business Development Manager

In summary, Goold Health Systems has a long history of effective collaboration with our State Medicaid Agency partners to deliver projects on-time and on-budget. CMS has certified our PBMS solutions in each state in which we have those duties. Most recently, we deployed a new, enhanced version of our PBM products in the State of Iowa on September 23, 2013 and things went very smoothly due to the effective collaboration between the State Medicaid staff/vendors and Goold. We are confident we can deliver a Vermont Pharmacy Benefit Management Solution that will meet or exceed your expectations, attain prompt CMS certification, achieve MITA compliance and deliver flexible, clinically-focused, cost-effective pharmacy services that will benefit the State of Vermont. Our commitment is to establish a transparent, effective, quality, long-lasting and Vermont-centric partnership that will allow Department of Vermont Health Access to meet its operational, technical, clinical and financial objectives.

Especially due to our near-neighbor relationship in northern New England, we will have no issues having Goold staff on-site to effectively design, develop, implement then operate the VT PBMS in partnership with DVHA staff. We will be opening a local office as close to the DVHA staff office as possible to further accentuate the partnership required to properly implement, and then operate, Vermont's approach to PBM solutions. We have found that locally-based employees are a key factor in project success.

We thank you for your time and consideration of our Vermont Pharmacy Benefit Management Solution proposal. We look forward to answering any questions you might have, providing any other information you might request, and working with the DVHA team in the near future.

Sincerely,

James A. Clair
Vice President
Authorized Signatory

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4100 South Saginaw Street, Flint, MI 48507 | 888.720.4450 | diplomatpharmacy.com

January 28, 2014

Eliza Mathias
Business Development Manager
Goold Health Systems
emathias@ghsinc.com

Dear Eliza:

As required by the Goold Health Systems / State of Vermont ("RFP"), Diplomat Pharmacy, Inc. ("Diplomat") is providing the following information:

- Diplomat is a Michigan corporation; Tax ID: 38-2063100; principal place of business is 4100 S. Saginaw St., Flint, MI 48507

- One of the individuals authorized to legally bind Diplomat is:
  Ryan Ruzziconi, Vice President, General Counsel
  4100 S. Saginaw St., Flint, MI 48507
  P: (810) 768-9056 F: (810) 282-0187
  rruzziconi@diplomat.is

- Diplomat offers medication management programs and services to patients with serious and chronic conditions. Diplomat provides specialty infused medications and also offers compounding services that compliment therapy programs. In addition, the company fills prescriptions for specialty pharmaceuticals.

- Diplomat's core specialty services include:
  - Fax/phone/e-prescription intake of prescriptions
  - A staff of call center representatives, care coordinators and pharmacists available to consult with patients and prescribers on disease and drug therapy related questions
  - Benefits investigation including prior authorization and appeals support
  - Two business day turnaround time on prescriptions
  - Overnight or second day shipment depending on product requirements and patient need
  - Refill reminder calls
  - Standard Drug Utilization Review and Utilization Management review prior to shipment
  - REMS support
  - Adverse event and side effect management and reporting

Provided the terms and conditions of the agreement to which the subcontractor will be bound are agreeable to Diplomat, Diplomat is committed to provide the applicable services. Diplomat has read and understood the RFP and will comply with the requirements of the RFP. Diplomat will maintain any permits, licenses, and certifications required to perform its portion of the work.

Sincerely,

Ryan Ruzziconi
Vice President, General Counsel

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4.0 Executive Summary

Instructions: *This section should be a brief (three- (3) to five- (5) page) summary of the key aspects of the Vendor's Technical Proposal. The executive summary should include an overview of the Vendor qualifications, approach to deliver the services described in the Request for Proposals (RFP), time frame to deliver the services, proposed team, and advantage to the State.*

VENDOR QUALIFICATIONS

Goold Health Systems (GHS), *an Emdeon company*, is pleased to present to the State of Vermont Department of Vermont Health Access (DVHA) and Division of Health Reform (DHR) our response to the Vermont Pharmacy Benefit Management Solution (PBMS) RFP #03410-127-14.

GHS has **40 years of experience in developing our Medicaid Pharmacy Benefit Management (PBM) solutions**. We presently provide diverse, value-driven Medicaid pharmacy services in **sixteen (16) states**. Our expertise includes clinical management, account management, analytics, pharmacy cost management strategies, claims processing, formulary management, and rebate processing. GHS prides itself on building ongoing personal relationships, producing consistent and reliable deliverables and placing a priority on being responsive to our clients.

GHS has a seven-year history of with Vermont and seven other states as members of the sovereign States Drug Consortium (SSDC) pool. As the SSDC vendor, GHS has worked closely over the years with Vermont, one of the SSDC founding members, to negotiate with manufacturers and maximize supplemental rebates for the member states each year. As the clinical vendor for Vermont, GHS will continue to provide this innovative level of support to the State.

ADVANCING THE VERMONT-GHS PARTNERSHIP

- **Medicaid Experience - As an experienced PBM, GHS has 40 years of successful Medicaid services.**
- **Clinical Innovation - GHS' innovative clinical team works to improve States' health care by sharing common goals, promoting transparency and strengthening our partnerships with members, providers and vendors.**
- **A Proven System - As a full-service Medicaid PBM, GHS consistently delivers CMS-certified projects on time, on budget and will do so for Vermont.**
- **A Proven Partner - GHS has been the vendor for the Sovereign States Drug Consortium (SSDC) pool for seven years.**

MEDICAID-FOCUSED PHARMACY BENEFIT MANAGEMENT EXPERIENCE

- **Claims Processing and Operational Support:** GHS provides Medicaid PBMS solutions for **Iowa, Maine** and **Wyoming** and recently deployed our Medicaid pharmacy products to **Utah** in Software as a Service (SaaS) mode. Our real time pharmacy POS system and core capabilities include eligibility verification, predetermination of benefits, claims and service billing adjudication and reversals, automated drug prior authorizations, automated ProDUR module, reference data inquiries, cost avoidance edits and post payment claims management; Including Provider Network Support, Call Center, Portal, E-Prescribing and E-Prior Authorization Capabilities.

Pharmacy Benefit Management and Clinical Programs:

- GHS has over seven years of as a "Multi-State Pool" vendor for the Sovereign States Drug Consortium (SSDC) that includes the states of **Iowa, Maine, Mississippi, Oregon, Utah, Vermont, West Virginia, and Wyoming;**
- Stand-Alone Medicaid Rebate Services and MCO Rebate administration for the state of **Georgia;**
- Clinical Pharmacy Vendor for **Mississippi** Medicaid including supplemental rebate; and,
- Medicaid State Maximum Allowable Cost (SMAC) programs for **Illinois, Maine, Minnesota, New Jersey, North Dakota, Utah, and Wyoming**.

Medicaid Experience

- Over 800,000 total covered lives for full PBSA services;
- Over 13 million total pharmacy claims/year;
- Over 200,000 total Pharmacy PA's/year; and,
- Over 250,000 total Help Desk

Financial Management:

- Invoiced a total of $581 million in Medicaid, Supplemental, and Managed Care Pharmacy rebates during 2012;
- Collected over $618 million in rebates in 2012, achieved using effective dispute resolution processes and systems to resolve previous year's disputes; and,
- Wyoming pharmacy fiscal agent.

In June of 2013, GHS was acquired by Emdeon. This acquisition allows GHS to provide the same great service it has always provided, while adding a higher level of technical capacity and resources. Together, GHS and Emdeon provide unsurpassed pharmacy claims adjudication, data warehousing and ancillary administrative services to simplify our client states' pharmacy benefit programs.

Approach to Service Delivery

GHS will partner with DVHA to assure access to safe, efficacious, and clinically appropriate drug therapies at the lowest cost possible. GHS is committed and well positioned to deliver an innovative Pharmacy Benefit Management Solution; achieving a successful CMS certification process and helping the State administer a highly-effective Medicaid Pharmacy Benefit.

Trusted Partnership

GHS will establish a partnership with Vermont that is built on trust and is reinforced by our commitment to achieve shared goals and a vision that is driven to ensure it makes the most of every Medicaid dollar. Our business processes will help reduce the administrative burden that impacts the State, providers and beneficiaries. We will approach this project as a collaborative effort between all stakeholders at GHS, DVHA, the State, sub-contractors and other vendors. GHS can and will support DVHA's health reform initiatives, including the Governor's single payer/single formulary vision, payment reform models.

Trusted Approach to Program Management

GHS takes a comprehensive approach to the delivery of the solutions we provide, taking into consideration all real or potential influences to the project. At the foundation of our management approach is a commitment to our client for responsiveness, sophisticated technology adoption, collaborative provider outreach, seamless operations and proven successful project management.

GHS provides account management and project management for all of the contracts we maintain, regardless of size and scope. Our approach to project management is based on the strong foundation of the GHS project management methodology, which follows Project Management Institute (PMI) guidelines. By managing our proposed solution and all project activities, and supporting the State in the completion of all project management responsibilities, GHS is prepared to be a reliable, stable PBM for DVHA. To ensure ongoing project success, GHS will team up with the State of Vermont and their designated stakeholders to conduct a detailed Joint Application Design (JAD) session immediately after contract award.

Contemporary Platforms

GHS' Vermont solution is a contemporary PBMS including PBM operational services, clinical innovations, and the software design, development, and technical support to deliver those services at a reasonable cost. The innovative Vermont PBM solution that GHS is presenting in this response is comprised of integrated modules that comply with CMS and MITA and will align with State, Federal and industry technical standards.

GHS' Vermont Solution will include flexible, configurable, efficient, web-enabled and well-designed Service Oriented Architecture (SOA) platforms. The GHS Vermont technology solutions are modular, scalable and engineered in a rules driven manner that enables change and rapid response to new program requirements, often with new and variable benefit structures.

GOOLD SYSTEMS & PRODUCTS

- **Goold PBM Products**
  Our advanced GOOLD PBM products are currently CMS certified in four states: Iowa, Maine, Utah and Wyoming.
- **GHS' Systems are MITA Aligned**
  Our systems are MITA aligned and will support and enhance Vermont's Technology Plan.
- **Integrated Technology Platform**
  Our flexible, integrated technology platform enables us to successfully size and scale our products and services.

GHS' Solution System highlights include, but are not limited to:

Claims Processing and Operational Support

- Goold Rx Point of Sale (POS) Claims Adjudication
- Provider Network Support, Call Center, and Portal
- E-Prescribing and E-Prior Authorization Capabilities
- Robust data ware-housing & analytics

PBM and Clinical Programs

- Utilization Management Programs
- Prior Authorization
- Drug Utilization Review
- State Maximum Allowable Cost
- Benefit Design and consultative Support
- Management of Physician-Administered Drugs
- SSDC Support
- 340B Program Management
- Reporting and Analytics Report Management
- Quality Assurance
- Clinical Innovations
- Financial Management
- Specialty Pharmacy

Technology Approach

- Service Oriented Architecture
- Network/Data Center
- Web Browser Based User Interfaces
- Configurable rules engine
- Client centric workflow management

PROJECT TIMEFRAME

With years of experience as a Medicaid Pharmacy vendor -- often replacing the incumbent pharmacy vendor -- GHS is familiar with a number of different approaches used by states transitioning to a new Pharmacy vendor. We have been working with State Medicaid programs to improve efficiency and apply cost effective management practices to pharmacy benefits since before claims were adjudicated electronically. The Goold team has implemented numerous, significant and complex pharmacy services on time and on budget. After carefully examining the scope of services included in this RFP, we believe it is possible to implement these services within the seven month time frame outlined by DVHA. The GHS team will be prepared to initiate DDI activities on May 1, 2014 as indicated, and will be prepared to have the full suite of PBM services tested completely operational on or before January 1, 2015.

GHS will work with DVHA to achieve the desired timeline for this project, taking into consideration the current vendor and/or concurrent MMIS implementation. The State should consider a phased approach to implementation. There are some components of a PBMS that should be implemented concurrently, while others can be implemented before or after other components. For example, our rebate program can easily be integrated with pharmacy systems other than our own. The State could implement drug rebate management during the DDI phase for other PBMS components.

THE GHS TEAM

GHS has assembled a well-qualified professional team that will be carrying out the duties of the Vermont contract. Many of these professionals, including physicians, pharmacists, data analysts, data architects, database administrators, software developers, project managers, network staff, trainers, and other support professionals, have dedicated their entire professional careers to the improvement and management of government health programs. This core of talent represents nearly 200 years of collective experience covering a variety of clinical topics including POS, PDL, design, SR negotiations, drug rebate management including J-Code PDL, SSDC unified PDL, high cost drug management, SMAC rates and MCO rebate. Within this team format, we provide Medicaid pharmacy solutions that are cutting-edge and well managed in a seamless and effective manner.

The GHS team includes a core set of full-time key personnel, 100 percent supported by a dedicated PBMS support and operations team:

- Account Director – Cotrina Norfleet
- Account Manager – Karyn Wheeler, MBA, PMP
- Clinical Pharmacist Manager – Michael Ouellette
- Data Analyst – Alex Atayev

Supporting the full-time account staff is GHS' large and varied pool of functional staff, including doctors, pharmacists, developers, database administrators, data analysts, project managers, and others:

- Clinical Team
- POS Operations Team
- Developers
- Database Administrators
- Data Analysts
- Project Managers
- Data Center and Network Administrators
- PA Technicians
- Help Desk Technicians
- Accountant

The GHS PBMS solution is an orchestrated combination of technology and professional services. For each component of our PBMS solution, GHS provides a highly skilled team to the client. GHS teams will work with DVHA stakeholders to facilitate integration, maintain high levels of security, provide needed technical assistance and implement governance policies.

GHS has many resources at its disposal to provide skilled personnel, experienced administration and management, best-of-breed technology and proven software configured to meet each client's objectives. We will draw on our successful business model to deliver DVHA unparalleled service and support. Our team is ready to assist you with technical innovation, innovative clinical oversight, highly-competent DDI and OPS teams, and unsurpassed customer service for your beneficiaries and providers so that the State of Vermont will have a highly effective Medicaid Pharmacy program.

THE GHS-VERMONT ADVANTAGE

- **Return on Investment 15:1**
- **National Leader in Medicaid Healthcare**
- **Proven, Certified Systems**
- **Innovative Clinical Results lead by our clinicians in partnership with our State clients**
- **Experienced Staff**
- **Trusted Partnerships**

THE GHS-VERMONT ADVANTAGE

GHS is distinctive in our approach to working with State Medicaid Programs – we are a company that is focused on providing the best technical solutions for public health benefits administration in partnership with our State clients. We maintain high standards of transparency, integrity and cooperation in all the services we provide. GHS' nationally recognized CMS-certified technology systems and Medicaid SaaS experience, combined with our professional clinical expertise and experience, makes us the right choice for the Vermont PBMS project.

GHS is able to build ongoing personal relationships, produce consistent and reliable deliverables and we place a priority on being responsive to our clients. The GHS approach is built upon client partnerships, fiduciary responsibility, transparency, technology adoption, and provider outreach.

SUMMARY CLOSING

GHS has many resources at its disposal to provide cutting edge services, skilled personnel, experienced administration and management, top-of-the-line technology and customized software. We are excited to provide the next generation of technology included in this proposal. We will draw on the successful working relationships we have already built to deliver to the State of Vermont unparalleled service and support.

GHS is committed to partnering with DVHA to ensure delivery of an innovative PBM solution with successful completion of the CMS Certification process. GHS offers an efficient set of technology solutions for Vermont that are modular, scalable and engineered in a rules-driven manner that enables change and rapid response to new program requirements, often with new and variable benefit structures.

GHS has the know-how, the resources and the ability to deliver the features and capabilities of Vermont's PBM, in scope, on time and on budget. Vermont will have a partner committed to exceed the State's PBMS needs and objectives.

5.0 Vendor Contact Information

Instructions: *Complete the following information regarding the Vendor's headquarters, and primary contact for any questions pertaining to the Vendor's responses to this RFP, payment address to which the State should send payments under the Contract, and Legal Notice Address to which the State should send legal notices under the Contract.*

Respondents are not to change any of the completed cells in the following
. Any changes to the completed cells in the following table could lead to the disqualification of a respondent.

Table 1: Vendor Contract Information – Goold Health Systems

COMPANY HEADQUARTERS INFORMATION:	
Company Name:	Goold Health Systems, an Emdeon company
Address:	45 Commerce Drive, Suite 5
City, State & Zip Code:	Augusta, Maine 04330
Company Type (Check One):	☒Private ☐Public
Company Size:	224 (Total Number of Employees)
Annual Revenue:	$22 million (estimated)

PRIMARY CONTACT INFORMATION:			
Name:	James A. Clair	Title:	Vice President, PBA Services
Address:	45 Commerce Drive, Suite 5		
City, State & Zip Code:	Augusta, Maine 04330		
Phone:	207-622-7153	Fax:	207-623-5125
E-mail:	jclair@ghsinc.com		
REGIONAL OR LOCAL OFFICE INFORMATION:			
Company Name:	Goold Health Systems, an Emdeon company		
Address:	45 Commerce Drive, Suite 5		
City, State & Zip Code:	Augusta, Maine 04330		
Primary Contact:	James A. Clair		
Phone:	207-622-7153	Fax:	207-623-5125
E-mail:	jclair@ghsinc.com		

5.1 Subcontractor information

Table 2: Subcontractor Contact Information - Diplomat

COMPANY INFORMATION:	
Company Name:	Diplomat Pharmacy
Address:	4100 S. Saginaw Street
City, State & Zip Code:	Flint, MI 48507
Company Type (Check One):	☒Private ☐Public
Company Size:	871 (Total Number of Employees)
Annual Revenue:	$1,514,104,611

PRIMARY CONTACT INFORMATION:			
Name:	Kim Foerster	Title:	Director, Managed Markets
Address:	4100 S. Saginaw Street		
City, State & Zip Code:	Flint, MI 48507		
Phone:	810.768.9835	Fax:	855.380.5222
E-mail:	kfoerster@diplomatpharmacy.com		

6.0 Minimum Mandatory Requirements

Instructions: *Complete the following information regarding the Vendor's ability to meet the Minimum Mandatory Qualifications. The State reserves the right to ask for any additional clarification relating to the minimum requirements.*

Respondents are not to change any of the completed cells in the following Table 3. Any changes to the completed cells in the following table could lead to the disqualification of a respondent.
The Vendor agrees to meet the following Minimum Mandatory Qualifications.

Table 3: Minimum Qualifications

#	Qualification Item	Vendor Agrees to Meet?		Reference to Proposal Response Section
1	The bidder must have at least five years' experience with projects of similar size and scope to the State's that include design, development, implementation, and operation of a Medicaid POS pharmacy claims processing system in compliance with all federal and State regulations, which includes eligibility verification, POS edits and transmission messaging, PA, DUR, reimbursement, benefit design, and reporting	**YES** ☒	**NO** ☐	Section B – Vendor Experience, Section C – Vendor References
2	The PBM Solution proposed by the Vendor must have been previously implemented successfully in a State Medicaid environment. A successful implementation is defined as one in which providers can submit claims and the PBM system adjudicates claims and generates payments accurately. In addition, operational programs and services such as DUR, prior authorization, and utilization management have been implemented and are operating successfully.	**YES** ☒	**NO** ☐	Section B – Vendor Experience
3	The PBM vendor must have three years' experience administering Part D drug benefits and supporting Part D drug plans or, at the time of the Duals Demonstration Project Implementation, will subcontract with a vendor that does have this experience.	**YES** ☒	**NO** ☐	Section B – Vendor Experience
4	The PBM vendor must have three years' experience administering Part D drug benefits and supporting Part D drug plans or will subcontract with a vendor that does have this experience	**YES** ☒	**NO** ☐	Section B – Vendor Experience
5	The bidder must have three project references	**YES** ☒	**NO** ☐	Template C – Vendor references

#	Qualification Item	Vendor Agrees to Meet?		Reference to Proposal Response Section
6	The bidder's PBM solution must be able to function independently from the MMIS, interface to the current MMIS system, and interface with the new Core MMIS system chosen at a later date	**YES** ☒	**NO** ☐	Section B – Vendor Experience, Section D – Functional Requirements
7	The bidder must agree that they will be responsible to make any system modifications necessary to comply with all Federal and State regulations and mandates, as described herein, which include (but are not limited to) eligibility verification, POS edits and drug monitoring, prior authorization, drug utilization review, billing and reimbursement, and to meet the deadlines imposed for such changes for the duration of this contract	**YES** ☒	**NO** ☐	Template F – Requirement FR1.29

Section B – Vendor Experience

1.0 Vendor Organization Overview

The Vendor must include details of the Vendor's Experience in this section. The details must include Vendor organization overview; corporate background; Vendor's understanding of Medicaid and Medicaid pharmacy operations.
Instructions: *Provide all relevant information regarding the general profile of the Vendor.*
Respondents are not to change any of the completed cells in the following table. Any changes to the completed cells in the following table could lead to the disqualification of a respondent.

Table 4: Vendor Organization Profile – Goold Health Systems

Company Name	Goold Health Systems, an Emdeon company
Name of Parent Company	Emdeon
Industry (NAICS) (North American Industry Classification System)	518210
Type of Legal Entity	Corporation
Company ownership (i.e., private/public, joint venture)	Private
Number of full time employees	224 (total employees, not all FTEs)
Last Fiscal Year Company Revenue	2012-$21,995,851
Last Fiscal Year Company Net Income	2012-$1,317,998
% of revenue from State and Local Government clients in the United States	100%
% of revenue from IT Design and Implementation Services	DDI is 7.8%
Number of years in business	40 Years
Number of years Vendor has been providing the type of services specified in the RFP	More than **20 years of electronic Medicaid POS pharmacy claims processing,** 15 years of drug rebate management, 10 years of PDL maintenance, and 10 years of PA experience.
Number of Employees providing the type of services specified in the RFP	Approximately 150
Headquarters in the USA	Augusta, ME
Locations in the USA	Atlanta, GA Cheyenne, WY Augusta, ME Des Moines, IA

Office Servicing this Account	Augusta, ME Williston, VT- based office (Goold will establish upon contract award)

1.1 Subcontractor Organization Overview

Subcontractor Name	Diplomat Pharmacy, Inc. (doing business as Diplomat Specialty Pharmacy)
Type of Legal Entity	Diplomat Specialty Pharmacy is independently owned and operated by Diplomat Pharmacy, Inc., a private "S Corp", and is not affiliated with any other entity.
Company ownership (i.e., private /public, joint venture)	Diplomat Specialty Pharmacy is the nation's largest, privately-owned, independent specialty pharmacy.
Headquarters Location	4100 S. Saginaw St. Flint, MI 48507
Date Founded	03/26/1975
Number of employees	871
Last Fiscal Year Company Revenue	Diplomat's 2013 revenue was $1,514,104,611.
Last Fiscal Year Company Net Income	As a privately held company, Diplomat's company financial statements are not publicly available. Diplomat's 2013 revenue was $1,514,104,611.
Services to be provided	Diplomat offers medication management programs and services to patients with serious and chronic conditions. Diplomat provides specialty infused medications and also offers compounding services that compliment therapy programs. In addition, the company fills prescriptions for biotech and specialty pharmaceuticals. Diplomat can provide patients personalized medication programs and services for the following disease states: • Anemia/Blood Modifiers • Bio-Identical Hormone Therapy • Crohn's Disease • Cystic Fibrosis • Growth Hormone Deficiency • Hemophilia • Hepatitis • Hereditary Angioedema (HAE) • HIV • Immune Deficiencies • Infertility • Lysosomal Storage Disorders (LSDs) • Multiple Sclerosis • Neurological conditions such as Chronic Inflammatory Demyelinating Polyneuropathy (CIDP)

	• Oncology • Osteoporosis • Psoriasis • Respiratory Syncytial Virus (RSV) • Rheumatoid Arthritis • Transplant Patients • Ulcerative Colitis Diplomat's core specialty services include: • Fax/phone/e-prescription intake of prescriptions • A staff of call center representatives, care coordinators and pharmacists available to consult with patients and prescribers on disease and drug therapy related questions • Benefits investigation including prior authorization and appeals support • Two business day turnaround time on prescriptions • Overnight or second day shipment depending on product requirements and patient need • Refill reminder calls • Standard Drug Utilization Review and Utilization Management review prior to shipment • REMS support • Adverse event and side effect management and reporting
Experience of Subcontractor in performing the services to be provided	Diplomat is the nation's largest, privately owned, independent specialty pharmacy dedicated to servicing the needs of patients, prescribers, payers, government and commercial employers, unions and pharmaceutical manufacturers. Veteran pharmacist Dale Hagerman started Diplomat in 1975 as a traditional pharmacy with the philosophy of "Take good care of the patients and the rest will fall into place." After 25 years of local service, Diplomat transitioned to specialty pharmacy operations. Diplomat is dedicated to the delivery of care and therapy management to patients nationwide and has built an exceptional reputation for developing creative, patient-centric programs that optimize treatment outcomes. Today, Dale's son, Phil Hagerman, is Diplomat's CEO who keeps Diplomat focused on improving patient care management nationwide. Diplomat is contracted with more than 12 million lives, serves more than 70,000 specialty patients and fills more than 700,000 specialty prescriptions a year, including more than 13,000 patients with rare or orphan diseases from our six locations across the United States. Every year since 2009 Diplomat has been recognized by Inc. Magazine as one of the fastest growing private companies in the United States. In 2013, Diplomat ranked #2 when combining revenue and growth rate of 2013 Inc. 5000 companies operating in the health industry; ranked #3 in total revenue of 2013 Inc. 5000 companies operating in the health industry; and grew by more than $740 million in over three years.

	Diplomat's pharmacy locations are operating at less than 25% capacity and have the physical capacity to handle future expansion and growth. In 2010, to support our growth, Diplomat purchased a 549,289 square foot facility that houses the company's corporate headquarters, Great Lakes Distribution Center, national compounding laboratory, call center and patient assistance services. Recent improvements include enhanced security, enhanced temperature and humidity control and a 3PL system with wholesale management capabilities. Diplomat is a customer-focused, innovative partner dedicated to providing therapy management and clinical services to patients nationwide in a caring supportive environment. Diplomat develops creative, patient-centric programs that optimize treatment outcomes. Diplomat's focus is on the patient, providing the highest quality of care with extensive tracking and reporting in place to ensure our effectiveness. Diplomat's clinical programs, proprietary patient care system, compliance programs, and extensive reporting capabilities are what set us apart.
Brief description of and number of projects that Vendor has partnered with this Subcontractor	While Diplomat has a successful record of working with numerous healthcare management companies, this will be the first project that Goold and Diplomat have partnered in a subcontracted relationship.
Locations where work is to be performed	The State of Vermont's patients would be serviced out of Diplomat's Headquarters, Call Center and state-of-the-art Great Lakes Distribution Center in Flint, Michigan. Diplomat is licensed in all 50 states and has the ability to ship to all states and U.S. territories for all commercial and Medicare payers. Diplomat has eight sites placed across the United States. Diplomat's locations are: • Great Lakes Distribution Center, Call Center and Corporate Headquarters located at 4100 S. Saginaw Street, Flint, MI 48507. Other Diplomat pharmacies include: • Flint Retail Pharmacy. G-3320 Beecher Road, Flint, MI 48532; • Grand Rapids Pharmacy, 214 E. Fulton Street, Grand Rapids, MI 49503; • Florida Pharmacy, 500 SE 15th Street, Suite 102, Ft. Lauderdale, FL 33316; • California Pharmacy, 1809 Excise Avenue, Ste 205-208, Ontario, CA 91761; • Illinois Pharmacy, 1370 Busch Parkway, Buffalo Grove, IL 60089. • Connecticut American Homecare Federation, 31 Moody Street, Enfield, CT 06083 • Massachusetts American Homecare Federation, 95 Ashley Ave Ste E, West Springfield, MA 01089

2.0 Vendor Corporate Background and Experience

2.1 Vendor Corporate Background

Instructions: *Describe the Vendor's corporate background as it relates to projects similar in scope and complexity to the project described in this RFP.*

Goold Health Systems (GHS), a privately-held, wholly-owned subsidiary of Emdeon, has built a nationwide health care management business focusing on helping our clients effectively manage Medicaid pharmacy benefits.

As a Medicaid vendor for nearly 40 years, GHS has extensive experience providing the services required in the DVHA PBMS RFP. We always go the extra mile to ensure that we work cooperatively with our State clients, partners and other vendors involved in our projects. Using lessons learned and experience gained from previous projects, we will work closely with the State of Vermont, DVHA, and any other vendors such as our sub-contractor, Diplomat Pharmacy Inc., noted as the nation's largest independent pharmacy. GHS aims to ensure a seamless implementation and integration process.

All of the services being requested for Vermont are currently being provided for at least one, if not more of GHS' present Medicaid clients, and each of our PBM clients share similar scope of work and requirements. GHS currently has a Medicaid presence in each of the 16 states shown on this map of the U.S., where we provide a variety of services supported by our related commercial products.

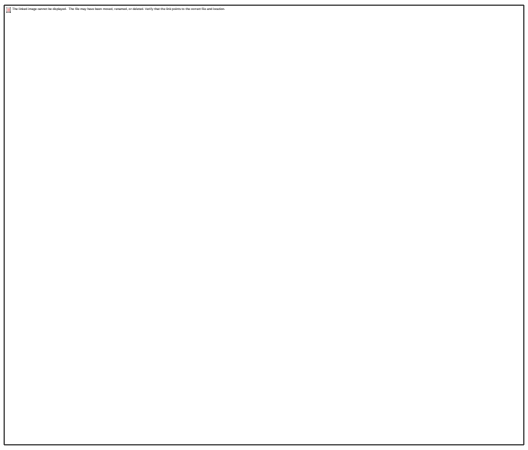

Figure 1: Map of GHS Client States

Goold Health Systems (GHS) was recently acquired by Emdeon, Inc., a national leader in pharmacy, payer, provider, and other healthcare services. Our collective of integrated teams of physicians, pharmacists, developers, and data analysts works with clients to achieve clinical goals and objectives. We design, implement, and manage comprehensive, flexible, and scalable programs that break the mold in terms of innovation and customization at highly competitive prices.

GHS provides a breadth of Medicaid Pharmacy Benefit Services, including these core offerings:

- Pharmacy Point of Sale (POS) claims processing including NCPDP
- Pharmacy Prior Authorizations
- Preferred Drug List development (PDL)
- Pro-Drug Utilization Review (DUR) and Retrospective DUR
- Pharmacy Help Desk Services
- Supplemental Rebate negotiations, including Multi-State Rebate Pooling
- Rebate Services and Administration (eREBS)
- State Maximum Allowable Costs (SMAC)
- Pharmacy & Therapeutics Committee Support
- Intensive Benefit Management
- Pharmacy Care Management

- Therapeutic/Drug Class Reviews and Monographs
- Academic Detailing
- 340B Drug Pricing Programs
- Decision Support Systems (DSS)
- Customized Data Cubes/Data Marts
- Reporting and Analysis
- Business Process Outsourcing (mailroom and paper claims processing)
- Program Integrity and Recovery Audit functionality

Emdeon Pharmacy Services, with over 20 years of healthcare transaction experience, simplifies the prescription process and provides the tools and services necessary for increasing our customers' efficiency, accuracy and profitability. With GHS, Emdeon will work to maintain a focus on delivering exceptional service, innovative technology and industry expertise.

Emdeon is a leading provider of electronic solutions to the pharmacy industry offering comprehensive and innovative solutions for claims management and analysis, ePrescribing clinical services and simplification of complex billing and specialty processing issues such as Medicare/Medicaid Durable Medical Equipment (DME) billing. Emdeon is also a leading provider of prescription benefit administration solutions that enable managed care organizations (MCOs), prescription benefit managers and other healthcare payers to improve claims processing efficiencies and better control prescription drug costs. With GHS, Emdeon provides unsurpassed pharmacy claims adjudication, data warehousing and ancillary administrative services to simplify our clients' pharmacy benefit programs

2.2 Vendor's Understanding of Medicaid and Medicaid Pharmacy Operations

Instructions: *Describe the Vendor's understanding of Medicaid, Medicaid pharmacy operations, and the State of Vermont's Medicaid pharmacy operations. Discuss the Vendor's strategies and areas of focus related to this service. Discuss key trends affecting Pharmacy Benefits Management in the next three to five years and how this perspective will translate into benefits for Vermont.*

GHS understands the need for DVHA to replace existing systems with contemporary Pharmacy Benefit Management (PBM) offerings that can provide clinically appropriate medication services and flexible benefit designs at a reasonable cost and will work with the State to assure access to and availability of safe, efficacious, and clinically appropriate drug therapy at the lowest cost possible.

GHS will utilize its proven business processes while working as the Vermont PBM to reduce the administrative burden on DVHA, the providers and beneficiaries, as well as provide support for Vermont's health reform initiatives, including the Governor's single payer/single formulary vision, payment reform models.

GHS understands the key objectives of the DVHA PBM solution project, as expressed by the State of Vermont in their RFP. We recognize that these objectives align with those of other states, including GHS' current pharmacy benefit management clients. We also recognize that the State of Vermont, like each of our clients, is unique with regard to the many variables that influence the Medicaid environment in each State. Vermont's next PBM system must be built on MITA 3.0 compliant architecture, meeting CMS 7 standards and conditions. While the core solutions we provide will meet the shared objectives of

MITA and CMS 7 Conditions compliance, the configurations, business process support, and clinical pharmacy expertise we provide will be tailored to the specific needs of the DVHA PBM solution project.

GHS provides significant and sustainable return-on-investments for our clients. We have succeeded nationally because we work diligently to understand our partner's expectations. As our existing clients can attest, our physicians and pharmacists focus on evidence-based medicine, our technical solutions are superior in our market space, and we proactively develop innovative solutions.

ANNUAL GHS PHARMACY BENEFITS

Covered Lives	800,000
Pharmacy Claims	28 Million
PA's	200,000
Help Desk Calls	250,000

GHS guarantees that our solution will meet or exceed all mandatory requirements outlined in the State's RFP. All of the services being requested are currently being provided for one or more of GHS' present Medicaid clients. Our applications and systems will be configured to meet any unique requirements the DVHA project may have through existing workflows and configurable modules.

Supporting our PBM services is GHS' thorough understanding of the overall set of pharmacy benefit services. This understanding comes from more than 20 years of electronic POS pharmacy claims processing, 15 years of drug rebate management, 10 years of PDL maintenance, and 10 years of PA experience. Our clinical, technical, management, and administrative staff have decades of collective experience in their respective areas of expertise.

Our data warehouse contains nearly one (1) billion historical claims and coupled with our data integration system, currently sends and receives over 300 recurring, scheduled feeds. Here we maintain data integration processes that perform rigorous quality checks. All operational inbound and outbound feeds run through this methodology to ensure quality, timeliness, and appropriate system controls. Our messaging feeds are engineered appropriately to run system to system.

Our PBM solution has been CMS-certified back to Go Live in Wyoming (2010), Maine (2012), and Utah (2013). The Iowa PBM solution was previously certified as part of the Iowa Medicaid Enterprise (IME) MMIS solution in March of 2006. Our PBM system In Iowa is currently undergoing a system re-deploy and will be re-certified once the replacement MMIS and PBM solutions have been fully implemented.

GHS incorporates best technology practices in our products. Flexible design principles are a key component toward ensuring a technology approach that meets our clients' needs. Each new product is being designed to leverage service-oriented architecture (SOA). This positions us to increase our agility and modularity in our development and system integration strategies. GHS leverages SOA for distributed computing, following the MITA recommended model. This includes SOAP- and REST-based web services for inter-system communication, reusable services, and enterprise-level, high-performance, highly scalable data services, as well as centralized access control.

Over the past several years, GHS has maintained an aggressive infrastructure improvement program. This continual investment provides our customers with better service. GHS has kept pace with industry standards including NCPDP, D.0, ANSI X12, and HL7; thereby ensuring we are aligned with Medicaid market trends and MITA guidelines.

At GHS, each of us feels that we have a personal stake in the administration and services we provide and are concerned about the impact on the communities we serve. GHS employees derive this commitment and dedication from years of providing excellent service to our clients, witnessing the outcomes of our services and personally seeing how they positively affect the economy and people in the community. GHS is ready to work with DVHA to provide the highest quality PBMS to Vermont Medicaid providers and beneficiaries.

[redacted]

[redacted]

2.3 Customers Served in the Medicaid Pharmacy Operations Space

Instructions: *Describe the customers you have served in Medicaid pharmacy operations and, to the extent possible, the nature of those relationships in terms of services provided and duration of the relationship. Provide data on vendor performance on same or similar contracts, grants, and collaborative activities.*

The following Table 1 represents GHS products installed and used in each State in which we currently operate.

Services Provided	Pharmacy Claims Adjudication	Drug Rebate Invoicing	Supplemental Rebate Negotiations	Prospective DUR	Retrospective DUR	PDL design and management	Prior Authorization	Help Desk /Call Center	Fiscal Agent	Clinical Consulting / Drug Class Reviews	Reporting & Analytics	SMAC	RAC/ Program Integrity	SSDC Support
Alabama													✓	
Georgia [1]		✓	✓			✓					✓			
Illinois (future)											✓	✓		
Iowa	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓		✓
Maine	✓		✓	✓	✓	✓	✓	✓		✓	✓	✓		✓
Minnesota											✓	✓		
Mississippi [2]		✓	✓			✓				✓	✓			✓
New Hampshire													✓	

New Jersey											✓	✓		
North Dakota												✓		
Oregon			✓											✓
South Dakota												✓		
Utah [3]	✓	✓	✓	✓		✓	✓	✓		✓	✓			✓
Vermont			✓											✓
West Virginia														✓
Wyoming	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓		✓

1. **Georgia negotiates for supplemental rebate as a single state.**
2. **In Mississippi, GHS provides drug rebate invoicing, dispute management and collection for supplemental rebates.**

Utah is a Software as a Service (SaaS) implementation.

Table 1: Overview of GHS services provided to each of our clients

The PBM solutions GHS has provided to these other states are very similar to the requests being proposed in this Vermont RFP. The six (6) State projects that are most similar in size and scope to the DVHA PBM Project are Maine, Iowa, Mississippi, South Dakota, Utah, and Wyoming. These services have been successfully implemented and are currently operating. The services that overlap with the DVHA PBMS for each of the six states are summarized below.

Maine

GHS has assisted the State of Maine in administration of pharmacy programs since 1974, beginning with Maine's State Pharmacy Assistance Program (SPAP), known as the Low Cost Drugs for the Elderly or Disabled (DEL) program. In the earliest years of the DEL contract, the system relied exclusively on paper claims. In 1991, GHS migrated the DEL program to a fully electronic system and began accepting claims data for online adjudication, resulting in significant cost savings for the State at the time. GHS still performs DEL duties, which have since been incorporated into the Maine Point of Purchase (MEPOP) contract.

In 1995, GHS implemented an electronic pharmacy Point of Sale (POS) claims adjudication system (MEPOP) for Maine's Medicaid pharmacy program, which GHS has successfully operated since that time. The development, implementation, refinement, and on-going administration of the system has proceeded with few difficulties. We retained this contract in 2010 and deployed an enhanced PBMS solution in 2011.

Summary of Work Performed:

Maine is a Pharmacy Benefit Services Administration project and GHS is the prime contractor. GHS provides all hardware, software, and operations staffing necessary to operate an on-line, pharmacy Point of Purchase electronic information system (i.e., MEPOPS). In summary, the scope of work includes:

- Pharmacy Program benefit management;
- Pharmacy Point of Sale claims adjudication;
- Eligibility verification;
- Electronic claims management;
- RetroDUR;
- ProDUR; and

- Help Desk Services.

In 2000, the PA program was added to the MEPOP contract. Generally, the development and functionality of the PA system focused upon requiring prior approval for certain drugs to promote the most appropriate use, and acquire cost savings for the State of Maine. This resulted in providing appropriate prescriptions to the recipient population in a timely manner and at a significant savings to the State and Federal Medicaid budget

MAINECARE PHARMACY POINT OF PURCHASE SYSTEM (MEPOPS)
April 1995 through Present

- **$230 Million in Payments**
- **118,000 Clinical PA's Issued**
- **2,350 SMAC Program Drugs**
- **6.4 Million Pharmacy Claims**
- **300,000 MaineCare Covered Lives**

In March of 2003, GHS commenced work on implementing a full PDL for the State of Maine. This work included:

- Soliciting and analyzing Supplemental Rebate (SR) offers;
- Developing a preliminary PDL to present to Maine's P&T Committee;
- Supporting the P&T Committee;
- Creating a database to support the PDL;
- Making programming changes in the POS claims processor to handle new PDL data;
- Scaling-up the PA system to handle the increased volume caused by the PDL; and
- Educating providers in regards to the expanded PDL and new PA criteria.

The bulk of the full PDL was successfully implemented starting on July 1, 2003; by November 1, 2003, implementation was entirely complete. The PDL initially increased our PA volume from approximately 200 PAs per day, to 700 – 800 PAs per day. We designed the PADSS PA workflow system in-house and created a data driven PDL process, allowing us to easily accommodate the increased volume.

Among other related administrative tasks, GHS is also responsible for file exchanges, formulary maintenance, reporting and on-going provider training. GHS implemented the Physician Directed Drug Initiative (PDDI) in December of 1999 to control costs through an educational effort designed to target physicians' prescribing practices. GHS implemented a program to review, develop and currently maintains a comprehensive set of MAC prices for multi-source prescription drugs, select single-source prescription drugs and over-the-counter drugs.

In 2011 GHS was awarded a new five year contract for PBM services. The system was redeployed in January of 2012 and was recently certified by CMS, back to July 1st, 2012. Under this new contract we provided many enhancements to the existing program:

- GOOLD eWEBS – secure online portal that allows providers to look up member and drug information, submit PAs securely on-line and review PA status.
- Medication Therapy Management Program (MTMP) – Intensive benefits management program designed to control costs and improve health outcomes. GHS conducts comprehensive clinical reviews using computerized clinically intelligent protocols based on best practice guidelines and evidence based medicine. Adherence reporting, feedback, and provider education are also used to improve care and reduce duplicate therapy.

- The newest version of our POS system, GOOLD Rx – Rolled out in January 2012, this version contained new features and enhancements including:
  - NCPDP vD.0 compliance;
  - Online pricing of multi-ingredient compound drug claims – Each NDC is validated independently against all applicable PDL rules, requirements, and pricing algorithms;
  - More robust ePA capability – more than 38,000 data-driven rules are applied against claims during real-time claims adjudication, reducing need for manual, or clinical, PAs; and
  - Enhanced online DUR intervention capabilities.

Iowa

GHS has been a full service PBM for the Iowa Medicaid Enterprise since 2005. Our services include PDL, PA, Prospective and Retrospective and Drug Utilization Review (DUR), rebate administration, including CMS, Supplemental and J-code rebates, and POS claims adjudication services. In 2010, we re-competed and were awarded a new five-year contract for clinical services; additionally, in 2011, GHS re-secured a new five year contract to continue providing POS and related Pharmacy Benefit Management (PBM) services. The re-procurement required design, development, and implementation of enhanced services such as the latest versions of our pharmacy POS Claims adjudication system, Goold Rx 6.0, and electronic ePA module.

Summary of Work Performed:

GHS oversees the pharmacy benefit, develops PDL/PA criteria, negotiates supplemental rebates, and provides clinical pharmacy services for approximately 411,000 covered lives. The PDL encompasses 139 PDL categories. Last year we processed approximately 99,000 PAs with an average determination time of 4 hours and 3 minutes and paid 4.5 million claims with total payments of $277 million.

IOWA MEDICAID ENTERPRISE (IME)

- **$277 Million in Payments**
- **99,000 Clinical PA's Issued**
- **139 PDL Categories**
- **4.5 Million Pharmacy Claims**
- **411,000 IME Covered Lives**

The scope of this project includes:

- Pharmacy POS claims adjudication;
- Preferred Drug List (PDL) and (PA) criteria development and maintenance;
- Supplemental Drug Rebate solicitation, analysis, and negotiation;
- Drug rebate (CMS, SR) invoicing and collections management;
- P&T Committee support;
- PA program management and clinical PA determination processing;
- Provider and PA help desk operations; and
- POS electronic information system and related pharmacy and administrative services.

GHS is the prime contractor for this work, and has an office in Des Moines Iowa where GHS full-time staff supports ongoing operations. The IME project was originally divided into two contracts (PA/PDL

and POS), each with six month DDI timeframes, with implementation dates six months apart. For the re-procurement of these services in 2011, the scope was combined into a single service contract.

WYOMING MEDICAID

- **$20+ Million in Payments**
- **4,095 Clinical PA's Issued**
- **1,100 SMAC Program Drugs**
- **287,132 Pharmacy Claims**
- **71,871 WY Covered Lives**

The IME PA / PDL contract was awarded to GHS in July of 2004, with DDI commencing by the third week of that month. In this timeframe, we configured our Prior Authorization Decision Support System (PADSS) to meet the specific needs of the contract, developed a Reference Drug List (RDL) by November of 2004, and finished the full PDL on January 15, 2005. We also implemented all hardware, software, and network updates needed to meet performance requirements of the PA/PDL contract.

The IME POS contact was awarded to GHS in December of 2004, and design and development began immediately thereafter. We made significant updates to our pharmacy POS claims adjudication system to meet specific IME standards and requirements, and also to prepare for future federal, state, and NCPDP mandates. The POS system was implemented on June 25, 2005.

GHS successfully re-procured the contract to continue providing these services in December, 2011, and are completing the following enhancements to the solution we provide:

- Updating pharmacy reimbursement methodology.
- Integrating with the State's new, replacement MMIS vendor.
- Introducing the eWEBS provider portal, capable of supporting ePA and ePrescribing.
- Updating the Rebate Services Portal to meet requirements of the Affordable Care Act.

Wyoming

GHS began providing Wyoming Medicaid with State Maximum Allowable Cost (SMAC) and Supplemental Rebate services as well as Preferred Drug List support in October 2007. In 2009, GHS began providing the full scope of PBM services for the State of Wyoming, including POS claims adjudication, PA (automated and clinical), fiscal agent, provider enrollment, and program integrity services. The GOOLD Rx POS system in Wyoming was certified back to the first day of operations by CMS in January 2010 using the Medicaid Enterprise Certification Toolkit (MECT) certification process.

Summary of Work Performed:

GHS paid a total of 287,132 claims with total expenditures of approximately $20,410,516. In that time GHS also processed approximately 4095 PAs and administered a SMAC program for over 1100 drugs. As of November 30, 2013 the Wyoming Medicaid Program covered 71,871 eligible lives. To support operational activities, GHS maintains an office and has full-time staff located in Cheyenne, Wyoming.

This is a full Pharmacy Benefits Services Administration project. In 2008 GHS began negotiating Supplemental Rebate Agreements for Wyoming as part of the Sovereign States Drug Consortium (SSDC). GHS took over the entire chain of rebate services for the state of Wyoming in the second quarter of 2009, including invoicing processing, accounting, reporting and dispute resolution.

As of January 2009 GHS is responsible for the State Maximum Allowable Cost program. We recently implemented the full set of PBM services for the State of Wyoming, including Prior Authorization (PA) services, help desk and Drug Utilization Review (DUR). GHS has successfully met a series of aggressive deadlines for this project and has successfully integrated with ACS' existing MMIS system.
GHS began providing Wyoming Medicaid with Supplemental Rebate and Preferred Drug List services in October, 2007. In 2009, GHS began providing the full set of PBM services for the State of Wyoming, including:

- Pharmacy POS claims adjudication;
- Pharmacy PA services;
- PDL maintenance;
- TPL recovery;
- Pharmacy Fiscal Agent;
- Pharmacy and prescriber help desk.

The GOOLD RX system in Wyoming was certified (back to the first day of operations) by CMS in January 2010 using the Medicaid Enterprise Certification Toolkit certification process.

Utah

As a testament to the flexibility and scalability of our systems and services, GHS expanded from providing full PBM services to the "software as a service" (SaaS) space by competing for, and winning, the contract to provide Pharmacy Point of Sale and Drug Rebate solutions to the State of Utah in 2010.

UTAH PHARMACY POINT OF SALE

- **Operates UT Pharmacy Help Desk**
- **Manages UT Clinical PA's**
- **Software as a Service (SaaS)**
- **75% of UT Covered Lives moved from Fee-for-Service to Managed Care**
- **POS processes 25% FFS and 75% MCO for a population of 260,000, so we manage about 65,000**

Summary of Work Performed:

GHS provides Utah's Department of Health (DOH) Medicaid pharmacy program with our GOOLD Rx Point of Sale (POS) system and our GOOLD eREBS Rebate solution, in Software as a Service (SaaS) implementation. Together, these applications are the core of the Pharmacy Benefit Management (PBM) and Drug Rebate Management solutions GHS provides to the State. Utah uses:

- GOOLD Rx for pharmacy POS claims adjudication;
- GOOLD PADSS tool for clinical PA processing;
- GOOLD Help Desk for UT staff call tracking and reporting;
- GOOLD eREBS for rebate invoice processing,
- GOOLD Rebate Admin for labeler contact information and supplemental contract management and;
- Pharmacy Decision Support System (DSS) for enhanced call center services and reporting capabilities.
- CMS certification of the system is expected in early 2013.

Utah State staffs operate their own pharmacy help desk using the GHS Point of Sale (POS) system, Decision Support System (DSS), and Help Desk application. In addition, the State of Utah manages their own Prior Authorization (PA) help desk using the same tools used by the pharmacy help desk staff, in

addition to the GHS Prior Authorization Decision Support System (PADSS). GHS provides a dedicated clinical account manager for individualized responsiveness, as well as the additional clinical expertise consisting of our physicians and pharmacist.

In response to legislative directives, GHS is currently assisting the State in configuring it's systems to move 75% of their covered lives from fee-for service to managed care.

In April 2012, GHS won the Utah State Maximum Allowable Cost (SMAC) contract. Dedicated GHS staffs operate the Utah SMAC help desk, with members of our clinical and analytical teams providing operational support. GHS conducts various functions for the State, including:

- The distribution, collection, and analysis of pricing surveys;
- Assisting pharmacy providers with pricing and survey questions; and
- Making pricing recommendations as they relate to maintaining a fair yet fiscally appropriate SMAC list.

In Utah State Fiscal Year 2011 the Utah DOH served 388,000 lives. There were 580 pharmacy providers enrolled with the DOH who served 228,533 members. The average monthly number of members enrolled in managed care was 157,188.

SSDC MEMBER STATES

- IOWA
- MAINE
- MISSISSIPPI
- OREGON
- UTAH
- VERMONT
- WEST VIRGINIA
- WYOMING

SSDC

GHS is the Supplemental Rebate negotiations vendor for Medicaid's only state-run multistate drug rebate pooling cooperative, the Sovereign States Drug Consortium (SSDC). In the fall of 2005, GHS assisted a number of states in the design of a new model for multi-state rebate-pooling programs, and the end result was the creation of this unique pool. The initial pool states consisted of Vermont, Iowa, and Maine. Since then, Mississippi, Oregon, Utah, West Virginia and Wyoming have joined the pool, which currently represents almost three (3) million lives. The objective was to create a pool that would be attractive to states with a desire to take an active role in rebate negotiation and/or retain a higher degree of control in a fully transparent process. To encourage participation, the pool was designed to be as efficient and low cost as possible for participating states, while allowing the retention of current PBM service vendors, as desired.

As the vendor for the SSDC, GHS can negotiate the most advantageous contracts for the preferred drugs already listed on an SSDC member's PDL. We can also seek to provide a number of potentially superior contracts for drugs not on a PDL if an SSDC member and its P&T Committee are in favor of accepting them. Although the pool negotiates prices and conditions, each state within the SSDC determines the composition of its own PDL, choosing which contracts to accept and which to reject. Within the SSDC, Vermont retains complete autonomy. Maintaining this individual state autonomy is crucial to the long-term success of the pool. While savings can be maximized by all states within the SSDC by synchronizing their PDLs, we understand that sometimes states must forego savings to retain provider participation and provide political support.

The current aggregate negotiation strength is based on the approximate 2.68 million covered lives of these eight Member States. To date, we have performed seven annual pool negotiations. We believe that the State's Medicaid Pharmacy Program Administrators will agree that working with GHS as part of the SSDC supplemental rebate pool has allowed the State to achieve the greatest degree of independence and control possible while optimizing savings and minimizing overhead costs.

Georgia

In 2009, GHS experienced new growth while maintaining relationships with existing customers. That year, GHS was chosen as the new vendor providing CMS Medicaid, J-Code and Supplemental Pharmacy Rebate services for Georgia Medicaid and also began managing the Medicaid SMAC program in Illinois. GHS was able to focus on retaining and strengthening our existing customer relationships by re-securing contracts for Iowa Clinical Pharmacy Services and the Maine Aids Drug Assistance Program (ADAP).

GHS has successfully invoiced MCO claims for Georgia since 2010 and most recently for the State of Utah. The process for collecting rebates is to combine them into groups by the program type (State specific) OBRA, JCode and SR when applicable. Invoices are created for all combined MCO claims and sent to the Manufacturers for payment. Upon request from the Manufacturer, GHS makes available the Claim Level Detail to substantiate the invoice. Post payment reports are provided to the State as required and identified to support the need for MCO specific detail.

Mississippi

As the clinical services vendor for Mississippi, GHS provides the State with many cutting-edge advancements with our pharmacy PDL and SR program services. The scope of the MS project includes:

- Preferred Drug List (PDL) Development and Maintenance;
- Negotiate and manage drug rebate agreements;
- Maintain an automated system to report supplemental rebates;
- Supplemental Drug Rebate solicitation, analysis, and negotiation;
- P&T Committee support; and
- Ongoing program reporting and analysis.

GHS performs systematic reviews of the State's PDL therapeutic categories and develops Prior Authorization, step-therapy, and related criteria. We provide detailed drug monographs to the P&T committee to support decision-making with regard to new (draft) criteria. This involves research and analysis on the part of GHS clinical team members and data analysts. After PDL decisions are made, GHS prepares a file containing all PDL criteria for consumption by the State, their POS vendor, and in a human-readable report for the provider community and others. GHS took over a mature PDL in the State of Mississippi and we have grown it since 2012. After evaluating market share reports and post rebate cost data, the GHS team recommended the addition of twelve new PDL categorized to target drugs responsible for increases in the prescription drug budget. We also perform outreach and communication activities for the provider community, including general communications regarding PDL activities and provider review periods.

Our physicians have overseen the Mississippi Division of Medicaid account where the duties included PDL maintenance, P&T Committee support and assisting with Mississippi joining the SSDC.

As an example, the GHS approach to Mississippi's Pharmaceutical and Therapeutics (P&T) committees is low-key while we remain focused on expressed State objectives. GHS designates one of our physicians

and (at least) one of our pharmacists to attend state P&T meetings. We believe the Committee usually makes the best decisions when all the necessary clinical information is made available to the members. We are skilled at providing expertise when analyzing the financial and clinical impact of changes in PDL categories as well as value-added (non-cash) agreements.

On behalf of the State, GHS has assisted Mississippi in collecting over $13 million in supplemental rebates in 2013. As a member of the SSDC, Mississippi attends the annual meeting of all SSDC states to collaborate on PDL strategy and cost savings initiatives.

Additionally, GHS operates components of the PBMS being proposed to the State of Vermont in the following states:

- Illinois – State Maximum Allowable Cost management;
- Minnesota – State Maximum Allowable Cost management;
- New Jersey – SUL (State Upper Limit, equivalent to SAMC);
- North Dakota – State Maximum Allowable Cost; and
- South Dakota – State Maximum Allowable Cost.

2.4 Customers Served in the Public Sector

Instructions: *Describe the customers you have served in the public sector. Describe the nature of those relationships in terms of services provided and duration of the relationship. Describe vendor's experience working with DVHA, if applicable.*

All of GHS' experience is in the public sector, including the related experience described above. Goold has an existing relationship with DVHA as the existing vendor of the Sovereign States Drug Consortium. As such, we have established a relationship and defined processes and procedures that benefit the State as the contractor administrator, the pool States, and the beneficiaries.

2.5 Vendor's Work Locations

Instructions: *The Vendor Key Project Personnel (including but not limited to the Account Director, Account Manager, and Clinical Pharmacist Manager) must be available to participate in-person during PBM-related meetings as scheduled by the State during normal business hours, 8:00 AM until 4:30 PM Eastern Time, Monday through Friday except State of Vermont holidays. The State will not provide facilities for Vendor Key Project Personnel.*

Vermont expects that no more than 10% of all staff, including both prime and subcontractor, shall be performing the work on a valid working visa issued by the United States government. The State will not permit project work or business operations services to be performed offshore. At no time shall the vendor maintain, use, transmit, or cause to be transmitted information governed by privacy laws and regulations outside the United States and its territories.

Describe the locations where the Vendor proposes performing work associated with this RFP. Indicate the site or sites from which the Vendor will perform the relevant tasks identified in this proposal. If the site(s) for a specific task change during the contract term, please provide a time line reflecting where the task will be performed during each time period.

Specifically identify where the services identified in RFP Section 2.2 will take place.

Specifically identify where the Key Project Personnel identified in RFP Section 2.5 will be physically located for the duration of the contract.

List any call centers, their related contract responsibilities, and the city and state where they will be physically located for the duration of the Contract.

For each of the deliverables identified in RFP Section 2.7, provide the percentage of work to be done in Vermont.

At our corporate headquarters in Augusta, Maine, GHS has already begun assembling a proven, trusted team to deliver the Vermont PBMS project. Our team of clinicians, project managers, rebate specialists and rebate analysts support supplemental rebate solicitation, negotiations, all general administration functions and report production and distribution activities.

GHS houses all system components and communications in our state-of-the-art data center on-site in Augusta. The dedicated technical staff members who work in support of our clients, their associated applications and data requirements, are located on-site to ensure on-going support. Our data center is comprised of current technology. The Augusta location allows the flexibility for future expansions if needed to meet growing storage and performance demands.

The clinical staff that leads the negotiations and supports client presentations, reporting and analytics are also located in the Augusta facility. The majority of our clinical staff is co-located within this office and is available to provide support and consultation as needed. GHS does not anticipate changing the location for any of these tasks during the contract term. Should this change over the course of the contract, GHS will provide DVHA with timely notice of the change, as well as a detailed timeline and an analysis of any potential impact to the project.

GHS will form a partnership with the State to facilitate integration, maintain high levels of security and follow governance policies. As a crucial part of the GHS team for the DVHA, upon award of the Vermont contract, GHS will establish a local office in Williston, VT to house key staff who are assigned full-time to support the DVHA PBM solution contract, and visiting GHS staff, State staff or other DVHA stakeholders during various phases of the project, then again during the MMIS integration phase. The GHS Vermont office will employ local experienced staff who will be supported by existing GHS personnel. Team members are available for assistance with design, developmental, and implementation functions and operational support throughout the life of the project.

GHS intends to have the DDI Project Office facilities available within the timelines required in this RFP, though our home office location could easily serve as a temporary facility if necessary. State staff will have timely access to all key GHS project staff, both onsite in Williston, VT, Vermont, and those located at the home office in Augusta, Maine. Our staff will be available by phone, email, teleconference and online meeting during regular business hours, and beyond when necessary. Key staff not already located in Vermont full time will be available to travel as needed for in-person meetings, presentations and other events as appropriate throughout all project phases.

GHS has already identified several potential locations for local DDI and Operations facilities in Williston, meeting the criteria specified in this requirements. Many options exist that will meet or exceed the State's requirements with regard to local contractor facilities in Williston. After contract award, GHS will

select a local facility and finalize all required contracts, with a goal of having facilities in place at or near the start of the first phase of the project. We care capable of providing and supporting facilities in a number of different environments, using a number of different approaches.

During the Ongoing Operations and Enhancements Contract project phase, our Account Manager and Clinical Pharmacy Manager will be present full-time at the GHS facility in Williston, Vermont. GHS intends to select candidates for these positions from the existing pool of potential staff in the Burlington area, or those willing to re-locate there.

The GHS' DVHA solution is an orchestrated combination of technology and professional services. For each data driven module, GHS will provide a highly skilled team of project managers, data analysts, data architects, database administrators, software developers, network staff, trainers and other support professionals to the State. The GHS team will work with the State and its stakeholders to facilitate integration maintain high levels of security provide needed technical assistance and implement governance policies. As an experienced Pharmacy Benefit Administrator, GHS will orchestrate our carefully chosen team to provide a single mission, point of contact and vision for all of our team members. We feel confident in our ability to meet Vermont's required metrics. By leveraging our high-quality partnerships, we consistently deliver projects on time and within budget.

2.6 Existing Business Relationships with Vermont

Instructions: *Describe any existing business relationships the Vendor or any of its affiliates and proposed Subcontractors has with Vermont.*

GHS is the Supplemental Rebate negotiation vendor for Medicaid's only state-run multistate drug rebate pooling cooperative, the Sovereign States Drug Consortium (SSDC). In the fall of 2005, GHS assisted a number of states in the design of a new model for multi-state rebate-pooling programs, and the end result was the creation of this unique pool. The initial pool states consisted of Vermont, Iowa, and Maine. Since then, Mississippi, Oregon, Utah, West Virginia and Wyoming have joined the pool, which currently represents almost three (3) million lives.

The objective of the SSDC was to create a pool that would be attractive to states with a desire to take an active role in rebate negotiation and/or retain a higher degree of control in a fully transparent process. To encourage participation, the pool was designed to be as efficient and low cost as possible for participating states, while allowing the retention of current PBM service vendors, as desired.

Through the SSDC, Vermont has realized a significant savings and continues to pursue opportunities to contain costs in its drug benefits programs.

2.7 Medicaid Pharmacy Operations Projects Completed in the Last Five Years

Instructions: *Provide a listing and contact information for all implementations and/or services contracts/clients in the Medicaid pharmacy operations space for the last five (5) years, and denote any that are pending litigation or Terminated for Cause or Convenience and associated reasons. If Vendor uses Subcontractors, associated companies and consultants that will be involved in any phase of this project, each of these entities will submit this information as part of the response.*

Table 5: Projects completed in the last five years.

Ref #	Project Name	Customer Name	Customer Contact	Project Duration	Business Dispute?
1.	Iowa Medicaid Enterprise (IME) Pharmacy System Services	State of Iowa	Jennifer Vermeer Iowa Medicaid Pharmacy 100 Army Post Road Des Moines, Iowa 50315 515-782-3599 jvermeer@dhs.state.ia.us	July 2004 through Present PDL project implemented on time Jan. 15, 2005 POS project implemented on time June 25, 2005	YES ☐ NO ☒
2.	Maine Point of Purchase System (MEPOPS)	State of Maine	Stephanie Nadeau Dir. Of MaineCare Services Office of MaineCare Services 11 State House Station 242 State Street Augusta, ME 04333-0011 207- 287-2093 Stephanie.nadeau@maine.gov	April 1995 through Present	YES ☐ NO ☒
3.	Utah Pharmacy Point of Sale/Drug Rebate Management System	State of Utah	Paula McGuire Division of Medicaid and Health Financing Cannon Health Building 288 North 1460 West Salt Lake City, UT 84116 801-538-6531 pmcguire@utah.gov	April 2011 through Present	YES ☐ NO ☒
4.	Wyoming Pharmacy Benefits Services Administration	State of Wyoming	Cori Cooper, Pharm.D., Medicaid Pharmacy Program Manager 6101 Yellowstone Rd Cheyenne, WY 82009 307-777-6016 cori.cooper@wyo.gov	October 2007 through Present Initial project completed on time in May 2009	YES ☐ NO ☒
5.	Georgia Medicaid, CMS and Supplemental Rebate Services	State of Georgia	Linda Wiant, Pharm.D. Director of Pharmacy Georgia Department of Community Health (DCH) (404) 657-9092 lwiant@dch.ga.gov	June 2009 through Present	YES ☐ NO ☒
6.	Mississippi Preferred Drug List and Supplemental Rebate (PDL and SR)	State of Mississippi	Judith Clark, B.S., Ph., R.Ph. Pharmacy Director Division of Medicaid – Pharmacy Bureau (601) 359-6296 Judith.Clark@medicaid.ms.giv	October 2011 through Present	YES ☐ NO ☒
7.	South Dakota Prescription Drug State Maximum Allowable Cost	State of South Dakota	Mike Jockheck, R.Ph. Pharmacy Manager South Dakota Department of Social Services (605) 773-3495	2013 through Present	YES ☐ NO ☒

	(SMAC)		Mike.jockheck@state.sd.us		

2.8 Business Disputes

Instructions: *Provide details of any disciplinary actions and denote any that are pending litigation or Terminated for Cause or Convenience and associated reasons. Also denote any other administrative actions taken by any jurisdiction or person against the Vendor. List and summarize all judicial or administrative proceedings involving your sourcing activities, claims of unlawful employment discrimination and anti-trust suits in which you have been a party within the last five years. If Vendor is a subsidiary, submit information for all parent companies. If Vendor uses Subcontractors, associated companies and consultants that will be involved in any phase of this project, each of these entities will submit this information as part of the response.*

GHS has been extremely successful in settling any potential disagreements and we have no pending litigation for disciplinary action. GHS will comply with all dispute resolution activities requested by DVHA. We have a well-documented dispute resolution process in place, which is compliant with CMS operational guidelines and will be tailored to suit the needs of the State of Vermont as it has been for our existing client states.

3.0 Financial Stability

3.1 Dun & Bradstreet (D&B) Ratings

Instructions: *The Vendor must provide the industry standard D&B Ratings that indicates the firm's financial strength and creditworthiness, assigned to most US and Canadian firms (and some firms of other nationalities) by the US firm Dun & Bradstreet (D&B). These ratings are based on a firm's worth and composite credit appraisal. Additional information is given in credit reports (published by D&B) that contain the firm's financial statements and credit payment history.*

Emdeon's DUNS number is 04-742-1003. The last rating available to Emdeon was 5A2, which may or may not be the current rating. If additional financial information is needed by the State, GHS files with the Securities Exchange Commission (SEC).

DNBi® Risk Management

Printed By: Mary Claus
Date Printed: January 22, 2014

Live Report : EMDEON INC.

D-U-N-S® Number: 04-742-1003
Trade Names: (SUBSIDIARY OF BEAGLE PARENT CORP., NASHVILLE, TN)
Endorsement/Billing Reference: mclaus@emdeon.com

D&B Address

Address 3055 Lebanon Pike Ste 1000
Nashville,TN - 37214
Phone 615 932-3000
Fax

Location Type Headquarters (Subsidiary)
Web

Endorsement : mclaus@emdeon.com

Company Summary

Currency: Shown in USD unless otherwise indicated

Score Bar

PAYDEX®	63	Paying 20 days past due
Commercial Credit Score Class	2	Low to Moderate Risk of severe payment delinquency.
Financial Stress Score Class	4	Moderate to High Risk of severe financial stress.
Credit Limit - D&B Conservative	400,000.00	Based on profiles of other similar companies.
D&B Rating	Unavailable	

Detailed Trade Risk Insight™

Days Beyond Terms Past 3 Months

1 Days

120+ — Days Beyond Terms — 0

Dollar-weighted average of **49** payment experiences reported from **18** Companies

Recent Derogatory Events

	Oct-13	Nov-13	Dec-13
Placed for Collection	-	-	-
Bad Debt Written Off	-	-	-

Total Amount Current & Past Due - 12 Month Trend

Public Filings

The following data includes both open and closed filings found in D&B's database on this company.

Record Type	Number of Records	Most Recent Filing Date
Bankruptcies	0	-
Judgments	0	-
Liens	2	07/19/12
Suits	0	-
UCCs	3	02/18/13

The public record items contained herein may have been paid, terminated, vacated or released prior to todays date.

Corporate Linkage

This is a **Headquarters (Subsidiary)** location

EMDEON INC.
Nashville , TN
D-U-N-S® Number 04-742-1003

The Parent Company is
BEAGLE PARENT CORP.

1

3.2 Financial Capacity

Instructions: *The Vendor must supply evidence of financial stability sufficient to demonstrate reasonable stability and solvency appropriate to the requirements of this procurement. Vendors must submit the most recent audited financial statement including all supplements, management discussion and analysis, and actuarial opinions. At a minimum, such financial statements and reports shall include: balance sheet; statement of income and expense; statement of changes in financial position; cash flows; and capital expenditures. If the Vendor is a corporation that is required to report to the Securities and Exchange Commission, it must submit its two most recent SEC Forms 10K, Annual Reports. If any change in ownership is anticipated during the twelve (12) months following the proposal due date, the Vendor must describe the circumstances of such change and indicate when the change is likely to occur.*

In the following table, please list credit references that can verify the financial standing of your company.

GHS, an Emdeon company is financially stable and has the necessary infrastructure to complete the Vermont PBMS scope of work described in this proposal. The Emdeon acquisition allows Goold to secure additional financial backing and infrastructure (operations and sales) to support continued growth to expand our footprint in the healthcare market.

GHS has provided its most recent audited financial statements in Appendix 2.

For Emdeon's audited financial statements, please refer to www.emdeon.com and click on the "Investors" tab.

GHS considers the credit references and financial statements in Appendix 2 to be confidential and proprietary.

Table 6: Credit References

[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]

3.3 Corporate Guarantee

Instructions: *If the Vendor is substantially owned or controlled, in whole or in part, by one or more other legal entities, the Vendor must submit the information required under the "Financial Capacity" section above for each such entity, including the most recent financial statement for each such entity. The Vendor must also include a statement that the entity or entities will unconditionally guarantee performance by the Vendor of each and every obligation, warranty, covenant, term and condition of the contract. If the State determines that an entity does not have sufficient financial resources to guarantee the Vendor's performance, the State may require the Vendor to obtain another acceptable financial instrument or resource from such entity, or to obtain an acceptable guarantee from another entity with sufficient financial resources to guarantee performance.*

In the event that Goold is awarded this RFP, we will welcome the opportunity to discuss your contractual terms and conditions in detail so that your organization and Emdeon can come to mutually agreeable terms.

For Emdeon's audited financial statements, please refer to www.emdeon.com and click on the "Investors" tab.

4.0 General Assumptions

Document the assumptions related to vendor experience in the following table. Vendor may add rows as necessary to the response table.

Table 7: Vendor Experience Assumptions

Item #	Reference (Section, Page, Paragraph)	Description	Rationale
1	Section-Executive Summary, page , Vendor Qualifications	GHS assumes their seven-year history of partnering with Vermont and seven other states as members of the SSDC pool has given them more than sufficient experience to skillfully negotiate with manufacturers and assist in maximizing supplemental rebates for DVHA while obtaining appropriate drug therapy at the lowest cost possible to the State.	With GHS' previous SSDC experience, synergies can be realized in having one vendor both negotiating and providing support for a single state. GHS currently provides both services for the following states: Iowa, Maine, Mississippi, and Wyoming, as well as the stand alone state of Georgia.
2	Section-2.2, page , Vendor's Understanding of Medicaid and Medicaid Pharmacy Operations	GHS assumes that Vermont's PBM system must be built on MITA compliant architecture, moving to CMS 7 standards and conditions.	GHS recognizes that the core solutions we will provide Vermont will meet the shared objectives of MITA and CMS 7 Conditions compliance, however the configurations, business process support, and clinical pharmacy expertise we will provide will be tailored to the specific needs of the DVHA PBM solution project.

Item #	Reference (Section, Page, Paragraph)	Description	Rationale
3	Section-2.2, page , Vendor's Understanding of Medicaid and Medicaid Pharmacy Operations	GHS assumes that the best technology practices in our products are a key component to flexible design principles which will ensure a technology approach that will meet Vermont's needs.	GHS believes that these best technology practices position us to increase our agility and modularity in our development and system integration strategies for DVHA. Each new product is being designed to leverage service-oriented architecture (SOA) for distributed computing, following the MITA recommended model.
4	Section-2.5, page 25, Vendor's Work Locations	GHS assumes that upon award of the Vermont contract, we will establish a local office in Williston, Vermont, to house key staff who are assigned full-time to support the DVHA PBM solution contract, and visiting GHS staff, State staff or other DVHA stakeholders during various phases of the project.	Upon award of the Vermont contract, GHS will establish a local office in Williston, Vermont, to house local experienced staff who will be supported by existing GHS personnel.

5.0 Certifications and Other Required Forms

Instructions: *Vendors must submit the following required forms with their proposals*

- *Application Information Sheet*
- *Certification and Assurances*
- *Vermont Tax Certificate and Insurance Certification*
- *Nondisclosure (to be created as needed by Vendor)*
- *Federal Lobbying Disclosure (to be created as needed by Vendor)*
- *Certification of Insurance (provided by Vendor)*

The required forms are located at the end of this Template (B). The State encourages Vendors to carefully review all of these forms and submit questions regarding their completion prior to the deadline for submitting questions.

The required forms are on the following pages:

Application Information Sheet

DEPARTMENT OF VERMONT HEALTH ACCESS
APPLICANT INFORMATION SHEET

(To be included in the proposal packet)

**NOTE: This information sheet must be included as the cover sheet of the application being submitted. Be sure to complete this form in its entirety. Please fill out and attach a W-9 to this form signed by the duly appointed signing official for your company.

Applicant Organization: **Goold Health Systems, an Emdeon company**

Contact Person: James A. Clair

Title: Vice President, PBA Services

Mailing Address: P.O. Box 1090

Town, State, ZIP: Augusta, ME 04330

Telephone: 207-622-7153 Fax #: 207-623-5125

E-mail Address: jclair@ghsinc.com

Fiscal Agent (Organization Name): Goold Health Systems, an Emdeon company

FY Starts: January 1 FY Ends: December 31

Financial Contact Person: Barbara A. Erhart

Mailing Address: 100 Lexington Street. Suite 400

Town, State, ZIP: Fort Worth, TX 76102-2759

Telephone: (817) 887 – 0083 Fax #: 1-855-675-8386

E-mail Address: berhart@emdeon.com

Federal Tax ID Number: 01-0475134

Whom should we contact if we have questions about this application?

Name James A. Clair Phone Number 207-622-7153

Certification and Assurances

Certification and Assurances

CERTIFICATIONS and ASSURANCES

I/we make the following certificates and assurances as a required element of the bid or proposal to which it is attached, understanding that the truthfulness of the facts affirmed here and the continuing compliance with these requirements are conditions precedent to the award or continuation of the related contract(s):

1. The prices and/or cost data have been determined independently, without consultation, communication or agreement with others for the purpose of restricting competition. However, I/we may freely join with other persons or organizations for the purpose of presenting a single proposal or bid.
2. The attached proposal or bid is a firm offer for a period of 120 days following receipt, and it may be accepted by the DVHA without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period.
3. In preparing this proposal or bid, I/we have not been assisted by any current employee of the State of Vermont whose duties related (or did relate) to this proposal, bid or prospective contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this proposal or bid. (Any exceptions to these assurances are described in full detail on a separate page and attached to this document).
4. I/we understand that the DVHA will not reimburse me/us for any costs incurred in the preparation of this proposal or bid. All proposals or bids become the property of DVHA.
5. Goold Health Systems ("Goold") neither accepts nor rejects any of the terms and conditions contained in the RFP itself. However, should Goold be awarded this RFP, we will welcome the opportunity to discuss your contractual terms and conditions in detail so that your organization and Goold can come to mutually agreeable terms.
6. I hereby certify that I have examined the accompanying RFP forms prepared by: Eliza Mathias for the funding period beginning January 1st and ending December 31st and that to the best of my knowledge and belief, the contents are true, and correct, and complete statements prepared from the books and records of the provider in accordance with applicable instructions, except as noted.

Signature: _____ Date: 1/28/2014

Title: Vice President

Schedule D Related Party Disclosure

SCHEDULE D RELATED PARTY DISCLOSURE

Goold Health Systems and the State of Vermont, Department of Vermont Health Access are currently parties to the Personal Services Contract generally on the subject matter of procurement services for the Sovereign States Drug Consortium Medicaid supplemental drug rebate negotiations and Medicaid pharmacy benefit rebates support services, effective as of 9/1/2007.

Vermont Tax Certificate and Insurance Certification

Vermont Tax Certificate and Insurance Certification

REQUEST FOR PROPOSAL

Pharmacy Benefits Management Services

This form must be completed and submitted as part of the response for the proposal to be considered valid.
The undersigned agrees to furnish the products or services listed at the prices quoted and, unless otherwise stated by the vendor, the Terms of Sales are Net 30 days from receipt of service or invoice, whichever is later. Percentage discounts may be offered for prompt payments of invoices; however, such discounts must be in effect for a period of 30 days or more in order to be considered in making awards.

VERMONT TAX CERTIFICATE AND INSURANCE CERTIFICATE

To meet the requirements of Vermont Statute 32 V.S.A. subsection 3113, by law, no agency of the State may enter into extend or renew any contract for the provision of goods, services or real estate space with any person unless such person first certifies, under the pains and penalties of perjury, that he or she is in good standing with the Department of Taxes. A person is in good standing if no taxes are due, if the liability for any tax that may be due is on appeal, or if the person is in compliance with a payment plan approved by the Commissioner of Taxes, 32 V.S.A. subsection 3113. In signing this bid, the bidder certifies under the pains and penalties of perjury that the company/individual is in good standing with respect to, or in full compliance with a plan to pay, any and all taxes due to the State of Vermont as of the date this statement is made.

Bidder further certifies that the company/individual is in compliance with the State's insurance requirements as detailed in section 21 of the Purchasing and Contract Administration Terms and Conditions. All necessary certificates must be received prior to contract issuance. If the certificate of insurance is not received by the identified single point of contact prior to contract issuance, the State of Vermont reserves the right to select another vendor. Please reference this RFP# when submitting the certificate of insurance.

Insurance Certificate: Attached __x___ Will provide upon notification of award: _ (within 5 days)

Delivery Offered _____ Days After Notice of Award Terms of Sale _____

Quotation Valid for _____ Days _____ Date: _____

Name of Company: _Goold Health Systems, an Emdeon company

Telephone Number: _207-622-7153_____

Fed ID or SS Number: 01-04-75134 Fax Number: 207-623-5125

By: Jams A. Cl Name: James A. Clair

Signature (Bid Not Valid Unless Signed) (Type or Print)

This is NOT AN ORDER

All returned quotes and related documents must be identified with our request for quote number.

Certificate of Insurance

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 11/18/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
MARSH, INC.
1801 WEST END AVE., SUITE 1500
NASHVILLE, TN 37203
Attn: Tammy A Adcock@marsh.com

38472 -EMDEO-GAWU-13-14

INSURED
EMDEON BUSINESS SERVICES, LLC,
EMDEON, INC.
3055 LEBANON PIKE
NASHVILLE, TN 37214

CONTACT NAME:
PHONE (A/C, No, Ext):
FAX (A/C, No):
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A :	Charter Oak Fire Insurance Company	25615
INSURER B :	Travelers Property Casualty Company Of America	25674
INSURER C :	Travelers Casualty And Surety Company	19038
INSURER D :		
INSURER E :		
INSURER F :		

COVERAGES CERTIFICATE NUMBER: ATL-003036711-14 REVISION NUMBER: 2

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS		
A	GENERAL LIABILITY			660-7070L901-COF-13	11/16/2013	11/16/2014	EACH OCCURRENCE	$	1,000,000
	X COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	$	1,000,000
	CLAIMS-MADE X OCCUR						MED EXP (Any one person)	$	10,000
							PERSONAL & ADV INJURY	$	1,000,000
							GENERAL AGGREGATE	$	2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG	$	2,000,000
	X POLICY PRO-JECT LOC							$	
B	AUTOMOBILE LIABILITY			BA-7070L901-13-TEC	11/16/2013	11/16/2014	COMBINED SINGLE LIMIT (Ea accident)	$	1,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$	
	X ALL OWNED AUTOS / X SCHEDULED AUTOS						BODILY INJURY (Per accident)	$	
	X HIRED AUTOS / X NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$	
								$	
	UMBRELLA LIAB / OCCUR						EACH OCCURRENCE	$	
	EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$	
	DED / RETENTION $							$	
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			HH-UB-7070L901-1-13	11/16/2013	11/16/2014	X WC STATU-TORY LIMITS / OTH-ER		
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N: N	N / A					E.L. EACH ACCIDENT	$	1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$	1,000,000
							E.L. DISEASE - POLICY LIMIT	$	1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

Emdeon Inc.
3055 Lebanon Road
Nashville, TN 37214

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
of Marsh USA Inc.
Stephen R. Earp

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ACORD 25 (2010/05) The ACORD name and logo are registered marks of ACORD

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 11/18/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
MARSH USA, INC.
TWO ALLIANCE CENTER
3560 LENOX ROAD, SUITE 2400
ATLANTA, GA 30326
Attn: Atlanta.CertRequest@marsh.com Fax: 212-948-4321
38472 -EMDEO-E&O-13-14

CONTACT NAME:
PHONE (A/C, No, Ext): FAX (A/C, No):
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : National Union Fire Ins Co Pittsburgh PA	19445
INSURER B :	
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
EMDEON, INC.
3055 LEBANON ROAD
NASHVILLE, TN 37214

COVERAGES **CERTIFICATE NUMBER:** ATL-002841258-12 **REVISION NUMBER:** 7

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	GENERAL LIABILITY						EACH OCCURRENCE	$
	COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
	CLAIMS-MADE OCCUR						MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
							GENERAL AGGREGATE	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG	$
	POLICY PRO-JECT LOC							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS / NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB / OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$
	DED RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						WC STATU-TORY LIMITS / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N: N	N / A					E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
A	PROFESSIONAL LIABILITY			04-340-91-43	11/16/2013	11/16/2014	LIMIT	3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

EMDEON, INC.
3055 LEBANON PIKE
NASHVILLE, TN 37214

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
of Marsh USA Inc.
Stephen R. Earp Stephen R. Earp

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Certificate of Good Standing

State of Vermont
Department of Taxes
133 State Street
Montpelier, VT 05633-1401

Agency of Administration

Via Facsimile
207-623-5125

January 22, 2014

Kari Velado
Goold Health Systems Inc.
PO Box 1090
Augusta, ME 04332-1090

Re: Certificate of Good Standing for **Goold Health Systems Inc.**
Tax Account Number: **01-0475134**

This is to certify that **Goold Health Systems Inc.** is in good standing with respect to any and all taxes payable to the Commissioner of Taxes based on the data available as of the date of this letter.

Please feel free to call me at (802) 828-6851 if you have any questions concerning this matter.

Sincerely,

Linda Ainsworth
Tax Compliance Unit Supervisor

LA/nih

Nondisclosure

Nondisclosure

emdeon

MUTUAL NONDISCLOSURE AGREEMENT

A. Agreement. This Mutual Nondisclosure Agreement (this "Agreement") is made and entered into between the parties shown below as of the later date indicated below the parties' signatures. This Agreement consists of this signature page and the one page that is either attached to this signature page or appears on the reverse side of this signature page.

B. Parties. The following companies are the parties to this Agreement:

Name used in this Agreement	"Emdeon"	"Company"
Name	Goold Health Systems, an Emdeon Company	Department of Vermont Health Access
State of Incorporation	Maine	Vermont
Address	45 Commerce Drive, Suite 5 P.O. Box 1090 Augusta, Maine 047332-1090	312 Hurricane Lane Williston, VT 05495
Telephone number:	800-832-9672	
Fax number:	207-623-5125	
Nature of principal business	Pharmacy benefit, clinical and secure data storage services	State entity
Web sites	www.ghsinc.com	

C. Authorized Purpose. The parties wish to evaluate, and engage in discussions concerning, a potential business relationship, which can be summarized as follows:

- The parties wish to exchange information related to, but not limited to, Department of Vermont Health Access Request for Proposal.

(collectively, the "Authorized Purpose"). In connection with the Authorized Purpose, each party may disclose to the other certain confidential technical and business information which the disclosing party desires the receiving party to treat as confidential.

"Company"

By: _____ (authorized signature)

Name: _____ (printed)

Title: _____

Date: _____

"Emdeon"

By: _____ (authorized signature)

Name: Lowell Stokes (printed)

Title: Vice President, Deputy General Counsel

Date: JAN 27 2014

Confidential Page 1 of 2 Mutual Non-disclosure Agreement (0209)

1. Definition of Confidential Information. For the purposes of this Agreement, "Confidential Information" means any information disclosed by either party to the other party, either directly or indirectly, in writing, orally or by inspection of tangible objects or by the viewing of product demonstrations (including without limitation documents, prototypes and equipment), which is designated or described by the disclosing party as "Confidential," "Proprietary" or some similar designation, or which should reasonably be understood by the receiving party, because of the circumstances of disclosure or the nature of the information itself to be confidential or proprietary to the disclosing party. Confidential Information may also include information disclosed to a receiving party by third parties on behalf of the disclosing party. Confidential Information shall not include any information which (i) is publicly known through no action or inaction of the receiving party; (ii) was already in the possession of the receiving party at the time of disclosure without an obligation of confidentiality, direct or indirect, to the disclosing party; (iii) is obtained by the receiving party from an independent third party without a breach of such third party's obligations of confidentiality; or (iv) is independently developed by the receiving party without use of or reference to materials provided by the disclosing party.

2. Non-use and Nondisclosure. Each party agrees that it will not use any Confidential Information of the other party for any purpose except for the Authorized Purpose. Each party agrees that it will not disclose any of the other party's Confidential Information to anyone except for such party's own directors, officers, employees, and attorneys who are required to have the information in connection with the Authorized Purpose ("Representatives"). In the event that a receiving party is required by law to disclose Confidential Information obtained from the disclosing party, the receiving party shall give the disclosing party prompt written notice of such requirement as soon as possible prior to such disclosure and shall provide the disclosing party with assistance in obtaining an order protecting the information from disclosure.

3. Maintenance of Confidentiality. Each party agrees that it shall take reasonable measures to protect the secrecy of and avoid the disclosure and the unauthorized use of the other party's Confidential Information. Without limiting the foregoing, each party shall take at least those measures that it takes to protect its own most highly confidential information and shall ensure that each of its Representatives who have access to the other party's Confidential Information has signed a non-use and nondisclosure agreement in content similar to the provisions hereof, prior to any disclosure of Confidential Information to such Representative. Neither party shall make any copies of the other party's Confidential Information without the disclosing party's prior written consent. Each party shall reproduce the other party's proprietary rights notices on any such approved copies, in the same manner in which such notices were set forth in or on the original. Neither party shall reverse engineer, disassemble or decompile any prototypes, software or other tangible objects which embody the other party's Confidential Information and which are provided to the party hereunder.

4. No Obligation to Proceed and No Warranties. Nothing herein shall obligate either party to proceed with any transaction between them, and each party reserves the right, in its sole discretion, to terminate the discussions contemplated by this Agreement concerning the business opportunity. Nothing in this Agreement is intended to grant any rights to either party under any patent, copyright or any other proprietary right of the other party, nor shall this Agreement grant any party any rights in or to the Confidential Information of the other party except as expressly set forth herein. ALL CONFIDENTIAL INFORMATION IS PROVIDED "AS IS" AND NEITHER PARTY MAKES ANY WARRANTIES, EXPRESS, IMPLIED OR OTHERWISE, REGARDING ITS ACCURACY, COMPLETENESS OR PERFORMANCE.

5. Competitive Businesses. Each party acknowledges that the other party may, now or in the future, be engaged in a business similar to or competitive with that of the other party and that each party hereto may, now or in the future, have under development (both internally and through third party vendors) projects related to the subject matter of the disclosures contemplated under this Agreement. Nothing contained in this Agreement shall limit or restrict in any way either party hereto from engaging in such business activities or developing such projects, except that each party hereto shall be bound by its agreements contained herein as they related to Confidential Information.

6. Return of Materials. All documents and other tangible objects containing or representing Confidential Information which have been disclosed by either party to the other party, and all copies, notes and extracts thereof which are in the possession of the receiving party, shall be and remain the property of the disclosing party and shall be promptly returned to the disclosing party and/or destroyed upon the disclosing party's written request.

7. Term of Confidentiality Obligations; Term of Agreement. This Agreement shall remain in effect until terminated by either party with written notice to the other party, but such termination shall have no effect on either party's obligations hereunder with respect to Confidential Information already disclosed. The obligations of each receiving party hereunder as to any Confidential Information shall continue for a period of three years from the date such Confidential Information is disclosed or if applicable until such information is no longer a trade secret of the disclosing party, whichever occurs last, and shall survive termination of this Agreement.

8. Miscellaneous. This Agreement shall bind and inure to the benefit of the parties hereto and their successors and assigns. This Agreement shall be governed by the laws of the State of Tennessee, without reference to conflict of laws principles. Each party agrees that any violation or threatened violation of this Agreement may cause irreparable injury to the other party, entitling the other party to seek injunctive relief in addition to all legal remedies. This document contains the entire agreement between the parties with respect to the subject matter hereof. Any failure to enforce any provision of this Agreement shall not constitute a waiver thereof or of any other provision. This Agreement may not be amended, nor any obligation waived, except by a writing signed by both parties hereto. If any provision in this Agreement is adjudicated to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force and effect.

[end]

Federal Lobbying Disclosure

Federal Lobbying Disclosure

Goold Health Systems does not have lobbyists in the State of Vermont.

Certification of Insurance

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 11/18/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
MARSH, INC.
1801 WEST END AVE., SUITE 1500
NASHVILLE, TN 37203
Attn: Tammy.A.Adcock@marsh.com

38472 -EMDEO-GAWU-13-14

CONTACT NAME:
PHONE (A/C, No, Ext):
FAX (A/C, No):
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A :	Charter Oak Fire Insurance Company	25615
INSURER B :	Travelers Property Casualty Company Of America	25674
INSURER C :	Travelers Casualty And Surety Company	19038
INSURER D :		
INSURER E :		
INSURER F :		

INSURED
EMDEON BUSINESS SERVICES, LLC.
EMDEON, INC.
3055 LEBANON PIKE
NASHVILLE, TN 37214

COVERAGES **CERTIFICATE NUMBER:** ATL-003036711-14 **REVISION NUMBER:** 2

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS		
A	GENERAL LIABILITY			660-7070L901-COF-13	11/16/2013	11/16/2014	EACH OCCURRENCE	$	1,000,000
	X COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	$	1,000,000
	CLAIMS-MADE X OCCUR						MED EXP (Any one person)	$	10,000
							PERSONAL & ADV INJURY	$	1,000,000
							GENERAL AGGREGATE	$	2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG	$	2,000,000
	X POLICY PRO-JECT LOC							$	
B	AUTOMOBILE LIABILITY			BA-7070L901-13-TEC	11/16/2013	11/16/2014	COMBINED SINGLE LIMIT (Ea accident)	$	1,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$	
	X ALL OWNED AUTOS / X SCHEDULED AUTOS						BODILY INJURY (Per accident)	$	
	X HIRED AUTOS / X NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$	
								$	
	UMBRELLA LIAB OCCUR						EACH OCCURRENCE	$	
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$	
	DED RETENTION $							$	
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			HH-UB-7070L901-1-13	11/16/2013	11/16/2014	X WC STATU-TORY LIMITS / OTH-ER		
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N N	N / A					E.L. EACH ACCIDENT	$	1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$	1,000,000
							E.L. DISEASE - POLICY LIMIT	$	1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

Emdeon Inc.
3055 Lebanon Road
Nashville, TN 37214

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
of Marsh USA Inc.

Stephen R. Earp

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ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 11/18/2013

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PRODUCER
MARSH USA, INC.
TWO ALLIANCE CENTER
3560 LENOX ROAD, SUITE 2400
ATLANTA, GA 30326
Attn: Atlanta.CertRequest@marsh.com Fax: 212-948-4321
38472 -EMDEO-E&O-13-14

CONTACT NAME:
PHONE (A/C, No, Ext):
FAX (A/C, No):
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : National Union Fire Ins Co Pittsburgh PA	19445
INSURER B :	
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
EMDEON, INC.
3055 LEBANON ROAD
NASHVILLE, TN 37214

COVERAGES **CERTIFICATE NUMBER:** ATL-002841258-12 **REVISION NUMBER:** 7

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	GENERAL LIABILITY						EACH OCCURRENCE	$
	COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
	CLAIMS-MADE OCCUR						MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
							GENERAL AGGREGATE	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG	$
	POLICY PRO-JECT LOC							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS / NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB / OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$
	DED RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						WC STATU-TORY LIMITS / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N: N	N / A					E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
A	PROFESSIONAL LIABILITY			04-340-91-43	11/16/2013	11/16/2014	LIMIT	3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

EMDEON, INC.
3055 LEBANON PIKE
NASHVILLE, TN 37214

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
of Marsh USA Inc.
Stephen R. Earp Stephen R. Earp

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6.0 Exceptions

Instructions: *Please return the Proposal Exception Summary Form at the end of this section with all exceptions to items in any Section of this RFP listed and clearly explained or state "No Exceptions Taken." If no Proposal Exception Summary Form is included, the Vendor is indicating that he takes no exceptions to any item in this RFP document.*

The State of Vermont expects the vendor to agree to the State and Agency Customary Contracting Provisions outlined in Attachments C, E and F of this RFP (Section 1.5.5) Exceptions to Attachments C, E and F shall be noted in the bidder's cover letter and further defined by completing the Proposal Exceptions Summary Form in this Section. Exceptions shall be subject to review by the Office of the Attorney General.

Failure to note exceptions will be deemed to be acceptance of the Standard State Provision for Contracts and Grants as outlined in Attachment C, E and F of the RFP. If exceptions are not noted in the RFP but raised during contract negotiations, the State reserves the right to cancel the negotiation if deemed to be in the best interests of the State of Vermont.

The State reserves the right to reject any proposals, including those with exceptions, prior to and at any time during negotiations.

1. Unless specifically disallowed on any specification herein, the Vendor may take exception to any point within this RFP, including a specification denoted as mandatory, as long as the following are true:

a. The specification is not a matter of State law;

b. The proposal still meets the intent of the RFP;

c. A Proposal Exception Summary Form is included with Vendor's proposal; and

d. The exception is clearly explained, along with any alternative or substitution the Vendor proposes to address the intent of the specification, on the Proposal Exception Summary Form.

2. The Vendor has no obligation to provide items to which an exception has been taken. The State has no obligation to accept any exception. During the proposal evaluation and/or contract negotiation process, the Vendor and the State will discuss each exception and take one of the following actions:

a. The Vendor will withdraw the exception and meet the specification in the manner prescribed;

b. The State will determine that the exception neither poses significant risk to the project nor undermines the intent of the RFP and will accept the exception;

c. The State and the Vendor will agree on compromise language dealing with the exception and will insert same into the contract;

d. None of the above actions is possible, and the State either disqualifies the Vendor's proposal or withdraws the award and proceeds to the next ranked Vendor.

3. Should the State and the Vendor reach a successful agreement, the State will sign adjacent to each exception which is being accepted or submit a formal written response to the Proposal Exception Summary responding to each of the Vendor's exceptions. The Proposal Exception Summary, with those exceptions approved by the State, will become a part of any contract on acquisitions made under this RFP.

4. An exception will be accepted or rejected at the sole discretion of the State.

5. The State desires to award this RFP to a Vendor or Vendors with whom there is a high probability of establishing a mutually agreeable contract, substantially within the State General Provisions included herein. As such, Vendors whose proposals reflect a substantial number of material exceptions to this RFP may place themselves at a comparative disadvantage in the evaluation process or risk disqualification of their proposals.

In the following table, please list and clearly explain any exceptions, for all RFP Sections, Supplements and Exhibits, in the table below. The Vendor may add rows as appropriate.

Table 8: Proposal Exceptions Summary Form

State of Vermont RFP Reference	Vendor Proposal Reference	Brief Explanation of Exception	State of Vermont Acceptance (sign here only if accepted)
N/A	N/A	At this stage in the vendor RFP evaluation process, Goold Health Systems ("Goold") believes it is premature to agree or disagree to specific contractual terms and conditions contained in this RFP. However, should Goold be awarded this RFP, we will welcome the opportunity to discuss the contractual terms and conditions in detail so that your organization and Goold can come to mutually agreeable terms.	

This page intentionally left blank.

Section C – Vendor References

1.0 Vendor's References

Maine Pharmacy Point of Sale (MEPOPS)

Table 9: Maine Pharmacy Point of Sale (MEPOPS)

Vendor Information	
Vendor Name: Goold Health Systems, an Emdeon company	Vendor Contact/Name: James Clair
Project Dates: 1995-present	Vendor Contact Phone: 207-622-7153
Customer Information	
Customer Organization: Maine Department of Health and Human Services (DHHS)	Customer Contact Name: Stefanie Nadeau Customer Phone: 207- 287-2093
Customer Address: Office of MaineCare Services 11 State House Station 242 State Street Augusta, ME 04333-0011	Customer Fax: 207-287-2675
Project Information	
Total Vendor Staff:	25-30 FTEs

Project Objectives:
The Maine Point of Purchase (MEPOP) and Pharmacy Benefits Management contract was re-procured most recently in 2010. A major reimplementation project was undertaken to upgrade systems and applications and provide new scope of work to this customer. The project began in January 2011 and was completed in January 2012. The objective of this project was to provide continuity of service, maintain excellent customer service and provide cost-effective pharmacy services solutions that improve clinical outcomes, and increase savings for Maine tax payers.

Project Description:
GHS is the prime contractor for this Pharmacy Benefit Services Administration project. GHS provides all hardware, software, and operations staffing necessary to operate an on-line, pharmacy Point of Purchase electronic information system (i.e., MEPOPS).
In summary, the scope of work includes:

- Pharmacy Program benefit management;
- Pharmacy Point of Sale (POS) claims adjudication;
- Eligibility verification;
- Electronic claims management;
- Pharmacy Prior Authorization;
- RetroDUR;
- ProDUR; and
- Help Desk Services.

Since 1995, GHS has been providing electronic pharmacy POS claims adjudication and related services for the State of Maine. In 2000, the PA program was added to the MEPOP contract. This system upgrade resulted in providing appropriate prescriptions to the recipient population in a timely manner and at a significant savings to the State and Federal Medicaid budget

In March of 2003, GHS commenced work on implementing a full PDL for the State of Maine, with full implementation completed in November, 2003. This project included:

- Soliciting and analyzing Supplemental Rebate (SR) offers;
- Developing a preliminary PDL to present to Maine's P&T Committee;
- Supporting the P&T Committee;
- Creating a database to support the PDL;
- Making programming changes in the POS claims processor to handle new PDL data;
- Scaling-up the PA system to handle the increased volume caused by the PDL; and
- Educating providers in regards to the expanded PDL and new PA criteria.

Among other related administrative tasks, GHS is also responsible for file exchanges, formulary maintenance, reporting, State Maximum Allowable Cost (SMAC) management, and on-going provider training.

In 2010, GHS was awarded a new 5 year contract for PBM services. The system was redeployed in January of 2012 and as of July 1, 2012, received retroactive CMS certification. Under this new contract, we provided the following enhancements to the existing program:

- GOOLD eWEBS;
- Medication Therapy Management Program (MTMP); and
- The newest version of our POS system, GOOLD Rx:
    - NCPDP D.0 compliance;
    - Online pricing of multi-ingredient compound drug claims ;
    - More robust ePA capability ; and
    - Enhanced online DUR intervention capabilities.

The MEPOP contract represents the PBMS solution with the broadest scope of services. This includes all of the services and PBM modules required by the Vermont PBM project. The State of Maine has one of the most aggressively managed Medicaid pharmacy programs in the nation. Over the past 15 years, with the help of GHS, the State became an early adopter and innovator of pharmacy benefit management practices. This primarily includes PA, PDL, and supplemental rebate, but also includes many smaller but no less important initiatives. Our experiences working with the State of Maine to produce innovative services to the State of Maine extends to all of our other clients, and we will lend our experience and expertise to the State to achieve any goals they may have through collaboration and innovation.

Vendor's Involvement:
GHS was the prime contractor for this project and provided comprehensive implementation services to the customer.

Project Benefits:
The customer received the following benefits from this project:

- CMS-certified PBM system that is NCPDP compliant, configurable and takes advantage of current technologies;
- 14:1 or greater Return on Investment;
- Continuity of service, seamless service enhancements, and professional vendor staff with extensive historical knowledge of the PBM system and Maine Medicaid program; and
- A collaborative partner that provides clinical and technical expertise, pro-active management and innovation.

Key Personnel	
Name: James Clair	Role: Account Executive. Provides contract management, executive level oversight, and conflict resolution and change management final approval.
Name: Michael Ouellette	Role: Account Manager. Provides clinical expertise, coordinates and implements policy changes, responsible for oversight of the PA and help desk teams, PDL design efforts, DUR committee support and SMAC programs.
Name: Karyn Wheeler	Role: Project Manager. Coordinates operational and implementation activities, performs change management, communication management and serves as a subject matter expert on existing operations and client needs.
Name: Jeffrey Barkin	Role: Associate Medical Director. Serves as clinical subject matter expert for all clinical and budgetary issues.
Name: Marcia Pykare	Role: Data Services Manager. Oversees POS and analytic team operations.
Name: Tina Baker	Role: Help Desk Team Lead. Provides support for dealing with all aspects of claims processing and customer service such as evaluating paper claims, pricing, requests for services, training of new users and responding to audit/quality assurance inquires. Provides leadership and direction to help desk staff.

Project Measurements:	
Operating Budget of Organization: $2.6 billion (per the published biennial budget)	# of Users: Medicaid users - approximately 350,000 covered lives.
Estimated one-time costs: N/A	Actual one-time costs: N/A

Reason(s) for Change in one-time cost: We were able to satisfy the DDI technical requirements through updating the client to the most current platform and services.			
Original Value of Vendor's Contract: $4.67 Million		Actual Total Contract Value: Value for State Fiscal Year 2014 is approximately $4.91million.	
Reason(s) for Change in Value: Scope of the contract was increased as a result of collaborative efforts with the customer to create enhanced care management programs. GHS provides more comprehensive clinical management of the pharmacy benefit than was originally requested in the RFP.			
Estimated Start & Completion Dates:	From:	01/2011	To: 09/2011
Actual Start & Completion Dates:	From:	01/2011	To: 01/2012
Reason(s) for Difference Between Estimated and Actual Dates: Implementation date was delayed via customer request to coincide with updates to external, interfacing systems to reduce duplication of work and mitigate risk.			
If the Vendor performed the work as a Subcontractor, the Vendor must describe the scope of subcontracted activities: GHS performs this work as the prime contractor.			

Iowa Medicaid Enterprise (IME) Pharmacy Services

Table 10: Iowa Medicaid Enterprise (IME) Pharmacy Services

Vendor Information	
Vendor Name: Goold Health Systems, an Emdeon company	Vendor Contact/Name: James A. Clair
Project Dates: June 2005 - June, 2016, with four (4) one-year options in addition	Vendor Contact Phone: 207-622-7153
Customer Information	
Customer Organization: Iowa Medicaid Enterprise	Customer Contact Name: Jennifer Vermeer
	Customer Phone: 515-782-3599
Customer Address: 100 Army Post Road Des Moines, Iowa 50315	Customer Fax: 515-725-1360
Project Information	
Total Vendor Staff:	23 FTEs

Project Objectives:

- To provide the State of Iowa with cost-effective pharmacy service solutions that address evolving technology needs in Iowa's Medicaid Pharmacy Benefit;
- To ensure members and providers have an advanced pharmacy claims adjudication system;
- To ensure that the Iowa Medicaid Enterprise has an effective drug rebate system; and
- To ensure that Iowa members, providers and taxpayers will see enhanced clinical outcomes with a high return on investment.

Project Description:

- GHS oversees the Pharmacy Benefit Management services (PBMS) for the Iowa Medicaid Enterprise pharmacy program. The scope of this project includes:
  Pharmacy POS claims adjudication;
- Preferred drug list (PDL) and prior authorization (PA) criteria development and maintenance;
- Supplemental drug rebate solicitation, analysis, and negotiation;
- Drug rebate (CMS, SR) invoicing and collections management;
- Pharmacy &Therapeutics Committee support;
- PA program management and clinical PA determination processing;
- Provider and PA help desk operations; and
- POS electronic information system and related pharmacy and administrative services.

GHS is the prime contractor for this work, and has an office in Des Moines, Iowa where GHS full-time staff supports ongoing operations. The Iowa Medicaid Enterprise project was originally divided into two contracts (PA / PDL and POS), each with six month design, development, and implementation (DDI) timeframes.

The original PA / PDL contract was awarded to GHS in July of 2004, with DDI commencing by the third week of that month. In this timeframe, we configured our Prior Authorization Decision Support System (PADSS) to meet the specific needs of the contract, developed a Reference Drug List (RDL) by November of 2004, and finished the full PDL on January 15, 2005. We also implemented all hardware, software, and network updates needed to meet performance requirements of the PA / PDL contract.

The POS contact was awarded to GHS in December of 2004, and DDI began immediately thereafter. We made significant updates to our pharmacy POS claims adjudication system to meet Iowa Medicaid Enterprise requirements, and also to prepare for future federal, state, and NCPDP mandates. The POS system was implemented on June 25, 2005, ahead of schedule.

GHS successfully re-procured these contracts in December 2011 and will continue providing these services to the State of Iowa. We are also completing (or have recently completed) the following enhancements to the PBMS solution we provide:

- Updating pharmacy reimbursement methodology;
- Introducing the eWEBS provider portal, capable of supporting ePA and ePrescribing; and
- Updating the Rebate Services Portal to meet requirements of the Affordable Care Act.

In addition to the services described in the Iowa PBMS RFP, as part of a multi-state pool, GHS is also responsible for negotiating supplemental rebates with pharmaceutical manufacturers.

The POS contract represents a PBMS solution with a scope of work similar to the Vermont PBMS project, with additional services such as State Maximum Allowable Cost (SMAC) management and retrospective DUR.

Iowa is a Medicaid expansion State. GHS has already undergone the changes necessary to accommodate this expansion, such as adding support for average actual acquisition cost (AAC) pricing. Support for specific provisions of Medicaid expansion are now part of the baseline solution from which the VT PBMS solution will be configured.

The Iowa project represents a close collaboration with the State MMIS vendor and other Medicaid stakeholders. In fact, GHS staff employees share the same office space with the employees of other Iowa Medicaid service units, a requirement of this particular contract. This demonstrates our ability and experience working in close collaboration with other Medicaid stakeholders.

Vendor's Involvement:
GHS is the primary contractor that currently oversees the PBMS for the Iowa Medicaid Enterprise. This includes pharmacy claims processing, PA, PDL development, drug utilization review (DUR), Pharmacy & Therapeutics Committee support, management of the drug rebate program, supplemental rebate negotiations, and help desk services.

Project Benefits:
GHS provides flexible solutions that can be modified to meet the State of Iowa's individual needs;
GHS employs local, on-site, staff that understand Iowa Medicaid Enterprise policies, as well as highly skilled development and management staff in Augusta, Maine to support the operation and enhancement of the Iowa PBM system;
GHS provides the Iowa Medicaid Enterprise with a full PBMS solution and Rebate management services which all synergize to cohesively create a more complete and easily managed program. For example, GHS is able to integrate PAs and PDL management with supplemental rebate strategies;
GHS was able to successfully integrated with the State MMIS system and continues to work with several contractors to send and receive data feeds on a regular basis;

Key Personnel	
Name: Erin Halverson, R.Ph.	Role: Account Manager
Name: Megan Smith, Pharm.D.	Role: Clinical Pharmacy Manager

Name: Pam Smith, R.Ph.	Role: DUR Project Coordinator		
Name: Sheryl Hove	Role: POS Operations Manager		
Project Measurements:			
Operating Budget of Organization: $260,548,750 prescription expenditures. Contract expense $1,475,000. Operating budget $262,023,750 for pharmacy only.	# of Users: Approximately 485,000		
Estimated one-time costs: $2.59 million (DDI)	Actual one-time costs: $2.59 million (DDI)		
Reason(s) for Change in one-time cost:			
Original Value of Vendor's Contract: $12.9 Million	Actual Total Contract Value: Value for State Fiscal Year 2014 is approximately $3.51 million (both contracts combined).		
Reason(s) for Change in Value:			
Estimated Start & Completion Dates: From:	07/1/2013	To:	09/30/2019
Actual Start & Completion Dates: From:	07/01/2013	To:	09/30/2019
Reason(s) for Difference Between Estimated and Actual Dates:			
If the Vendor performed the work as a Subcontractor, the Vendor must describe the scope of subcontracted activities: GHS performed this work as the Prime contractor.			

Wyoming Pharmacy Benefit Services Administration

Vendor Information	
Vendor Name: Goold Health Systems, an Emdeon company	Vendor Contact/Name: James A. Clair
Project Dates: November 20, 2008 – June 30, 2013, with three (3), one-year options in addition. Currently operating in option year 1 (July 1, 2013 – June 30, 2014).	Vendor Contact Phone: 207-622-7153
Customer Information	
Customer Organization: State of Wyoming, Department of Health	Customer Contact Name: Cori Cooper Customer Phone: 307-777-6016
Customer Address:	Customer Fax:

6101 Yellowstone Rd Cheyenne, WY 82009	
Project Information	
Total Vendor Staff:	6 FTEs and 1 PTE Wyoming-based staff

Project Objectives:

- To provide the State of Wyoming, Department of Health with a cost-effective pharmacy services solution that allows Wyoming Medicaid clients to receive their pharmacy benefits quickly, effectively, and reliably, while easily being overseen by the State of Wyoming, Department of Health via online access and reporting tools;
- To integrate this system seamlessly with the current State of Wyoming MMIS vendor and other contractors as necessary; and
- To meet the unique demands of a rural Medicaid program in which the provider community and population are geographically dispersed.

Project Description:

GHS provides the State of Wyoming with a full Pharmacy Benefits Services Administration project, also including pharmacy fiscal agent services. In 2008, GHS began negotiating Supplemental Rebate Agreements for Wyoming as part of the Sovereign States Drug Consortium (SSDC). GHS took over the entire chain of rebate services for the state of Wyoming in the second quarter of 2009, including invoicing processing, accounting, reporting and dispute resolution.

As of January 2009, GHS became responsible for the State Maximum Allowable Cost (SMAC) program. The full set of PBM services were implemented in 2009 as well. During that implementation, GHS successfully met a series of aggressive deadlines for this project and successfully integrated with Xerox's (formerly ACS) existing MMIS system. GHS provides a full scope of PBM services for the State of Wyoming including:

- Pharmacy POS claims adjudication;
- Prospective DUR;
- Program Integrity;
- Pharmacy PA services;
- PDL maintenance;
- Pharmacy TPL recovery;
- Pharmacy Fiscal Agent; and
- Pharmacy Help desk.

GHS is the prime contractor for this work, and has an office in Cheyenne, Wyoming where GHS full-time staff supports ongoing operations.

The GOOLD RX system in Wyoming was certified (retroactive to the first day of operations) by CMS in January 2010 using the Medicaid Enterprise Certification Toolkit certification process.

Wyoming and Vermont have several similarities:

- Significant rural population;
- Disease state trends; and
- Seasonal fluctuations in use of certain drugs

GHS supports Wyoming pharmacy policies to address these issues, and we are capable of supporting those, or similar policies, for Vermont if they have them in place now or would like to add them in the future.

We have experience interfacing with MMIS vendors, facilitating a takeover process from Xerox (formerly ACS), Wyoming's former PBMS vendor and their current MMIS vendor. As the PBM vendor in Wyoming, we also enforce policies similar to those also used in Vermont:

- Maintenance Drugs
- Allowance of early refills
- No Vacation Overrides

Vendor's Involvement:

GHS is the primary contractor that currently provides full Pharmacy Benefit Management services for the State of Wyoming, as well as managing the pharmacy State Maximum Allowable Cost (SMAC) program and pharmacy rebate services.

Project Benefits:

- GHS provides flexible solutions that can be modified to meet the State of Wyoming's individual needs for specific functions such as online Point-of-Sale edits including refill-too-soon edits, mandatory generic edits, and age and dosing limitations;
- GHS employs local, on-site, clinical staff that understands and can relate to the complexities of practicing pharmacy in a rural state while also maintaining highly skilled development and management staff at the home office in Augusta, Maine to support the operation and enhancement of the Wyoming PBM system;
- GHS provides the State of Wyoming, Department of Health with several services including full Pharmacy Benefits Management, a State Maximum Allowable Cost program, and Rebate management services which all synergize to cohesively create a more complete and easily managed program. For example, GHS is able to integrate prior authorization and the preferred drug list management with supplemental rebate strategies;
- GHS was able to successfully integrate with the State of Wyoming's current MMIS system and continues to work with several contractors to send and receive data feeds on a regular basis; and
- GHS provides fiscal agent services that include facilitating pharmacy provider payments, receipt and processing of pharmacy rebate and TPL payments, and integration of the State of Wyoming, Department of Health budget strings into the system to ensure payments are associated with the correct state budget.

Key Personnel	
Name: Sara Howe, PharmD	Role: Account Manager
Name: Nikki Yost, PharmD	Role: Program Integrity Coordinator
Name: Amy Stockton, PharmD	Role: Clinical Pharmacy Manager
Name: Kristin Karlstrum, MBA	Role: Financial/Operations Analyst

Project Measurements:	
Operating Budget of Organization: Medicaid budget is approximately 500 million dollars	# of Users: approximately 88,000 users

Estimated one-time costs: $6.22 million (DDI)		Actual one-time costs: $6.22 million (DDI)		
Reason(s) for Change in one-time cost:				
Original Value of Vendor's Contract: $6.22 Million		Actual Total Contract Value: $8.37 million		
Reason(s) for Change in Value: There was a change in value due to an amendment to include additional fees, survey and first option year.				
Estimated Start & Completion Dates:	From:	11/30/2008	To:	06/30/2013
Actual Start & Completion Dates:	From:	11/30/2008	To:	06/30/2014
Reason(s) for Difference Between Estimated and Actual Dates: Extended by amendment for an option year.				
If the Vendor performed the work as a Subcontractor, the Vendor must describe the scope of subcontracted activities: GHS performed this work as the prime contractor.				

Utah Point of Sale/Drug Rebate Management Services

Table 11: Utah Point of Sale/Drug Rebate Management Services

Vendor Information	
Vendor Name: Goold Health Systems, an Emdeon company	Vendor Contact/Name: James A. Clair
Project Dates:	Vendor Contact Phone: 207-622-7153
Customer Information	
Customer Organization: Utah Department of Health (DOH)	Customer Contact Name: Paula McGuire
	Customer Phone: 801-538-6531
Customer Address: Physical Address - Cannon Health Building 288 North 1460 West Salt Lake City, UT 84116 Mailing Address - Utah Department of Health P.O. Box 141010 Salt Lake City, UT 84114-1010	Customer Fax: 801-536-0483
Project Information	
Total Vendor Staff:	9-11 FTEs

Project Objectives:

To replace the legacy POS system and drug rebate management system with an existing state-of-the-art application(s) to provide additional flexibility in the system to manage the pharmacy program while complying with HIPAA and NCPDP standards, as well as CMS regulations.

Project Description:

GHS provides Utah's Department of Health (DOH) Medicaid pharmacy program with our GOOLD Rx Point of Sale (POS) system and our GOOLD eREBS Rebate solution, in a Software-as-a-Service (SaaS) implementation. Together, the following GHS applications are the core of the Pharmacy Benefit Management (PBM) and Drug Rebate Management solutions provided by GHS to Utah:

- GOOLD Rx for pharmacy POS claims adjudication;
- GOOLD PADSS tool for clinical PA processing;
- GOOLD Help Desk for UT staff call tracking and reporting;
- GOOLD eREBS for rebate invoice processing;
- GOOLD eWEBS Provider Portal;
- GOOLD Rebate Admin for labeler contact information and supplemental contract management, and;
- Pharmacy Decision Support System (DSS) for enhanced call center services and reporting capabilities.

The Utah DOH provides staff to operate their own pharmacy help desk using the GHS Point of Sale (POS) System, Decision Support System (DSS), and Help Desk application. In addition, the Utah DOH manages their own Prior Authorization (PA) help desk using the same tools provided to the pharmacy help desk staff; all of which is supplemented by the GHS Prior Authorization Decision Support System (PADSS). GHS provides a dedicated clinical account manager for individualized responsiveness, as well additional clinical expertise from our physicians and pharmacists.

In response to legislative directives, GHS assisted the State in moving 75% of their covered lives from fee-for service to managed care organizations (MCOs). This was implemented in January, 2013.

In April 2012, GHS was awarded the Utah State Maximum Allowable Cost (SMAC) contract. Dedicated GHS staff members operate the Utah SMAC help desk, with members of our clinical and analytical teams providing operational support. GHS also conducts various functions for the State, including:

- The distribution, collection, and analysis of pricing surveys;
- Assisting pharmacy providers with pricing and survey questions; and
- Making pricing recommendations as they relate to maintaining a fair yet fiscally appropriate SMAC list.

In Utah, GHS has experience coordinating benefits with fee-for-service MCOs (Carve Out vs. Carve In Drugs) process for converting to MCOs. We also presently work with MCOs to receive claim files that are used in rebate invoicing through secure interfaces. This experience will be directly beneficial to the VT PBMS solution GHS will implement for the State.

Vendor's Involvement:

GHS provides ongoing support to the state of Utah with their contract. Additionally, GHS provides periodic system updates to remain compliant with changes to CMS regulations and also NCPDP standards.

Project Benefits:

GHS was able to successfully implement and certify with CMS their applications for UT's SAAS contract. GHS' systems help maximize the efficiency and cost effectiveness of UT's Medicaid program while complying with HPAA and NCPDP standards. The system allows UT to run their own software while being supported by GHS. The POS integrates with UT's legacy MMIS and performs real-time POS adjudication. The POS system integrates with eREBS for drug rebate management.

Key Personnel	
Name: Kerri Powell	Role: Account Manager

Project Measurements:	
Operating Budget of Organization: $440,166,900	# of Users: 388,000 Covered Lives
Estimated one-time costs: $6.46 million (DDI)	Actual one-time costs: $6.46 million (DDI)
Reason(s) for Change in one-time cost:	
Original Value of Vendor's Contract: $6.46 Million	Actual Total Contract Value: $7.51 million
Reason(s) for Change in Value: There was a change in value due to an additional amendment to include additional work added to the contract.	

Estimated Start & Completion Dates:	From:	2/19/2012	To:	12/31/2016
Actual Start & Completion Dates:	From:	2/19/2012	To:	12/31/2016

Reason(s) for Difference Between Estimated and Actual Dates:

If the Vendor performed the work as a Subcontractor, the Vendor must describe the scope of subcontracted activities:

GHS performed this work as the prime contractor.

1.1 Subcontractor References

Diplomat Pharmacy, Inc – Reference 1: Priority Health

Table 12: Subcontractor Reference 1

Subcontractor Information	
Subcontractor Name: Diplomat Pharmacy, Inc. (doing business as Diplomat Specialty Pharmacy)	Subcontractor Contact/Name: Kim Foerster
Project Dates: 2007 to present	Subcontractor Contact Phone: 810.768.9835
Customer Information	
Customer Organization: Priority Health	Customer Contact Name: Steve Marciniak, Associate Vice President, Pharmacy
	Customer Phone: 248.324.2820
Customer Address: 34505 West 12 Mile Road Farmington Hills, MI 48331	Customer Fax:
	steven.marciniak@prioityhealth.com
Project Information	
Project Objectives: To provide specialty pharmacy services for Priority Health's 625,000 members throughout Michigan and neighboring states.	
Project Description: Diplomat is Priority Health's mandated specialty pharmacy for their 625,000 covered lives throughout Michigan and neighboring states.	
Subcontractor's Involvement: Diplomat has provided specialty pharmacy services for Priority Health's 625,000 members throughout Michigan and neighboring states since 2007.	
Project Benefits: Priority Health's 625,000 members receive Diplomat's best-in-class specialty pharmacy services meeting all of their specialty pharmacy needs.	
Key Personnel	
Name: Brent Hubble	Role: Director of Account Management
Project Measurements:	
Operating Budget of Organization: Diplomat does not disclose operating budgets.	# of Users: 625,000 covered lives
Estimated one-time costs: N/A	Actual one-time costs: N/A
Reason(s) for Change in one-time cost: N/A	

Original Value of Subcontractor's Contract: Diplomat does not disclose contract details due to confidentiality agreements.	Actual Total Contract Value: Diplomat does not disclose contract details due to confidentiality agreements.		
Reason(s) for Change in Value: N/A			
Estimated Start & Completion Dates: From:	2007	To:	present
Actual Start & Completion Dates: From:	2007	To:	present
Reason(s) for Difference Between Estimated and Actual Dates: N/A			

Diplomat Pharmacy, Inc – Reference 2: Moda Health

Table 13: Subcontractor Reference 2

Subcontractor Information	
Subcontractor Name: Diplomat Pharmacy, Inc. (doing business as Diplomat Specialty Pharmacy)	Subcontractor Contact/Name: Kim Foerster
Project Dates: 2012 to present	Subcontractor Contact Phone: 810.768.9835
Customer Information	
Customer Organization: Moda Health	Customer Contact Name: Thad Mick, PharmD, Director, Pharmaceutical Programs
	Customer Phone: 503.265.2968
Customer Address: 601 S. W. Second Avenue Portland, OR 97204	Customer Fax:
	micke@odscompanies.com
Project Information	
Project Objectives: To provide specialty pharmacy services for Moda Health's 1,000,000 covered lives throughout the Pacific Northwest.	
Project Description: Diplomat is Priority Health's mandated specialty pharmacy for Moda Health's 1,000,000 covered lives throughout the Pacific Northwest.	
Subcontractor's Involvement: Diplomat has provided specialty pharmacy services for Moda Health's 1,000,000 covered lives throughout the Pacific Northwest since 2012.	
Project Benefits: Moda Health's 1,000,000 members receive Diplomat's best-in-class specialty pharmacy services meeting all of their specialty pharmacy needs.	

Key Personnel			
Name: Brent Hubble	Role: Director of Account Management		
Project Measurements:			
Operating Budget of Organization: Diplomat does not disclose operating budgets.	# of Users: 1,000,000 covered lives		
Estimated one-time costs: N/A	Actual one-time costs: N/A		
Reason(s) for Change in one-time cost: N/A			
Original Value of Subcontractor's Contract: Diplomat does not disclose contract details due to confidentiality agreements.	Actual Total Contract Value: Diplomat does not disclose contract details due to confidentiality agreements.		
Reason(s) for Change in Value: N/A			
Estimated Start & Completion Dates: From:	2012	To:	present
Actual Start & Completion Dates: From:	2012	To:	present
Reason(s) for Difference Between Estimated and Actual Dates: N/A			

Diplomat Pharmacy, Inc – Reference 3: Montana Association of Health Care Purchasers

Table 14: Subcontractor Reference 3

Subcontractor Information	
Subcontractor Name: Diplomat Pharmacy, Inc. (doing business as Diplomat Specialty Pharmacy)	Subcontractor Contact/Name: Kim Foerster
Project Dates: 2010 to present	Subcontractor Contact Phone: 810.768.9835
Customer Information	
Customer Organization: Montana Association of Health Care Purchasers	Customer Contact Name: Mark Eichler, R.Ph., Director of Pharmacy Services
	Customer Phone: 406.324.7024
Customer Address: 7 West 6th Avenue, Power Block, Suite 4B Helena, MT 59601	Customer Fax:
	meichler@mahcp.org
Project Information	

Project Objectives: To provide specialty pharmacy services for Montana Association of Health Care Purchasers' 120,000 members throughout Montana and neighboring states.				
Project Description: Diplomat is Montana Association of Health Care Purchasers' mandated specialty pharmacy for all 120,000 covered lives through Montana and neighboring states.				
Subcontractor's Involvement: Diplomat has provided specialty pharmacy services for Montana Association of Health Care Purchasers' 120,000 members throughout Montana and neighboring states since 2010.				
Project Benefits: Montana Association of Health Care Purchasers' 120,000 members receive Diplomat's best-in-class specialty pharmacy services meeting all of their specialty pharmacy needs.				
Key Personnel				
Name: Brent Hubble		Role: Director of Account Management		
Project Measurements:				
Operating Budget of Organization: Diplomat does not disclose operating budgets.		# of Users: 120,000 covered lives		
Estimated one-time costs: N/A		Actual one-time costs: N/A		
Reason(s) for Change in one-time cost: N/A				
Original Value of Subcontractor's Contract: Diplomat does not disclose contract details due to confidentiality agreements.		Actual Total Contract Value: Diplomat does not disclose contract details due to confidentiality agreements.		
Reason(s) for Change in Value: N/A				
Estimated Start & Completion Dates:	From:	2010	To:	present
Actual Start & Completion Dates:	From:	2010	To:	present
Reason(s) for Difference Between Estimated and Actual Dates: N/A				

Section D – Organization and Staffing

1.0 Project Organization Plan

Instructions: *The Vendor must describe the integrated staffing organizational plan required to execute the proposed approach and create the deliverables required in the project. The staffing plan should be a balanced complement of Vendor and State project resources. This section includes details regarding the State's team, proposed use of approved Subcontractors, and the Vendor's expectations of State project resources.*

The Vendor must provide a staffing plan detailing the number of personnel, level, roles and responsibilities, and team reporting relationships and identify the approach to providing "shoulder-to-shoulder" links for key staff roles between Vendor staff and State staff. This plan will show proposed Vendor personnel hours by phase, by personnel level and by role for the entire project. The Vendor must identify all Key Project Personnel for the Vendor and key personnel for the State and their proposed project role. Key Project Personnel cannot be replaced without prior State approval during the life cycle of the project.

Refer to RFP sections 2.4 and 2.5 for Vermont's proposed approach to the staffing plan.

Integrated staffing organizational plan

Goold has assembled a highly skilled, responsive and experienced team for the Vermont PBM project. We are committed to providing the best team to carry out the tasks and duties of the VT project. The Our key personnel have deep experience in POS account Management, program DDI, clinical program innovations, technical architecture and the needs and benefits of the VT pharmacy program. Our proposed team has the understanding and experience of pharmacy claims processing, DUR support, SMAC, clinical management, and program management to successfully achieve the Vermont objectives.

GHS realizes the commitments required to provide the necessary resources to implement and operate the systems and programs described in the Vermont PBM RFP. We are proposing a support staff of extremely talented, competent, and capable employees who have, collectively, decades of experience in Medicaid pharmacy operations. We are dedicated to providing the highest quality services to our clients in a manner that is both transparent and accountable. Our staff is acutely aware of the importance of the healthcare programs we manage, not only in terms of the provision of quality services to the neediest citizens, but also in terms of maintaining cost efficiencies and program savings. Our expert staff is available at a moment's notice to answer questions, provide technical support, address concerns, and assist with legislative requests.

Staff Management Plan

The Goold VT Team's approach to organizational and staffing management is aligned with the Project Management Body of Knowledge (PMBOK®) Guide, in particular:

- Organizational planning
- Staff allocation
- Team development

We understand the complex skill sets needed for each of the roles within the VT PBMS Project. During the planning process, the VT PBMS Team will engage the Department in detailed discussions of our approach to establishing staffing levels and the estimating techniques used in developing the VT PBMS Project Work Plan. There is a strong correlation between the qualifications of our personnel and the

tasks on the VT PBMS Project Work Plan. The VT PBMS Staffing Management Plan provides the support structure for effective resource utilization throughout the project lifecycle.

The VT PBMS Team's staffing planning process is designed to produce a project organization that:

- Is aligned with the Department's project organization
- Facilitates communication and lines of authority
- Meets the unique needs of the VT PBMS Project schedule

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Key Personnel

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Project Support Staff

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Figure 2: Resource Estimates

Additional Project Staff

Additional Project Staff will include the following:

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2.0 Project Organization Chart

Instructions: *The Vendor must provide a proposed organization chart showing both the Vendor staff and State staff. The organization chart must denote in the chart, all the key Vendor personnel and State project personnel for this project, and a summary of each key member's high level responsibilities. Vendor Key Project Personnel are to be full-time and dedicated solely to the Vermont Medicaid account unless the Vendor provides alternative solutions that meet with the State's approval. No Key Project Personnel can be added or removed without the State's permission. The Vendor must also identify members of the company's Board of Directors.*

Proposed Org Chart

GHS has included an organizational chart showing both the Vendor staff and State staff. The organization chart must denote in the chart, all the key Vendor personnel and State project personnel for this project.

Implementation Organization Chart

Figure 3: DVHA PBM Implementation phase organization chart

Operations Organization Chart

[redacted]

Figure 4: DVHA PBM Operations phase organization chart

Board of Directors

The Vendor must also identify members of the company's Board of Directors.

Emdeon's Board of Directors is outlined in the organizational chart below.

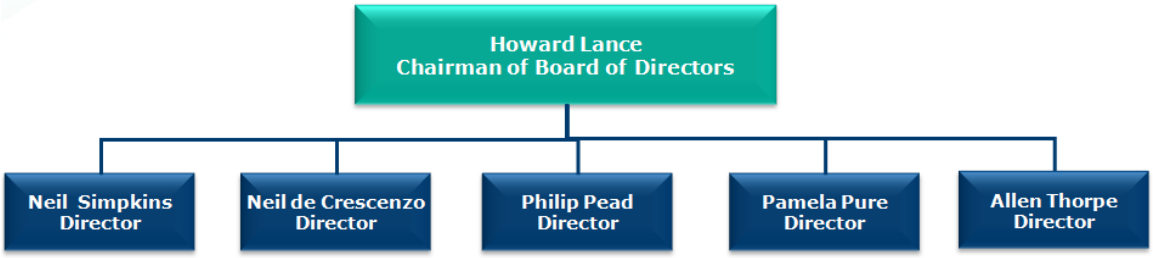

Figure 5: Emdeon Board of Directors

3.0 Vendor Key Personnel

Instructions: *The Vendor must identify Key Project Personnel for the project including:*
Name
Position in Vendor organization
Proposed role on project
Experience in the proposed role
Qualifications for the proposed role
Role in the last three projects
Percentage of time the person is committed for the entire project (if not, start and end dated must be provided)

GHS has identified our key project personnel below:

Table 15: Vendor Key Project Personnel

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3.1 Subcontractors

Instructions: The Vendor must identify the Subcontractor key staff for the project including:
Name
Proposed role on project
Experience in the proposed role
Qualifications for the proposed role
Role in the last three projects
Percentage of time the person is committed for the entire project (if not, start and end dates must be provided)

Goold Health Systems has chosen Diplomat Pharmacy to execute the specialty pharmacy component of the project.

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4.0 Staff Contingency Plan

Instructions: *Describe internal standards, policies and procedures regarding hiring, professional development and human resource management.*

The Goold POS Team has an established professional relationship with one of the country's largest and most experienced technical staff augmentation firms. It is through this relationship that we can assure the Department that all necessary technical resources will be deployed should any unforeseen technical or logistical issues arise. We pride ourselves on our successful deployment of complex systems and, as a result, resource all engagements appropriately.

We post job descriptions for open positions on national employment sites, as well as internally, and we have a human resources team dedicated to actively searching for qualified recruits. Applicants can also log onto www.emdeon.com/careers to create a profile and apply for specific vacancies. Qualified applicants are contacted and brought on-site for interviews. Once a candidate is selected, a formal offer is extended and the applicant completes the background screening process prior to their first day.

We conduct background checks on all prospective employees. The scope of the background check includes employment and education verification, criminal record screen/social security trace, and professional employment reference checks. All employees have completed HIPAA privacy training. Additionally, all employees must sign confidentiality agreements.

5.0 Staff Management

Instructions: *Describe internal standards, policies and procedures regarding hiring, professional development and human resource management.*

A significant part of new employee orientation are sessions designed to teach our business and the importance of the data received, created, and transmitted out of our company. Each employee also attends a HIPAA training class that explains the privacy and security rule and that employee's role and responsibilities relating to this rule. Ongoing HIPAA training is required of all Emdeon employees.

We monitor our process and policies continually for infractions or opportunities to improve our process through policy revisions, additional training, or new systems as they become available. We also hold all Emdeon employees accountable for security and compliance measures.

6.0 Training Policies and Procedures

Instructions: *Describe Vendor's policies and processes for training and ongoing education of its personnel.*

We provide ongoing training and educations to our employees, allowing them to add value through their knowledge and experience.

The VT PBMS Team considers training an essential part of our business processes. Training will be provided to ensure all staff will have the appropriate knowledge in the systems they will be using. The VT PBMS Account Manager will oversee and coordinate training activities. The type of training that is provided will be based on the topic (project-related, technical or managerial), who will be participating, the number of participants, the location of the participants, as well as the skill level of the participants. Training will be conducted via web-based presentations, on-site presentations, conference calls, use of computer labs, as well as one-on-one training (if necessary).

Regarding on boarding of employees, training materials are kept and distributed as needed. Many of the off-site staff members working on the project will not be directly engaging, and minimal on boarding will be required. As needed, one-on-one training will be provided by either the VT PBMS Account Director or the VT PBMS Account Manager. Some of the on boarding documentation that is readily available includes:

- Security Access User Forms
- New Hire Paperwork
- VT Facility Policies
- VT Access Policy
- Human Resources Manual
- Background Check
- VT DVHA Phone Numbers
- VT Address List
- VT Vehicle Identity Form

All of GHS and Emdeon's employees are required to take ongoing HIPAA and security training courses in order to maintain compliance with the most current policies and processes with regard to the protection of PHI.

Team development involves training and motivating individuals in order to increase their level of performance. The VT PBMS Team believes that the key to achieving maximum organizational performance is to establish teams that are aligned with organizational goals, clearly communicate roles and responsibilities, and empower team members to perform at a high level.

Strategies for developing the project team include improving the competencies and interaction of team members to enhance project performance. Objectives include improving the skills of team members in order to increase their ability to complete project activities, and to foster trust and cohesiveness among team members in order to raise productivity through greater teamwork. Techniques used to meet these objectives include the following:

- Developing general management skills (empathy, influence, creativity, and group facilitation)
- Providing training (formal or informal)
- Conducting team-building activities (formal or informal)
- Establishing ground rules (expectations regarding behavior)
- Co-location (physical location or via electronic communication)
- Recognition and reward

Structured project and quality management processes significantly expedite team development. Work processes are clearly documented and individuals are trained in their use, which allows all team

members to understand their contribution within the context of the project. These processes also focus on continuous improvement, leading to an "atmosphere of excellence", in which individuals strive to achieve as much as they can. This type of atmosphere has proven extremely effective in team development and personnel retention.

GHS and Emdeon both encourage the continuous process of acquiring new knowledge and skills that develop and enhance our employees' professions. We encourage our employees to participate in professional development activities, and we provide a number of resources through which these activities may be completed, including workshops, formal education, seminars, teleconferences, and conferences that are focused on their roles.

7.0 Staff Retention

Instructions: *Describe Vendor's process and methodology for retaining Vendor personnel and ensuring that Key Project Personnel are available noted in Section 2.5 of the RFP.*

GHS and Emdeon's company vision is to make healthcare more efficient. We are always seeking talented people who work together as a team and are committed to Emdeon's Values of Integrity, Honesty, Trust, Accountability, Customer Focus, Quality, Innovation, Teamwork, and Communication. These values and our commitment to quality staffing will directly benefit the quality of the Vermont PBMS project.

GHS and Emdeon are guided by industry expertise, innovation, and foresight. New product development, high quality of service, an advanced technology infrastructure, a great company culture, and engaging employee programs are just some of the positive by-products. Our employees work hard, generously giving of their passion and dedication in pursuit of our shared vision with our clients and making this a great place to work.

As our business continues to grow and develop, we realize the need to attract and retain our most valuable asset, our employees. Emdeon is committed to equipping employees with the training, tools and opportunities needed to advance not only the business, but themselves.

GHS and Emdeon have a comprehensive employee retention program consisting of employee recognition, awards, and career advancement opportunities. We monitor our employee retention, attrition, and satisfaction on a continuous basis.

GHS pays competitive salaries relative to the location of work and the employees' experience. We make all efforts to ensure that staff are not over-allocated and that project and operational teams are sufficiently staffed.

Staff turnover is typically the result of an employee pursuing other career opportunities. There are any number of reasons that may trigger this type of move, and they are completely unique to each individual. As testament to the quality of our work environment, however, we have experienced key employees returning to GHS after 1 to 2 years with another organization.

8.0 Use of Vermont PBM Resources

Instructions: *Describe the required staffing of business and technical resources the State must provide to support the creation of all deliverables. The staffing plan will include the number of resources (both business and technical), anticipated role and responsibilities, level of participation (e.g., part time, full time) and necessary capabilities / skills.*

For each component of our PBMS solution, GHS will provide a highly skilled team to Vermont. This team will work with DVHA stakeholders to facilitate integration, maintain high levels of security, provide needed technical assistance and implement governance policies.

State of Vermont Project Responsibilities

Anticipated DHVA roles and responsibilities for planning purposes only:

- Define the goals and objectives of the PBM programs and services
- Communicate the goals, objectives, and ongoing status of the project to all stakeholders
- Work with stakeholders to identify and monitor project and program risk and appropriate mitigation strategies
- Oversee the project management approach that will govern the project
- Review the draft deliverables and final deliverables developed by the Vendor and provide feedback and required changes for the Vendor to make until the State is satisfied with the resulting deliverable
- Review and approve or reject final deliverables developed and revised by the Vendor
- Provide access to State management and Subject Matter Experts (SME's) for the approval of the deliverables required to meet the goals and objectives of the project
- Provide for the access and archiving of project artifacts in a secured repository.
- Manage the procurement of additionally required resources necessary for program success, including (but not limited to) obtaining CMS pre-approval.
- Monitor Vendor performance for purposes of determining Contract compliance, provide improvement requests, and approve or reject invoices as detailed in the final Contract

The table below represents a sample of the Vermont State project staff skill set that GHS will utilize during the PBMS project implementation, including estimated average FTE hours required. This is a draft initial estimate and will be refined during contract negotiations and project DDI discussions as GHS and the State work together to refine the project schedule and JAD/requirements definition sessions.

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Figure **2**: Resource Estimates

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9.0 Time Commitment

Instructions: *Please submit a statement and a chart that clearly indicate the time commitment of the proposed Key Project Personnel and the Vendor's proposed team members for the work. Please include a statement indicating to what extent, if any, the Key Project Personnel may work on other tasks or assignments unrelated to the project during the term of the Contract. Also, please state other potentially conflicting commitments that shall be concurrent with the proposed project.*

The State may reject any proposal that commits the proposed Key Project Personnel or any proposed personnel to other assignments during the term of the Contract, if the State believes that any such commitment may be detrimental to the Vendor's performance.

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Table 16: Key Personnel Time Commitment

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10.0 Project Organization and Staffing Assumptions

Document the assumptions related to the project organization and staffing in the following table. The Vendor may add rows as appropriate.

Table 17: Project Organization and Staffing Assumptions

Item #	Reference (Section, Page, Paragraph)	Description	Rationale
1.	Section D, Page 63, Paragraph 5	Key Personnel position will be 100% dedicated to Vermont and will work on site with Department staff as required	Key positions will be critical to the success of the project and will be fully dedicated.
2.	Section D, Page 63, Paragraph 2	Project office in Williston or other town to be agreed upon by VT State project staff.	GHS feels that a local office is critical to the project success.
3.	Section D, Page 63, Paragraph 5	Potentially hire existing VT project staff including Account staff, clinical staff	We understand that there may be existing State or vendor staff members that might be interested in continuing in their current role regardless of the successful bidder. GHS will work with the State to determine which staff members, if any, might be amenable to joining the project during early planning and contract negotiations.
4.	Section D, Page 64, Paragraph 3	GHS will work with the State to refine the staffing approach and plan upon contract award	This plan is a working document and we expect to work with the State to further detail personnel and reporting relationships after contract award.

Section E – Staff Experience

1.0 Staff Experience

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2.0 Resumes – Goold DVHA PBM Team

Instructions: The Vendor must complete this section and attach resumes of all proposed Key Project Personnel to this section of the proposal. Each person identified in Section 1 of this template should be included in this section.

Each resume must demonstrate experience germane to the position proposed. Resume should include work on projects cited under the Vendor's corporate experience, and the specific functions performed on such projects.

As referenced in *Section E, Staff Experience,* GHS provides on the following pages the resumes for the proposed key staff listed below.

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Section F – Functional Requirements

The Functional Requirements Matrix begins on the following page.

State of Vermont - Pharmacy Benefits Management

Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
Point-of-Sale (POS)			
FR1.1	The Vendor's POS claims processing system must support online, real-time operations for receipt, adjudication, and notification to billing providers regarding the disposition of a claim (e.g., as payable, denied, or requiring more information).	Y	A detailed response to this requirement is provided in RFP response section 1.1.1 Point-of-Sale (POS) Claims Processing System
FR1.2	The Vendor's POS claims processing system must adhere to the most current version of the National Council for Prescription Drug Program (NCPDP) Implementation Guide functionality for Governmental Programs to allow appropriate reimbursement and coordination of a beneficiary's benefits.	Y	A detailed response to this requirement is provided in RFP response section 1.1.1 Point-of-Sale (POS) Claims Processing System
FR1.3	The Vendor's POS claims processing system must support NCPDP Multi-Ingredient Compound functionality to process compounded claims in accordance with current Department policy and procedures.	Y	A detailed response to this requirement is provided in RFP response section 1.1.1 Point-of-Sale (POS) Claims Processing System
FR1.4	The Vendor must support implementation and ongoing support of providers' interaction with the Vendor's POS systems including, but not limited to, the following	Y	A detailed response to this requirement is provided in RFP response section 1.1.1 Point-of-Sale (POS) Claims Processing System
	1. Establish testing procedures	Y	
	2. Coordinate with network vendors to ensure smooth operation of the POS system	Y	
	3. Certify provider practice management systems (e.g., service bureaus, switches, etc.) as compatible and ready to interface with the Vendor's POS system	Y	
FR1.5	The Vendor's POS claims processing system must be capable of adding, changing, or removing adjudication rules, edits, and customized transmission messages to accommodate Department-required changes for its current and future pharmacy programs.	Y	A detailed response to this requirement is provided in RFP response section 1.1.1 Point-of-Sale (POS) Claims Processing System

State of Vermont - Pharmacy Benefits Management

Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR1.6	The Vendor's POS claims processing system must support, at a minimum, the following:	Y	A detailed response to this requirement is provided in RFP response section 1.1.1 Point-of-Sale (POS) Claims Processing System
	a. The ability to track and report on the specific adjudication rule in effect by date of service and date of payment, and the date the rule was changed, added or deleted	Y	
	b. Adjudication rules customized for each of the Department's programs by category codes within Medicaid, eligibility status, beneficiary attributes (e.g. age, sex, medical condition, etc), ambulatory, long-term care, hospice or other residential setting, drug or drug class (e.g. brand/generic status, drug coverage status, preferred drug list status or other attributes), Medicare-Medicaid dual eligible status and other criteria specified by the Department.	Y	
	c. The ability to look up the PDL status of a drug at a claim and NDC level	Y	
FR1.7	The Vendor's POS claims processing system must support unique edit and claims processing logic as specified by the Department for each of its individual programs including, at a minimum, the following:	Y	A detailed response to this requirement is provided in RFP response section 1.1.1 Point-of-Sale (POS) Claims Processing System
	a. Prescriber Validation – Validate the prescriber entry on the claim using either a National Provider (NPI) check digit or an HCIdea National Provider Identifier/DEA Lookup from the NCPDP, and/or the Department's Master Provider Index as specified by the Department.	Y	
	b. Co-Payments – Calculate different co-payment amounts for different pharmacy programs, for different drugs, and for beneficiaries based on age or any other specifications provided by the Department.	Y	
	c. Prior Authorization (PA) Requirements – Edit for drugs requiring PA or bypass PA requirements when authorization is granted for the date of dispensing or automated authorization is allowed based on pharmacy or medical claims history files. In particular, system must be capable of displaying expiration dates of prior authorizations at POS.	Y	
	d. Diagnosis-Specific Requirements – Edit for drugs requiring submission of specific diagnosis codes.	Y	
	e. Age-Specific Requirements – Edit for drugs requiring specific beneficiary age restrictions	Y	
	f. Other Reference Files – Apply Department-specified payment criteria based on First DataBank, Medi-Span, or other reference files approved for use by the Department.	Y	

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
	g. Preferred Drug List and Other Formulary Requirements – Deny payment for drugs requiring PA, non-preferred, non-covered drugs or drug classes not covered by a beneficiary's pharmacy program and notify the provider through an online, real-time response. Exceptions must be allowed when approved by the Department or based on Department-approved criteria.	Y	
	h. Authorized Providers – Limit payment for selected drugs, classes, or specific Department programs to authorized prescribers as designated by the Department. For example, limit certain dosage forms of buprenorphine to prescribers with an X-DEA number.	Y	
	i. Compounded Drugs – Capture, edit, and adjudicate compounded drug claims as specified by the Department. Must be able to apply edits at ingredient level detail	Y	
	j. Quantity, Days Supply, and Frequency of Service – Validate claims to assure that the quantity of services is consistent with the Department's policy (i.e., verify drug specific minimum and maximum quantity limitations are followed including any days supply limitations and frequency limitations).	Y	
	k. Benefit Restrictions – Impose pharmacy benefits restrictions that apply to a given recipient including, but not limited to: benefit restrictions based on the lock-in program, living arrangements (e.g., ambulatory versus long-term care settings), and eligibility for the Department's different pharmacy programs.	Y	
	l. Approved Manufacturers – Deny payment for drugs distributed by manufacturers not participating in the federal manufacturer drug rebate program, except as directed by the Department for specific pharmacy programs or products.	Y	
	m. Proposed Less-Than-Effective Drugs – Deny payment for drugs that the federal government has identified as proposed less-than-effective under the Drug Efficacy Study Implementation (DESI) program and as identical, related, or similar to such drugs.	Y	
	n. Other CMS-Restricted Drugs – Deny payment for any drug that CMS identifies as restricted.	Y	
	o. Sanctioned Providers – Deny payment for sanctioned providers (e.g., pharmacies or prescribers) designated by the federal government and the State.	Y	

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR1.8	The Vendor's POS claims processing system must provide NCPDP standard messages in addition to customized transmission response messages as specified by the Department for its current or future programs including, but not limited to, the following:	Y	A detailed response to this requirement is provided in RFP response section 1.1.1 Point-of-Sale (POS) Claims Processing System
	a. Bill [Health Plan] and [phone number]	Y	
	b. Bill Medicare Part B	Y	
	c. Bill Medicare Part D [name] and [phone number]	Y	
	d. Program has no pharmacy benefit	Y	
	e. Bill as Medical Supplier	Y	
	f. PA expires on [date]	Y	
	g. Drug not covered – included in long-term care per diem rate	Y	
	h.Doctor not authorized, pharmacy not authorized, doctor/NDC not authorized, or pharmacy/NDC not authorized related to the Lock-In Program (message must return authorized pharmacy)	Y	
FR1.9	The Vendor must be able to process POS, batch electronic claims (e.g. batch adjustments), and paper claims. Paper claims to be processed by the Vendor within 14 days of receipt	Y	A detailed response to this requirement is provided in RFP response section 1.1.1 Point-of-Sale (POS) Claims Processing System
FR1.10	The Vendor must create electronic imaged copies of all paper claims and attachments within 24 hours of receipt.	Y	A detailed response to this requirement is provided in RFP response section 1.1.1 Point-of-Sale (POS) Claims Processing System
FR1.11	The Vendor must notify the Department staff of any and all claims that have been erroneously processed by the claims processing system, and present a corrective action plan to the Department within five business days. The Vendor must initiate corrective actions, at no additional cost to the Department, only after the written approval of the Department.	Y	A detailed response to this requirement is provided in RFP response section 1.1.1 Point-of-Sale (POS) Claims Processing System

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR1.12	The Vendor must analyze probable erroneous payments that have been brought to the Department's attention by providers or that have been identified through the Department's evaluation of paid claim samples.	Y	A detailed response to this requirement is provided in RFP response section 1.1.1 Point-of-Sale (POS) Claims Processing System
FR1.13	The Vendor must base its POS transmissions and batch electronic transmissions on NCPDP and other required transactions and code sets. As additions and updates are available, the Vendor must continue to be in compliance and, at no additional cost to the Department, the Vendor must:	Y	A detailed response to this requirement is provided in RFP response section 1.1.1 Point-of-Sale (POS) Claims Processing System
	a. Implement new and updated NCPDP and other required transactions and code sets	Y	
	b. Maintain compatibility with pharmacies using the previous version data elements and those providers using the updated version(s), according to the timeline approved by the Department	Y	
FR1.14	The Vendor must adjudicate primary, secondary, and tertiary pharmacy claims for the Department's current programs and any future programs consistent with the Department's coverage and reimbursement policies and procedures specified in the Vermont Provider Manual, the Pharmacy Provider Manual, Department PDL, the VT Medicaid State Plan, and other Department documentation. The Department's current programs are:	Y	A detailed response to this requirement is provided in RFP response section 1.1.1 Point-of-Sale (POS) Claims Processing System
	a. Medicaid	Y	
	b. Dr. Dynasaur	Y	
	c. VPharm	Y	
	d. Healthy Vermonters	Y	
	e. VMAP(Ryan White HIV MA program)	Y	
	f. Dual Eligibles	Y	
	g. General Assistance	Y	
	h. Long Term Care	Y	
FR1.15	The Vendor must provide automated audit trails to document, identify, and track chronological records and transactions throughout the Vendor's systems including, but not limited to, additions, deletions, and changes to PDL and formulary maintenance	Y	A detailed response to this requirement is provided in RFP response section 1.1.1 Point-of-

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR1.16	Vendor's System must be capable of recording the PDL status of a drug on an NDC level, and capable of a look-up or query of PDL status of a drug on an NDC level.	Y	Sale (POS) Claims Processing System
FR1.17	Vendor's must maintain detailed electronic documentation outlining the specific benefit design structure that supports and represents the Department's pharmacy benefits in the Vendor's system	Y	
FR1.18	The Vendor must provide functionality to apply different reimbursement logic or benefit coverage as specified by the Department including, but not limited to, the following:	Y	A detailed response to this requirement is provided in RFP response section 1.1.1 Point-of-Sale (POS) Claims Processing System
	a. Ingredient Cost and Dispensing Fee Payments based on pharmacy network for compounded drugs, 340B drugs, specialty drugs, and other	Y	
	b. Based on program, category code or other program specifications, beneficiary age, drug or drug class, Medicare-Medicaid dual eligibility, beneficiaries residing in a nursing facility, and other	Y	
	c. . DVHA "lower of" reimbursement logic as outlined in the Vermont Medicaid State Plan included in the Procurement Library	Y	
Coordination of Benefits (CoB)			
FR1.19	The Vendor must validate claims to determine whether there is a liable third party (or parties) that must be billed prior to billing the Department's programs including, but not limited to, the following:	Y	A detailed response to this requirement is provided in RFP response section 1.1.2 Automated Coordination of Benefits (COB)
	a. Denying payment for claims when a beneficiary is covered by one or more carriers until the billing provider indicates the claim has been fully adjudicated (paid or denied) by the other payer(s)	Y	
	b. Utilizing the Department's, vendor's or external sources of TPL data and eligibility records to ensure that all payment opportunities are exhausted	Y	
	c. Processing claims where multiple third parties are liable, at a minimum, must be able to correctly process claims where either the Department or an external insurer is the tertiary payer. Must be able to identify and/or assign multiple funding sources depending on the payer, if the payer is an Agency program.	Y	
	d. Overriding COB editing as specified by the Department	Y	

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
	e. Maintaining indicators to identify Medicare Part B drugs and process the claim balance remaining after subtracting the Medicare Part B payment for beneficiaries dually enrolled in Medicare and any of the Department's programs	Y	
	f. Coordinating benefits automatically with all primary payers including capturing and storing the primary payer's data	Y	
	g. Obtaining maximum cost avoidance and reimbursement for beneficiaries covered by third parties	Y	
FR1.20	The Vendor must report TPL plan information to billing providers when another payer is primary (or available) including, but not limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.1.2 Automated Coordination of Benefits (COB)
	a. Payer names, identifiers, addresses, phone numbers	Y	
	b. The payer's Bank Identification Number (BIN) and Processor Control Number (PCN).	Y	
FR1.21	The Vendor must be able to support the Department's current COB process for mail order pharmacy coverage from another insurer.	Y	A detailed response to this requirement is provided in RFP response section 1.1.2 Automated Coordination of Benefits (COB)
Provider Support			
FR1.22	The Vendor must maintain telephone support for technical and business operations. The Vendor must maintain call center services and help lines to respond to providers about questions and issues including, but not limited to, general eligibility questions, claims inquiries, prior authorizations, operational questions and problems, clinical/drug inquiries, and general provider support. The Vendor must supply all required information systems, telecommunications, and personnel to perform these operations. Each of the following help lines must be available through a designated telephone number:	Y	A detailed response to this requirement is provided in RFP response section 1.1.3 Provider Network Support, Call Center, and Portal
	a. Pharmacy Support Services Help Line available toll-free 24x7x365 to respond to questions on coverage, claims processing, pricing, reimbursement and other pharmacy-related issues. .	Y	

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
	b. Prescriber Support Services Help Line (including toll-free telephone and toll-free fax access) available 24X7X365, to handle PA requests from prescribers, drug dispensing questions, or other requests from providers.	Y	
FR1.23	The Vendor must provide operational and customer service that is scalable to meet the Department's future needs and includes, but is not limited to, the following:	Y	A detailed response to this requirement is provided in RFP response section 1.1.3 Provider Network Support, Call Center, and Portal
	a. An automated call distribution voice-response system;	Y	
	b. Capacity to handle all telephone calls at all times including times of peak call volume and to meet the Department's needs and performance expectations with acceptable call completion and abandonment rates	Y	
	c. Management tracking and reporting capabilities	Y	
	d. A Quality Assurance program that includes call sampling and follow up to confirm efficient handling and caller satisfaction	Y	
	e. Language translation services	Y	
	f. Call response from individuals with hearing or visual impairments	Y	
	g. Access to a pharmacist consultant 24 hours a day	Y	
	h. A reference document with guidelines on how to handle caller inquiries	Y	
	i. A backup system available to operate in the event of line trouble or other problems	Y	
FR1.24	The Vendor must implement and maintain a provider contact and problem resolution tracking and document management system which, at a minimum, documents and tracks contacts with providers, identifies issues and describes the problem resolution. The Vendor must prepare an analysis of the issues which must be reviewed with Department staff at regularly scheduled meetings at the Department's discretion.	Y	A detailed response to this requirement is provided in RFP response section 1.1.3 Provider Network Support, Call Center, and Portal
FR1.25	Vendor must prepare and distribute (subject to the Department's approval) all provider communications including but not limited to, provider notices, newsletters, operational, programmatic, or system changes of any type that impact providers , and clinical notices such as changes to drug coverage. Communications must be distributed in a variety of formats including, but not limited to direct mail, Vendor web portal, DVHA website, email, fax, phone.	Y	A detailed response to this requirement is provided in RFP response section 1.1.3 Provider Network Support, Call Center, and Portal

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR1.26	The vendor must interface with the State of Vermont's Master Provider Index database in order to maintain a database of current contact information for providers. The Vendor must research any undelivered provider communication and make reasonable attempts to identify a new address for such providers.	Y	A detailed response to this requirement is provided in RFP response section 1.1.3 Provider Network Support, Call Center, and Portal
FR1.27	The Vendor must design, develop, and implement customized provider portals for the Department that support the needs of the pharmacy programs. Vendor must support, update, and maintain the portals to meet the needs of the Department. The vendor must guarantee any data exchange on its website between the Vendor and the Department and/or providers will be secure.	Y	A detailed response to this requirement is provided in RFP response section 1.1.3 Provider Network Support, Call Center, and Portal
FR1.28	The Vendor must update its portals, maintained for the Department, after the content of such updates has been approved by the Department. The Vendor's postings to its website must include, but not be limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.1.3 Provider Network Support, Call Center, and Portal
	a. Important communications and alerts to providers	Y	
	b. Drug Utilization Review (DUR) Board meeting schedules, meeting agendas and notices, policies, meeting minutes, member contact information	Y	
	c. Other Department-designated committee activities.	Y	
	d. Provider forms and reference policies or links to forms and policies, if applicable.	Y	
	e. Drug information including the Vermont Preferred Drug List (PDL), special drug policies, Maximum Allowable Cost (MAC) policies and prices, frequently asked questions from manufacturers or providers.	Y	
	f. Manuals including the Pharmacy Claims Processing Manual and links to the Vermont Medicaid Provider Manual.	Y	
	g. Special provider policies and requirements including e-prescribing support.	Y	
	h. Web-based PA requests.	Y	
	i. Other documents as specified by the Department	Y	

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR1.29	Vendor must keep current electronic versions of Department-approved Pharmacy Provider Manual which must include payer sheets, instructions on POS, batch, and paper claims processing. The Vendor must post the Manual(s) on the provider portals and/or website and, on an on-going basis, maintain and update these manuals. Any modifications must be submitted to the Department for approval prior to implementation of revisions.	Y	A detailed response to this requirement is provided in RFP response section 1.1.3 Provider Network Support, Call Center, and Portal
E-Prescribing			
FR1.30	The Vendor must provide electronic prescribing companies (e.g., SureScripts-RxHub) access to the data for the Department's various programs including, but not limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.1.5 E-Prescribing and E-Prior Authorization Capabilities
	a. Beneficiary eligibility	Y	
	b. Preferred Drug List including drug's PDL status, alternative choices within the class and their PDL status	Y	
	c. Beneficiary drug claims history	Y	
	d. Other Department specified data.	Y	
FR1.31	The Vendor must work with the Department to meet the Department's goals for electronic prescribing and for providing information to prescribers and pharmacies promoting electronic prescribing	Y	A detailed response to this requirement is provided in RFP response section 1.1.5 E-Prescribing and E-Prior Authorization Capabilities
FR1.32	The Vendor must provide, at a minimum, monthly reporting on e-Prescribing activities such as number of e-prescriptions, number of requests for eligibility, medication history, or PDL inquiries, and any technical or operational issue identified during the specified time period. Vendor must have quality assurance process in place to assure system integrity and display of required information.	Y	A detailed response to this requirement is provided in RFP response section 1.1.5 E-Prescribing and E-Prior Authorization Capabilities

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
Prior Authorization Program			
FR2.1	The Vendor must manage and operate a prior authorization (PA) program and procedures for the Department that encompasses drugs processed through the pharmacy benefit and physician-administered drugs processed through the medical benefit. Components of the program will include, but not be limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.2.2 Prior Authorization Program
	1. Implementation of the operational processes to support drug coverage decisions for all clinical and non-clinical criteria	Y	
	2. Operation of a provider call center staffed with appropriate clinical personnel	Y	
	3. Notifications of decision to providers and beneficiaries	Y	
	4. Compliance with all Department PA rules, regulations, and policies	Y	
	5. Support of the grievance and appeal process	Y	
	6. Detailed reporting and analysis on all aspects of the PA program	Y	
FR2.2	The Vendor must comply with all Department PA requirements including, but not limited to, providing a telephone call center which must:	Y	A detailed response to this requirement is provided in RFP response section 1.2.2 Prior Authorization Program
	1. Be accessible 24x7x365 – except for Vendor downtime approved in advance by the Department	Y	
	2. Support PA processing through toll-free telephone, toll-free facsimile, mail, and web-based requests through provider portal	Y	
	3. Be compatible with real-time electronic editing of medication requests based on current paid claims history, beneficiary eligibility, provider eligibility, and reference medical data supplied to the Vendor	Y	
	4. Be staffed with appropriate technical and clinical personnel including clinical pharmacists	Y	
FR2.3	The Vendor must have functionality to automatically override PA requirements during POS processing based on data available from pharmacy claims paid by the Vendor and on medical claims history files provided by the Department to the Vendor.	Y	A detailed response to this requirement is provided in RFP response section 1.2.2 Prior Authorization Program

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR2.4	The Vendor must include a review of the beneficiary's eligibility record as part of their PA processing to retrieve the information needed for PA determinations including, but not limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.2.2 Prior Authorization Program
	a. Program eligibility	Y	
	b. Existence of authorized prescribers	Y	
	c. Existence of program coverage restrictions	Y	
	d. Existence of alternative insurance (ex. Part B or primary commercial coverage)	Y	
	d. Other elements specified and approved by the Department	Y	
FR2.5	The Vendor's PA process must allow determinations based on various data elements identifying drug products including, but not limited to, the following:	Y	A detailed response to this requirement is provided in RFP response section 1.2.2 Prior Authorization Program
	a. The first 9-digits of a product's NDC	Y	
	b. First DataBank, Medispan, or equivalent, therapeutic classification system	Y	
FR2.6	The Vendor must send required notifications to the beneficiary and provider when PA is approved or denied. Notifications must include the required components as outlined by the State.	Y	A detailed response to this requirement is provided in RFP response section 1.2.2 Prior Authorization Program
FR2.7	The Vendor must coordinate and provide support to the Department and other State personnel who oversee the appeals process if an appeal results from a denied PA.	Y	A detailed response to this requirement is provided in RFP response section 1.2.2 Prior Authorization Program
FR2.8	The vendor must interface with the State of Vermont's Master Person Index database in order to maintain a database of current contact information for beneficiaries. The Vendor must research any undelivered beneficiary communication and make reasonable attempts to identify a new address for such beneficiaries.	Y	A detailed response to this requirement is provided in RFP response section 1.2.2 Prior Authorization Program
FR2.9	The Vendor must allow for the dispensing of at least a 72-hour supply (or other Department-approved amount) of a drug product in an emergency situation as specified by the Department, except for non-covered drug classes or products.	Y	A detailed response to this requirement is provided in RFP response section 1.2.2 Prior Authorization Program

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR2.10	The Vendor must maintain an electronic version of a PA policies and procedures manual, including, but not limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.2.2 Prior Authorization Program
	a. Clinical criteria	Y	
	b. Department-approved product protocols	Y	
	c. Criteria for PA processing	Y	
	The information will be available on DVHA's website and/or the provider portals	Y	
FR2.11	The Vendor must provide a PA system, accessible to designated state staff and providers, which maintains and allows the query of all pertinent information about PA requests and determinations including, but not limited to, the following:	Y	A detailed response to this requirement is provided in RFP response section 1.2.2 Prior Authorization Program
	a. Requesting provider name	Y	
	b. Date and time of request	Y	
	c. Beneficiary identifiers	Y	
	d. Requested drug name, strength, form, and quantity	Y	
	e. Program eligibility of the beneficiary	Y	
	f. Request status (i.e., approved, pended, denied)	Y	
	g. Reason for denial or exception	Y	
	h. Authorization begin and end dates	Y	
	i. Date and time of action on the request	Y	
	j. Authorization of a 72-hour emergency drug supply	Y	
	k. Comprehensive and flexible "free-text" notation functionality.	Y	
FR2.12	The Vendor's PA system must have flexible administrative reporting and include functionality to retrieve and track PA determinations using multiple search fields including, but not limited to: pharmacy program, beneficiary name, beneficiary unique identification number, provider name or ID, drug, date of authorization, and authorization status	Y	A detailed response to this requirement is provided in RFP response section 1.2.2 Prior Authorization Program
FR2.13	FR2.16 The Vendor's system must include functionality to support the Team Care and Pharmacy Home (Prescriber/Pharmacy Lock-In) programs including, but not limited to,	Y	A detailed response to this requirement is provided in RFP

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
	the following:		response section 1.2.2 Prior Authorization Program
		Y	
	a. Implement claims processing customized edits and transmission messages	Y	
	b. Support beneficiary lock-in for a specific drug, drug class, drug DEA schedule, and other parameters as defined by the Department	Y	
	c. Support the capability to lock members into one or more specific providers (pharmacies and/or prescribers).	Y	
	b. Support identification of potential Team Care eligible beneficiaries in the claims processing system using state defined criteria,	Y	
	c. Provide detailed reporting information to the Department on program activities including, but not limited to, prescription utilization, cost per beneficiary, and parameters of the lock-in	Y	
FR2.14	The Vendor must comply with State and federal policies and procedures for beneficiary or provider appeals including, but not limited to, the following:	Y	A detailed response to this requirement is provided in RFP response section 1.2.2 Prior Authorization Program
	a. Notifying providers and beneficiaries of their appeals rights in accordance with the Department's policy	Y	
	b. Coordinating with State personnel who oversee the grievance and appeals process	Y	
	c. Preparing the appropriate reports and documents to support the Vendor's actions resulting in the request for an appeal from a beneficiary or provider	Y	
	d. Providing the services of a clinical pharmacist to engage in peer discussions with state Medical Director and other Department clinical personnel to address an appeal related to pharmacy benefit services	Y	
	e. Providing resources to address appeals related to claims disputes	Y	
	f. Complying with the mandates and timelines stipulated by the Department	Y	

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR2.15	The Vendor must continuously review and evaluate PA protocols and criteria, and the appropriateness of continued PA, suggestions for drugs appropriate for electronic or manual PA's. These reviews and evaluations must encompass drugs processed through the pharmacy benefit and physician-administered drugs processed through the medical benefit. The Vendor must analyze historical PA determinations and drug claims data and must provide quarterly recommendations and protocols for PA to the Department for review and approval.	Y	A detailed response to this requirement is provided in RFP response section 1.2.2 Prior Authorization Program
FR2.16	The Vendor must provide detailed monthly operational, clinical, and financial reporting on all prior authorization activities, including but not limited to: number of PA's, denial/approval rates, number of electronic vs. manual PA's, drug and overall health care savings, and return on investment. Reports should be available by drug, drug class, beneficiary, provider, and other defined parameters.	Y	A detailed response to this requirement is provided in RFP response section 1.2.2 Prior Authorization Program
FR2.17	The Vendor must, develop and maintain approved protocols and criteria for coverage of products	Y	A detailed response to this requirement is provided in RFP response section 1.2.2 Prior Authorization Program
	a. Not listed on the PDL	Y	
	b. Typically not covered	Y	
	c. Exceeding the Department's SMAC rates	Y	
	d. Not meeting other clinical or technical criteria	Y	
Drug Utilization Review and Management		Y	
FR2.18	The Vendor's RetroDUR management system must include data warehouse analytic/reporting tools, clinical rules, algorithms, and profiling including, but not limited to, identifying prescribing and utilization patterns which fall outside best practice guidelines.	Y	A detailed response to this requirement is provided in RFP response section 1.2.3 Drug Utilization Review
FR2.19	The Vendor's RetroDUR management system must have functionality to merge medical service claims provided by the Department with pharmacy claims to identify and monitor drug usage including, but not limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.2.3 Drug Utilization Review
	a. Overutilization	Y	
	b. Underutilization	Y	

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
	c. Therapeutic duplication	Y	
	d. Drug-disease contraindications	Y	
	e. Drug-drug interactions	Y	
	f. Incorrect drug, dosage, or duration of therapy	Y	
	h. Drug-induced illness	Y	
	i. Beneficiary clinical abuse and drug misuse	Y	
	j. Therapeutic appropriateness	Y	
	k. Other criteria identified by the Department or its DUR Board	Y	
FR2.20	The Vendor must conduct regular ProDUR and RetroDUR program activities that meet all state and federal requirements. Vendor must conduct regular program review, facilitate quarterly evaluations of criteria and interventions, recommend draft standards and criteria, and implement approved changes. RetroDUR activities must encompass drugs processed through the pharmacy benefit and physician-administered drugs processed through the medical benefit. Actions include, but are not limited, to the following:	Y	A detailed response to this requirement is provided in RFP response section 1.2.3 Drug Utilization Review
	a. Conduct clinical and financial analyses and literature reviews related to its ProDUR and RetroDUR activities and report findings to the Department and DUR Board regularly	Y	
	b. Assess the effectiveness of ProDUR and RetroDUR practices and provide clinical and financial summary reports at least quarterly	Y	
	c. Implement DUR Board recommended changes after Department approval	Y	
	d. Generate educational materials for prescribers, pharmacies, and beneficiaries to support Department-approved interventions	Y	
FR2.21	The Vendor must monitor and report on the outcomes of its DUR educational efforts quarterly or as otherwise specified by the Department.	Y	A detailed response to this requirement is provided in RFP response section 1.2.3 Drug Utilization Review

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR2.22	The Vendor's RetroDUR management system must have clinical pharmacist oversight.	Y	A detailed response to this requirement is provided in RFP response section 1.2.3 Drug Utilization Review
FR2.23	The Vendor must draft and finalize, with support from the Department, the CMS annual DUR report as described in Section 1927(g)(3)(D) of the Social Security Act and the required cost savings analysis including, but not limited to, the following:	Y	A detailed response to this requirement is provided in RFP response section 1.2.3 Drug Utilization Review
	a. Provide the draft CMS-required DUR Annual Report to the Department at least 30 days prior to the due date	Y	
	b. Incorporate any changes recommended by the Department into the CMS annual report	Y	
	c. Perform additional research requested by the Department	Y	
	d. Upload per CMS protocol the final CMS-required DUR Annual Report to the Department at least 10 days prior to the due date for Department approval and submission.	Y	
FR2.24	The Vendor must facilitate the DUR Board meetings and prepare Department-approved meeting materials including, but not limited to, the following:	Y	A detailed response to this requirement is provided in RFP response section 1.2.3 Drug Utilization Review
	a. Prepare, distribute, and post meeting agendas and materials to DUR Board members at least 14 days prior to the DUR Board meeting	Y	
	b. Present in person, all items on the agenda related to DUR activities, PDL recommendations, and drug related information at the DUR Board meetings.	Y	
	c. Record meeting minutes including all PDL changes and action items, and forward them to the Department within 3 days after the meeting for Department approval	Y	
	d. Post meeting minutes on the website 5 days after the DUR Board meeting.	Y	
	e. Assure that all DUR Board actions are implemented on a timely basis	Y	
FR2.25	The Vendor's designated (Key Personnel) Clinical Pharmacist must manage and direct the Department's DUR program and PDL activities and act as the Vendor's representative at the DUR Board meetings. During planned or unplanned absences, Vendor must provide replacement personnel to fill this role.	Y	A detailed response to this requirement is provided in RFP response section 1.2.3 Drug Utilization Review

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR2.26	The Vendor's designated (Key Personnel) Clinical Pharmacist must proactively research, analyze, present findings, and advise the Department and/or the DUR Board on topics requested by the Department including, but not limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.2.3 Drug Utilization Review
	a. PA requirements and clinical criteria	Y	
	b. Prescription spending trends focusing on the Department's programs and on national trends	Y	
	c. Cost containment strategies	Y	
	d. RetroDUR	Y	
	e. Educational materials for DUR	Y	
	f. POS claims processing	Y	
	g. Reimbursement strategies for product costs, dispensing fees, and beneficiary cost sharing	Y	
	h. ProDUR	Y	
	i. Reconsiderations and appeals	Y	
	Resources a – e must consider drugs processed through the pharmacy and physician-administered drugs processed through the medical benefit.	Y	A detailed response to this requirement is provided in RFP response section 1.2.3 Drug Utilization Review
FR2.27	The Vendor must facilitate the DUR Board's use of clinical subject matter experts in reviewing various classes of drugs or individual drugs, if such expertise is needed.	Y	A detailed response to this requirement is provided in RFP response section 1.2.3 Drug Utilization Review
FR2.28	The Vendor must maintain the drug coverage lists specific to the Department's programs as defined by the State. These include the Department's Preferred Drug List, clinical criteria document, covered OTC's, and other coverage lists.	Y	A detailed response to this requirement is provided in RFP response section 1.2.3 Drug Utilization Review
State Maximum Allowable Cost Program		Y	

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
(SMAC)			
FR2.29	The Vendor must administer the Department's MAC program, by setting rates on prescription and over-the-counter multiple-source generic and brand products. The Vendor's methodology for calculating the MAC must be available and transparent to the Department.	Y	A detailed response to this requirement is provided in RFP response section 1.2.4 State Maximum Allowable Cost (SMAC) Program and the Federal Upper Limit (FUL)
FR2.30	The Vendor must set MAC rates on all multiple-source drugs rated as therapeutic equivalents (A-rated) according to the FDA Approved Drug Products with Therapeutic Equivalence Evaluations, unless otherwise directed by the Department.	Y	A detailed response to this requirement is provided in RFP response section 1.2.4 State Maximum Allowable Cost (SMAC) Program and the Federal Upper Limit (FUL)
FR2.31	The Vendor must comply with the requirements explained at www.cms.hhs.gov/reimbursement for Federal Upper Limits and Medicaid Prescription Drugs under DRA (the Deficit Reduction Act of 2005). Updates to the FUL will be made on a timely basis.	Y	A detailed response to this requirement is provided in RFP response section 1.2.4 State Maximum Allowable Cost (SMAC) Program and the Federal Upper Limit (FUL)
FR2.32	The Vendor must monitor the Department's MAC rates to assure products are available at the MAC rates and are appropriate estimates of providers' actual acquisition costs.	Y	A detailed response to this requirement is provided in RFP response section 1.2.4 State Maximum Allowable Cost (SMAC) Program and the Federal Upper Limit (FUL)

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR2.33	The Vendor must publish weekly additions, deletions, and revisions to the MAC rates on the Vendor and/ or provider portals. The MAC list will be posted in a searchable and downloadable format	Y	A detailed response to this requirement is provided in RFP response section 1.2.4 State Maximum Allowable Cost (SMAC) Program and the Federal Upper Limit (FUL)
FR2.34	The Vendor must notify the Department at least ten business days prior to placing a MAC rate on a product, when a MAC has never been previously placed on that product.	Y	A detailed response to this requirement is provided in RFP response section 1.2.4 State Maximum Allowable Cost (SMAC) Program and the Federal Upper Limit (FUL)
FR2.35	The Vendor must ensure the Department's MAC rates, when compared with Federal Upper Limit (FUL) rates published by CMS, in aggregate, do not exceed FUL rates for CMS-specified products. This includes, but not limited to, taking the following actions:	Y	A detailed response to this requirement is provided in RFP response section 1.2.4 State Maximum Allowable Cost (SMAC) Program and the Federal Upper Limit (FUL)
	a. Monthly compare the Department's Medicaid expenditures and utilization on CMS-specified FUL products to what would have been paid if the FUL rates were used	Y	
	b. Prepare a monthly summary report of findings for the Department	Y	
	c. Prepare an action plan within ten business days of becoming aware that the Department's Medicaid expenditures exceeded, in aggregate, projected expenditures if the FUL rates had been used	Y	
FR2.36	The Vendor must provide regular reports on the operational status of the MAC program in addition to cost savings reports at least quarterly.	Y	A detailed response to this requirement is provided in RFP response section 1.2.4 State Maximum Allowable Cost (SMAC) Program and the Federal Upper Limit (FUL)
Reporting and Analytics		Y	

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR2.37	The Vendor must provide management reports to the Department, on a schedule to be determined in negotiation with the State, to support PBM analytics. Examples of all current reports are included in the Procurement Library. The reports must include, but are not limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
	a. Utilization Reports	Y	
	b. Financial Reports	Y	
	c. Auditing Reports	Y	
	d. Preferred Drug List Reports	Y	
	e. Claims Processing Reports	Y	
	f. Coordination of Benefits (COB) Reports	Y	
	g. Net Cost Reporting	Y	
FR2.38	The Vendor's reporting system shall provide data dashboard capabilities to facilitate real time graphical display of key outcome and performance metrics with drill-down capability aligned with user's role and permissions	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.39	The Vendor's reporting system shall have the capability to generate and display population, program and client based dashboard reports.	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
	Population and program based dashboard reports may include but not be limited to:	Y	
	1. Characteristics of a population (e.g., Number and percentage of program participants by program type, Population distribution by eligibility or drug criteria, Participants enrolled in multiple programs / services, etc.)	Y	
	2. Program information (e.g., PA's received and status / disposition, referrals received, appeals with status, etc.)	Y	
	3. Solution performance and quality assurance reports (e.g., Solution performance according to agreed upon SLAs, Fraud, waste and abuse detection indicators)	Y	

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR2.40	The Vendor's reporting system shall allow the user to drill down in order to view more detailed information about a specific metric, where available	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.41	The Vendor's reporting system shall provide the capability to present data in graphical and/or GIS map format	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.42	The Vendor's reporting system shall provide the capability for reports to be automatically generated and distributed on a periodic basis	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.43	The Vendor's reporting system shall allow the user to configure report preferences	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.44	The Vendor's reporting system shall allow users to subscribe to reports so that they will be sent to them electronically upon periodic creation	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.45	The Vendor's reporting system shall allow the user to export information presented and underlying information with a granularity consistent with the user's access rights (jpg, pdf, xls, csv, etc.)	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.46	The Vendor's reporting system shall provide report formatted for printing on standard paper sizes	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR2.47	The Vendor's reporting system shall create an auditable list of all users that access reports and which reports they access	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.48	The Vendor's reporting system shall provide the ability to suppress data sets with a sample size of zero or a sample size that does not meet the threshold for de-identified/anonymous data	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.49	The Vendor's reporting system shall notify users of the estimated time required to run a report if it exceeds a predefined time limit	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.50	The Vendor's reporting system shall allow queuing of reports	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.51	The Vendor's reporting system shall include version control for all reports	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.52	The Vendor's reporting system shall provide a mechanism to archive and remove reports in order to prevent a proliferation of reports	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.53	The Vendor's reporting system shall have the capability to generate and display standard ("canned") reports as defined by the Department that users can view and export, but not customize	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR2.54	The Vendor's reporting system shall allow users specify "favorite" reports and will automatically identify frequently used reports	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.55	The Vendor's reporting system shall display a list of standard reports available to the user. The list shall include, but is not limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
	i. Report title	Y	
	ii. Last update date	Y	
	iii. Last run date	Y	
	iv. Planned run frequency	Y	
FR2.56	The Vendor's reporting system shall allow generation of reports with an 'as-of' date that may not be the same as the current date	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.57	The Vendor's reporting system shall display a list of parameter-based reports available to the user. Parameter based standard reports may include:	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
	i. Existing reports that are currently generated and published	Y	
	ii. Demographics, utilization, and other population based reports.	Y	
	iii. Beneficiary centric reports	Y	
FR2.58	The Vendor's reporting system shall allow users to specify one or multiple parameters for the report. Parameters may include, but are not limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
	i. Reporting period (last month, last quarter, customized date range, etc.)	Y	
	ii. Population characteristics (age range, gender, program participation)	Y	
	iii. Geography (zip code, region, county, census)	Y	
	iv. Beneficiary or Provider -based analyses	Y	
	v. Threshold-based and exception reporting vi. Percent change reporting	Y	

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
	vii. Changes over time	Y	
FR2.59	The Vendor's reporting system shall allow for the user to sort and filter report data	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.60	The Vendor's reporting system shall provide the ability to upload a data set (e.g., list of beneficiary names or UID's) for use as a parameter	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.61	The Vendor's reporting system shall provide the option of saving the report parameters in order to re-run it another time	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.62	The Vendor's reporting system shall provide the ability to perform calculations (e.g., unique count, average, etc.)	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.63	The Vendor's reporting system shall provide the ability to compare the data from one reporting period to another	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.64	The Vendor's reporting system shall provide the ability to identify statistical outliers	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.65	The Vendor's reporting system shall provide the ability to build and save reports and report templates. These reports will have filtering capabilities and must be easy to build and modify by the user	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR2.66	The Vendor's reporting system shall allow the user to view and select available data sources for use in a query. Data sources may include, but are not limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
	a. Any data accessible within the Vendor solution	Y	
	b. Any data accessible through integration with other data systems	Y	
	c. Data from other external sources that may be imported for use in the query	Y	
FR2.66	The Vendor's reporting system shall provide a standards-based interface/integration capability which can be triggered by a user to request that data be obtained from The Vendor's reporting system and imported to other authorized systems (e.g. MMIS solution, integrated eligibility solution, program integrity solution)	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.67	The Vendor's reporting system shall allow the user to share the queries with other users	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.68	The Vendor's reporting system shall make timely, accurate, and complete decision support information available to authorized users through the application and standardized tools	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.69	The Vendor's reporting system shall provide for appropriate class of reporting and business intelligence tools for different type of users (e.g. executive, analyst, operations staff)	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
FR2.70	The Vendor's reporting system shall provide the ability to provide access via multiple formats (Portable Document Format (PDF), Microsoft Excel, Microsoft Access, HTML)	Y	A detailed response to this requirement is provided in RFP response section 1.2.9 Reporting and Analytics
Quality Assurance		Y	

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR2.71	The Vendor must develop and implement quality assurance processes and adopt best practices learned from other customer deployments, consistent with industry standards, principles, and processes including, but not limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.2.10 Quality Assurance
	a. Recurring process reengineering evaluation to ensure processes are aligned with best practices and opportunities for process improvement are realized.	Y	
	b. Continuous performance measurement and improvement through the use of technical reviews, internal audits, and Vendor provider satisfaction surveys, or other assessment tools (e.g. reporting on operational metrics).	Y	
	c. Ongoing Vendor staff training.	Y	
	d. Implement Quality Improvement Processes for recurring processes.	Y	
FR2.72	The Vendor must conduct client Satisfaction Surveys at least biannually, or as specified by the Department. The Vendor's surveys must include, but are not limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.2.10 Quality Assurance
	a. Performance inquiries consistent with the duties and responsibilities of the Vendor and any SubVendor.	Y	
	b. Performance expectations and measurement criteria for managing the ongoing long-term business relationship with the Vendor and for monitoring performance.	Y	
	c. Inquiries on technology, quality, responsiveness, delivery, cost and continuous improvement.	Y	
	The Department, in its sole discretion, may modify these requirements.	Y	
FR2.73	The Vendor must immediately notify the Department of any system, program, or operational deficiencies or defects identified. The Department will establish the severity level and approve timelines for fixes or resolutions.	Y	A detailed response to this requirement is provided in RFP response section 1.2.10 Quality Assurance
FR2.74	The Vendor must provide corrective action plans to the Department within 3 business days of the discovery of severe defects found through internal quality control reviews and identify options for corrective actions. The Vendor must initiate corrective actions plans, at no additional cost to the Department, only after the written approval of the Department.	Y	A detailed response to this requirement is provided in RFP response section 1.2.10 Quality Assurance
FR2.75	The Vendor must provide audit trails to document, identify, and track chronological records and transactions throughout the Vendor's systems including, but not limited to, additions, deletions, and changes to:	Y	A detailed response to this requirement is provided in RFP response section 1.2.10

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
	a. Master file data related to beneficiaries, providers, drugs, pricing, and other reference data	Y	Quality Assurance
	b. Prior Authorizations	Y	
	c. Beneficiary Lock-Ins	Y	
	d. All edits encountered, resolved, or overridden	Y	
	e. POS transactions, including data submitted by providers and responses sent to the provider	Y	
FR2.76	The Vendor must sample and reconcile its claims processing system and files to ensure accurate and timely payments including, but not limited to, the following:	Y	A detailed response to this requirement is provided in RFP response section 1.2.10 Quality Assurance
	a. Conduct a random sample of a minimum of 500 claims each quarter	Y	
	b. Stratify the sampling technique by variables, such as the Department's programs, reimbursement methodology, product type (e.g., sole-source, multiple-source, generics, etc.), or as specified by the Department for each reporting quarter	Y	
	c. Report quarterly review findings to the Department	Y	
	d. Provide an action plan to address processing errors	Y	
FR2.77	The vendor must implement a continuous process improvement program to reduce administrative burden on the Department, providers, and beneficiaries. This process must be regularly assesses and continue throughout the duration of the contract.	Y	A detailed response to this requirement is provided in RFP response section 1.2.10 Quality Assurance
FR2.78	The Vendor must maintain a log of operational, clinical, programmatic, and claims processing issues which will be reviewed in weekly team meetings with Department staff. Each issue will be analyzed and a resolution determined on a timeline approved by the Department. Issues not resolved on a timely basis will be subject to penalty.	Y	A detailed response to this requirement is provided in RFP response section 1.2.10 Quality Assurance

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR2.79	Upon the State's decision to proceed with implementation of the State's Dual Eligible Demonstration Program, the Vendor must comply with all federal and state rules, regulations, and CMS requirements related to the implementation of a pharmacy benefit program for Vermont's Dual eligible population. Vendor must also comply with all sections of the Part D Prescription Drug Benefit Manual (PDBM) found at: http://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/PartDManuals.html in the delivery of PBM services in support of the Duals Program.	Y	According to the email notification provided by the DVHA to potential vendors, Vermont has decided not to pursue the Duals Demonstration project. Therefore this requirement has been removed from the RFP response.
FR2.80	Upon the State's decision to proceed with implementation of the State's Dual Eligible Demonstration Program, the Vendor must meet all Department timelines and tasks related to the design, development, and implementation of the Duals Demonstration Pharmacy Benefit.	Y	According to the email notification provided by the DVHA to potential vendors, Vermont has decided not to pursue the Duals Demonstration project. Therefore this requirement has been removed from the RFP response.
FR2.81	Upon the State's decision to proceed with implementation of the State's Dual Eligible Demonstration Program, the Vendor must agree to provide adequate staff and systems for ongoing operational, clinical, and programmatic support of the Duals Demonstration Pharmacy benefit program.	Y	According to the email notification provided by the DVHA to potential vendors, Vermont has decided not to pursue the Duals Demonstration project. Therefore this requirement has been removed from the RFP response.

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
Drug Rebate Management			
FR3.1	The Vendor must manage the Department's manufacturer drug rebates for the following programs:	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
	a. Federal OBRA'90 rebate program	Y	
	b. State supplemental rebate program	Y	
	c. State-only rebate program	Y	
	The requirements in this section apply to all of the Department's rebate programs	Y	
FR3.2	The Vendor must comply with the provisions explained at www.cms.hhs.gov/MedicaidDrugRebateProgram and Section 1927 of the Social Security Act.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.3	The Vendor must maintain an electronic policies and procedures manual documenting all aspects of the Vendor's administration of the Department's manufacturer drug rebate programs.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.4	The Vendor must not engage in any contracts or agreements during the Contract, and any renewal thereof, to receive direct compensation from pharmaceutical manufacturers (e.g., fees associated with data, rebates, rebate management, compliance, or clinical programs) which pertain to prescription claims data collected from the Department's programs.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.5	The Vendor must conduct a review of rebate contracting and program performance at least quarterly with representatives from the Department.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs

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Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR3.6	The Vendor must integrate the following Department claims data to calculate manufacturer rebates owed to the Department including:	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
	a. NDC claims data paid by the Vendor	Y	
	b. Practitioner and outpatient hospital claims data for physician-administered drugs paid by the Department and forwarded to the Vendor.	Y	
FR3.7	The Vendor must calculate the total rebate amounts due from each manufacturer based on:	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
	a. The number of units paid per an NDC	Y	
	b. Unit rebate amounts applicable for the Department's programs, which are (1) distributed by CMS for the Federal Medicaid rebate program; (2) Supplemental unit rebate amounts as negotiated by the multi-state rebate pool; and (3) rebates required for participation in State-funded plans	Y	
FR3.8	The Vendor must invoice manufacturer rebates quarterly (or by other time periods specified by the Department or CMS) including, but not limited to, the following requirements:	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
	a. Invoice 100% of participating manufacturers for Federal, State supplemental, and State-only rebates no later than 60 days after the end of the quarter, or in compliance with the timelines of the Federal government and the Department for generating manufacturer drug rebate invoices	Y	
	b. Submit the manufacturer rebate invoice summary for the Department's approval at least three business days prior to invoicing participating manufacturers.	Y	
FR3.9	The Vendor's rebate invoicing format and reported data elements must comply with CMS standards and with CMS policies and procedures for original invoices, for any needed prior period adjustments for previously invoiced quarters, and for interest on outstanding balances owed by a manufacturer.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.10	The Vendor must provide manufacturers with electronic invoices and claims level detail in a format agreed upon with the Department.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR3.11	The Vendor must utilize pre-invoicing quality control edits to proactively reduce manufacturer disputes of invoiced rebate amounts (e.g., quarter-to-quarter percent change in rebate amount invoiced by NDC, rebate amount exceeds reimbursed amount, quantity exceeds expected amounts, etc.). The Vendor must obtain Department approval on all pre-invoicing edits and must provide an audit trail of all pre-invoicing adjustments along with justification recorded into the Vendor's rebate management system. The Vendor must provide the Department a quarterly report of each adjustment and related justification by NDC.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.12	The Vendor must provide a pre-invoicing capability to convert unit types, when mismatches occur between the pharmacy claim unit types paid and the CMS unit rebate types.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.13	The Vendor must track and process prior period adjustments including, but not limited to, the following:	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
	a. Maintain all quarters of manufacturer drug rebate invoices and other information to accommodate prior period adjustment processing including a minimum of 12 quarters (available online)	Y	
	b. Identify and process, at NDC level, any corrections to rebate information received from CMS or from a manufacturer	Y	
	c. Provide capabilities to manually enter and report corrections at the NDC level on manufacturer drug rebate invoices.	Y	
FR3.14	The Vendor must process prior period adjustments, calculate interest-due amounts, and work to resolve outstanding rebate disputes including those originating prior to the Contract.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.15	The Vendor must provide a rebate dispute resolution process that complies with CMS Best Practices for Dispute Resolution and must meet all State and Federal requirements for pursuing recoveries in a timely manner.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR3.16	The Vendor must provide a method to extract claims and other documentation for NDCs that are in dispute.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.17	The Vendor must compare invoices to the Reconciliation of State Invoice (ROSI) returned by a manufacturer to determine which NDC and rebate amounts are in dispute.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.18	The Vendor will provide documentation, upon Department request, of its repeated efforts to resolve aged disputes.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.19	The Vendor must correct invoice records at the quarter and NDC level to support the dispute resolution process and log the updated amounts into its rebate management system.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.20	The Vendor must maintain an automated drug rebate dispute tracking system. This system must track by labeler and NDC: the manufacturer name, manufacturer code, invoiced amount, invoiced quantity, manufacturer's paid quantity for the NDC, unpaid quantity (positive or negative), rebate amount per unit, unpaid rebate amount, dispute reason, interest owed, and quarter.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.21	The Vendor must automatically recalculate the utilization for each disputed NDC for all manufacturers after all adjustments have been recorded and log the updated amounts into its online rebate management system.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR3.22	The Vendor must, at least annually or as directed by the Department, attend and actively participate in CMS-sponsored dispute resolution meetings on behalf of, or in addition to, the Department's staff. Costs associated with Vendor staff attending such meetings will be the Vendor's responsibility.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.23	The Vendor must reconcile payments received from manufacturers with the amount invoiced by program, category code, quarter, and National Drug Code (NDC).	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.24	The Vendor must maintain the original and corrected invoice information at the NDC level.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.25	The Vendor must identify discrepancies between the rebate amount due and total amount paid to pharmacy (e.g., rebate amount exceeds amount paid). The Vendor must determine reasons for any discrepancy (e.g., pharmacy billing errors, CMS imposed manufacturer penalty) and resolve the discrepancy. The Vendor must log such resolutions in its online rebate management system.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.26	The Vendor must calculate and invoice interest on unpaid quarterly manufacturer rebate amounts in accordance with Federal notifications. The Vendor must report interest invoicing separately from rebates.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.27	The Vendor's manufacturer drug rebate management system must house and maintain data by program, category codes, quarter, NDC, and claim including, but not limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
	a. Listings of manufacturers participating in the Federal manufacturer drug rebate program	Y	
	b. Federal unit rebate amounts for the Department's Medicaid program	Y	

State of Vermont - Pharmacy Benefits Management

Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
	c. Supplemental rebate amounts	Y	
	d. State-only rebate amounts	Y	
	e. Rebate invoiced claims data including physician and outpatient hospital administered drugs paid by the Department and pharmacy prescriptions paid by the Vendor's POS claims processing system	Y	
	f. Rebates received	Y	
	g. Pre-invoicing adjustments to unit rebate amounts and utilization	Y	
	h. Recalculated invoice amounts based on data submitted from manufacturers	Y	
	i. Manufacturer invoices	Y	
	j. Prior period adjustments	Y	
	k. Manufacturer disputes	Y	
	l. Dispute resolutions and utilization adjustments supporting dispute resolution	Y	
FR3.28	The Vendor's manufacturer drug rebate management system must have functionality to maintain complete records of all rebate data and transactions.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.29	The Vendor's manufacturer drug rebate management system must provide online access for Department-designated staff.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.30	The Vendor's manufacturer drug rebate management system must retain rebate records conforming to Federal regulations and notifications or as otherwise specified by the Department.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs

State of Vermont - Pharmacy Benefits Management

Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR3.31	The Vendor's manufacturer drug rebate management system must have functionality to age the accounts.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.32	The Vendor's manufacturer drug rebate management system must have functionality to apply adjustments for any given time period.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.33	The Vendor's manufacturer drug rebate management system must have functionality to allow multiple select keys and sort preferences including, but not limited to	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
	a. by manufacturer	Y	
	b. by year/quarter	Y	
	c. by type of rebate	Y	
	d. by program or category code	Y	
	e. claim level	Y	
FR3.34	The Vendor must provide automated audit trails to document, identify, and track chronological records and transactions throughout the Vendor's systems including, but not limited to, additions, deletions, and changes to:	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
	a. Original rebate invoices	Y	
	b. Rebate interest billing	Y	
	c. Pre-invoicing adjustments	Y	
	d. Rebate write-offs	Y	
	e. Prior period adjustments	Y	
	f. Rebate accounts receivable and balances	Y	
	g. Dispute resolution	Y	

State of Vermont - Pharmacy Benefits Management

Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
FR3.25	The Vendor must import into its manufacturer drug rebate management system all historical quarterly rebate data available from the Department's current rebate Vendors.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.26	The Vendor must assume all administrative and management tasks associated with rebates for historical quarters as well as future quarters occurring during the Contract.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.27	The Vendor must generate and transmit to CMS a file of all manufacturer rebate invoices quarterly as required by CMS. This will include, but not be limited to, original invoices, interest amounts, prior period adjustments, and adjustments resulting from resolved disputes.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.28	The Vendor must provide quarterly drug rebate information in a form compatible for the Department's submission of the Quarterly Expense Report of the Medicaid Budget and Expenditure System (CMS-64) reporting requirements on or before 15 days following the close of a quarter's end.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.29	The Vendor must deliver operational rebate reports to the Department within two business days after the reporting period or as otherwise specified by the Department. The Vendor must provide reports online for the Department-designated staff in downloadable versions of Microsoft® Excel or other Department-specified format.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.30	The Vendor's online manufacturer drug rebate management system and operational rebate reporting functionality must separately report manufacturer rebate payments by:	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
	a. Quarter	Y	
	b. Program	Y	

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
	c. Rebate type (e.g., Federal, State, Supplemental)	Y	
	d. Drugs crossed-walk from Healthcare Common Procedure System (HCPCS) codes to NDCs by the Vendor (i.e., practitioner and outpatient hospital claims for physician-administered drugs	Y	
	e. Prescription claim level	Y	
	f. f. Funding Source	Y	
FR3.31	The Vendor must provide pre-invoicing quality control, operational reports to the Department prior to invoicing manufacturers quarterly. Reports will include, but are not limited to, NDCs for which:	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
	a. Rebate amounts exceed total reimbursement plus payment from other insurers	Y	
	b. Rebate amounts exceed quarter-over-quarter variability thresholds (e.g., +/- 15%)	Y	
	c. Pre-invoicing adjustment amounts have been made by the Vendor	Y	
	d. Zero rebate amounts are listed on the CMS file	Y	
	e. Reimbursement has been made by the Vendor but the NDC is not found on CMS rebate file	Y	
FR3.32	The Vendor must reconcile drug rebate data with the Department's fiscal records monthly, quarterly, and annually. Such efforts must include detailed reports that identify adjustments, unit amount rebate changes, write-offs, and other accounting transactions that impact the Department rebate reporting.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.33	The Vendor must provide operational rebate reports, in a format and schedule agreed upon and approved by the Department, which track:	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
	a. Rebate recoveries	Y	
	b. Current reporting period disputes by manufacturers with aged disputes for previous quarters	Y	
	c. Adjustments and recoveries resulting from dispute resolution activities	Y	
	d. Pre-invoicing adjustments, unit rebate amount changes, write-offs, and other accounting transactions	Y	
	e. Current and past accounts receivable by manufacturer	Y	

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
	f. Interest billed and collected	Y	
	g. Feasibility determinations of rebate write-offs	Y	
	h. Amount rebated compared to amount paid by quarter, manufacturer, and NDC	Y	
FR3.34	The Sovereign States Drug Consortium (SSDC) is a Medicaid supplemental drug rebate program that allows participating states to pool their prescription utilization numbers to obtain supplemental rebates from pharmaceutical manufacturers. The Vendor must administer the Supplemental Rebate program on behalf of the State, including participating in all required activities with the SSDC and its designees, and identifying and implementing opportunities with the SSDC to maximize the supplemental rebate amounts returned to the State.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.35	The Vendor must support the State in its engagement with the SSDC and its PBM Vendor as the SSDC negotiates supplemental rebates with manufacturers. This support includes, but is not limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
	a. Provide utilization and rebate modeling analytic capabilities	Y	
	b. Provide the necessary utilization, URA, and other data files on a timely basis as required by the SSDC	Y	
	c. Make recommendations and submit all potential rebate arrangements to the Department for approval prior to acceptance	Y	
	d. Perform modeling that incorporates rebate data and determined net cost to the Department associated with individual PDL decisions for a drug	Y	
	d. Participate along with State staff and/or represent the Department in all SSDC meetings, conference calls, and other venues during which rebate business is conducted	Y	
FR3.36	The Vendor must work with the SSDC and its PBM Vendor to support the State in administration of the supplemental rebate program. This support includes, but is not limited to	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
	1) Calculate, prepare and issue manufacturer invoices	Y	
	2) Work with manufacturers to obtain fully executed supplemental rebate agreements (SRA)	Y	
	3) Work with the Department on any needed revisions to the SRA annually	Y	
	4) Track, reconcile, resolve all collections, disputes, adjustments	Y	

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Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
	5) Provide all required reporting and analysis	Y	
	6) Perform other administrative duties as defined by the State	Y	
FR3.37	The Vendor will maintain those data systems used to calculate the Supplemental Rebates. In the event material discrepancies are discovered, the Vendor will promptly make an appropriate adjustment, which may include a credit as to the amount of the Supplemental Rebates or a refund to Manufacturer.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
FR3.38	The Vendor shall maintain electronic claims records for the most recent four quarters that will permit the Manufacturer to verify through an audit process the supplemental rebate summaries.	Y	A detailed response to this requirement is provided in RFP response section 1.3.1 Management of State and CMS Drug Rebate Programs
Financial Management			
FR3.39	The Vendor must, as requested by the Department, process post-payment claim reversals for pharmacy claims, such as TPL adjustments and other adjustments.	Y	A detailed response to this requirement is provided in RFP response section 1.3.4 Financial Management
FR3.40	The Vendor must, as requested by the Department, process financial gross adjustments to pharmacy payments, such as corrective actions identified from post-payment audit findings and other adjustments.	Y	A detailed response to this requirement is provided in RFP response section 1.3.4 Financial Management
FR3.41	The Vendor and any SubVendors must cooperate with financial audits by Department staff, other State departments, the United States Department of Health and Human Services, State or Federal designees, or others authorized to perform audits relating to the work and deliverables rendered by the Vendor and any SubVendors. Vendor and SubVendor audit support must include, but is not limited to:	Y	A detailed response to this requirement is provided in RFP response section 1.3.4 Financial Management

State of Vermont - Pharmacy Benefits Management

Template F - RFP Functional Requirements Response

Req. #	Requirement	Response Code (Y or N)	Vendor Response Comment(s)
	a. Enable read and copy access to files, documentation, and personnel including inventory control files, beneficiary eligibility files, preferred drug list , diagnosis files, provider master files, all pricing files, adjudicated claims file, all software and operating manuals, all documentation along with rules, regulations, memos, internal reports, training manuals, and detail design documentation	Y	
	b. Enable access to computer resources including, but not limited to, all application programs and libraries, all system programs and libraries, the operating system along with job accounting and software	Y	
	c. Notify audit staff within 24 hours of any changes made to computer programs and edit logic between processing runs related to audit activities	Y	
	d. Provide the ability to retrieve and print claims	Y	
	e. Provide the personnel and resources necessary for automated or manual sampling of claims and reference file data including the retrieval of historical data.	Y	

Section G – Functional Requirements Approach

1.0 Functional Requirements Approach

GHS has a full understanding of the commitment needed to fulfill our obligations to new clients and PBM systems within required timelines. GHS will call upon our highly skilled staff of pharmacists, pharmacy technicians, physicians, analysts, programmers, network staff, trainers, account support staff, and others to address the challenges inherent in this approach.

In the following subsection GHS describes our approach to successfully meeting all Functional Requirements of the DVHA Pharmacy Benefit Management Project. Reviewers will find that GHS has a comprehensive, reliable, and fully operational solution for each area of the functional requirements.

With regard to the Vermont PBMS technical solution, the following table summarizes how GHS products and solutions will address each functional area of the project.

PBMS Area	Goold Health Systems Solution
Pharmacy Benefit Management System (PBMS) Support and Operations	We recognize that the key objectives of the Vermont PBMS Project align with those of other states, including GHS' current pharmacy benefit management services clients. We also recognize that the State of Vermont, like all our clients, is unique with regard to the many variables that influence the Medicaid environment in each State. While the core solutions we provide will meet the shared objectives of MITA and CMS 7 Conditions compliance, the configurations, business process support, and clinical pharmacy expertise we provide will be tailored to the specific needs of the Vermont Pharmacy Project. The success of any project is determined after go-live through efficient operations. Goold has over 39 years experience in the Medicaid industry. Through these years the staff at GHS has successfully maneuvered through changes in Federal and State policies and applied them to the Rules Engines and Business Processes that drive the claims adjudication processes. Our processes have been developed to serve the Medicaid member and provider communities to assure fast claims processing with accurate pricing and cost savings for the State.

PBMS Area	Goold Health Systems Solution
Pharmacy Point of Sale	GHS provides a comprehensive Pharmacy Benefits Management solution, supported by our POS and related applications: • GOOLD Rx – Our next generation POS claims adjudication system, leveraging InterSystems Cache ®. • GOOLD ePA – POS integrated, automated PA determination module. • GOOLD ProDUR – POS integrated, automated ProDUR module. • PBM Portal – State and Operations user POS portal, providing inquiry, monitoring, and workflow features. • eWEBS – Web-based pharmacy provider portal providing a variety information and workflow features. • GOOLD PBSA – Formulary and Preferred Drug List (PDL) management application, supporting prescription benefit and plan design and maintenance. • GOOLD eREBS – Double-entry rebate accounting system for invoicing, cash receipts management, dispute processing and financial reporting.
State Reimbursement Methodologies	The Goold Rx solution provides a rules engine allowing the State reimbursement methodologies to be entered into a user friendly interface. Dispensing fees can be configured through the interface within the PBM Portal along with other components of the pricing models and member pharmacy plans. The system can be configured to support as many or as few reimbursement methodologies the State wishes to implement.
Prospective Drug Utilization Review (Pro-DUR)	Prospective Drug Utilization Review (ProDUR) is supported within our Goold Rx POS claims adjudication solution with GOOLD ProDUR, a POS-integrated and automated ProDUR module. The ProDUR module is fully configurable based on current Federal and State required and revised policy. ProDUR activity is easily monitored with reporting and analysis supplied by GHS.
Pharmacy Prior Authorization (PA)	Pharmacy Prior Authorization support will be provided by our own rules engine and workflow support products: • GOOLD PADSS (Prior Authorization Decision Support System) – Clinical PA decision and workflow application. • GOOLD ePA – POS integrated, automated PA determination module. • Goold eWEBS – Our web-based pharmacy provider portal featuring PA request submission, PA status lookups, and related features. • Goold Rx PBM Portal – Our PBM portal allows authorized users to view PA detail and apply online overrides. Prior Authorization management and operations are further supported by our expert clinical, pharmacy, and technical staff. Our staff can provide PA consulting and design support, as well as support PA determinations as part of ongoing operations. All PA history is maintained in the Member's profile history along with all supporting documents and artifacts.

PBMS Area	Goold Health Systems Solution
Drug Rebate System	GHS operates a fully compliant drug rebate management program in accordance with current state and federal guidelines, including the Omnibus Budget Reconciliation Act (OBRA) and Health Insurance Portability and Accountability Act (HIPAA) provisions. We will supply our workflow and support products specifically designed to support Medicaid pharmacy rebate negotiation, invoicing, collection, and related activities: • GOOLD eREBS – Rebate management accounting, quarterly invoicing, cash collections, dispute management, financial reporting, CMS drug file management, Supplemental and DME drug file management. • GOOLD Rebate Admin – Labeler/Manufacturer contact management, Supplemental Rebate (SR) contract management, rebateable drug management supporting the POS and drug rebate processes. • Rebate Services Portal (RSP) – Drug Manufacturer rebate support portal for electronic invoicing, claim level detail inquiry, and payment processing.
Preferred Drug List (PDL) & Pharmacy Reference Data Management	The GOOLD PBSA application is the drug reference data and rules management engine of GOOLD Rx, supporting flexible benefit formulary design and Preferred Drug List (PDL) configuration. GOOLD PBSA is a modular product and can be used to support GHS' GOOLD Rx POS solution, as well as any State or Vendor-operated POS Claims Adjudication System. PBSA core features include: • Drug reference data management, including automated update processes and quality assurance tools for operations staff. • Supports both MediSpan and First Data Bank drug reference files, including the mapping of therapeutic classifications. • Formulary development, configuration, and ongoing rules maintenance. • Develop PDLs and PDL categories. Configure the preferred and non-preferred status, step order, and/or PA criteria for each drug or drug category. • Provide drug reference data research tools for performing NDC detail and Therapeutic Classification (TCS) queries. • Export drug reference data, formularies, and PDLs for consumption by other applications and processes, such as ePA, eWEBS, RetroDUR, and Analytics. • Federal rebate eligible NDCs file is maintained in the Rebate Administration application.
Program Integrity System Functions and Operational Services	The information captured by the POS claims adjudication system is flexible, comprehensive, and fully configurable, allowing it to be expanded into other health care monitoring activities, such as utilization review, fraud control tracking, provider education tracking, and other programs requiring case management. Although GHS offers its own full Program Integrity solution, it's our understanding that GHS will be supplying critical data to the State's Program Integrity Unit.

PBMS Area	Goold Health Systems Solution
Pharmacy Call Center Services	GHS offers a full–service pharmacy provider help desk solution that can be operated by the State's own staff, or staffed by GHS employees hired specifically to support the State of Vermont. Our solution is supported by the Goold Help Desk Call Log application, our help desk workflow management application. Help Desk call log also captures information allowing for performance monitoring of help desk activities. Core features of Help Desk Call Log include: • Workflow process and queue management • Integration with Member profiles and demographics • Integration with Provider profiles (pharmacies and physicians) • Built-in inquiry tools supporting multiple search criteria • Escalation workflow for clinical Prior Authorizations Our help desk solution includes the Goold Help Desk workflow support application, used by help desk technicians and supervisors to log and manage calls, ensuring completion. Help Desk call log also captures information allowing for performance monitoring of help desk activities. Our overall Call Center solution can be scaled to support call centers of varying sizes. Our solution can handle thousands of calls in a day, or just a few. If the State chooses to use our call center solution across the entire Vermont Medicaid Enterprise (including MMIS) we're capable of scaling the help desk system and hiring the staff necessary to support this.
Pharmacy Help Desk Services	GHS supplies Pharmacy help desk support during the business hours specified by our clients for prescribers, pharmacies and members to access help regarding the pharmacy program, claim processing, or technical assistance. Additionally, GHS will setup help desk services to support the supplied PBM solution software used by State and third parties such as the eWEBS and RSP portals. GHS is currently working to integrate the support of multiple languages in their AVR and staffing support models.

PBMS Area	Goold Health Systems Solution
General IT Functionality and Business Operations	GHS operates several functional departments to support technical services and coordination for all of our current clients: • Executives – Business relationship management; • Clinical Team – Doctors and clinical pharmacists; • Project Management Team – Support and coordinate project planning and activities, including stakeholder communication; • Database / Data Warehouse Administrators – Manage and maintain data and supporting infrastructure; • Developers – Build new and enhanced products features; • Network Services – Support data center, network, and facility operations; • Quality Assurance – Testing, configuration, technical support, and related activities; • PA Technicians – Perform clinical PA determinations and related help desk support; • Help Desk Technicians – Operational support for pharmacies, prescribers, and members; and • Analysts – Perform ongoing reporting and analysis and construct parameterized reports for end users. Members of each of these teams will be supporting the Vermont PBMS Pharmacy project, and each of these teams will be expanded as needed to meet the increased volume of activity resulting from the project.
Reporting and Analytics	GHS has extensive experience with reporting and analytics in the Medicaid Pharmacy area. We have selected COTS products that currently meet the needs of our client base and are top of the line in the industry. In addition, we have developed a Web-based Decision Support System for use by the clinical team to support all aspects of the Pharmacy system. Our current COTS products are: • The SAP Business Objects® (BOBI) offering is a suite of tools that provides GHS and our customers comprehensive reporting and analytics tools Microsoft SQL Server Reporting Services which offers integration into Web-based portals allowing users access to defined reports and analytics

PBMS Area	Goold Health Systems Solution
Scope and Duties Described in Other sections of the RFP	GHS maintains a full data warehouse and data center using industry Best Practices. Data can be received from multiple sources and maintained in a production ready state for consumption by the PBMS Services and applications. Data maintenance and consumption includes but is not limited to: • Drug files (MediSpan/FDB) • Member eligibility • Provider eligibility • Third party eligibility • Encounter claims • Medical claims (including JCODE) Provider services through the GHS self service Portal eWEBS is available to State approved providers and prescribers. Help Desk support is also available for Provider relations. Publications are made available through the Pharmacy Website and eWEBS Portal. Communication deliveries via postal mail are managed through the Goold Mailroom and Print Center Services. Client inquiry and relations are handled through the Help Desk and the Goold Mailroom and Print Center Services group when paper communications are required.

1.1 FR1-Claims Processing and Operational Support

The Vendor must ensure claims processing policies and procedures are in compliance with all applicable state and federal laws, regulations, rules, and policies. Claims adjudication is the responsibility of the Vendor. However, provider payments are made by the State's current MMIS Contractor. Under this scenario, the Vendor transmits the adjudicated claims electronically to the MMIS Contractor, and the MMIS Contractor performs all of the tasks associated with payments to providers and reporting to the State. In adjudicating claims the Contractor would perform a number of prescribed functions, including applying DUR edits, Prior Authorizations, and COB functions. Please elaborate on how you would support compliance and operations in each of the key areas below.

GHS has a clear understanding of claims processing and operational support required of the DVHA PBM vendor based on the detailed statement of work the State has provided in their RFP. Furthermore, GHS has successfully deployed and operated full PBM solutions in four states, with Medicaid pharmacy programs similar in size and scope to the State of Vermont. In the following subsections (1.1.1 through 1.1.5) we have provided specific details regarding our solution, and demonstrate how they directly achieve the requirements and goals of the DVHA PBM Project.

GHS will work with the DVHA to ensure we clearly understand all state policy and procedure related to claims processing and ongoing operational support. At a macro level, claims processing and operational support are similar across all State programs. All programs are unique, however, in that they all have their own State-specific policies, standards, or other requirements that must be accounted for. It's our experience that the differences are where the most scrutiny is required during requirements definition activity. Our Pharmacy POS solution is currently deployed in 4 other states, so we can assure the DVHA that we currently comply with all applicable federal laws. This also demonstrates our capability to

support four unique Medicaid pharmacy programs, each with its own methods for managing ongoing operations.

GHS understands our system and operational support staff are responsible for claims adjudication, and that the MMIS will be responsible for making payments to providers for all claims accepted for payment. This is the same division of responsibility that we follow in three of our current PBM client states: Iowa, Maine, and Utah. For each of these states, GHS provides paid claims data to the MMIS vendor on a regular schedule so that the MMIS may conduct their operational responsibilities, including generating payments to providers. We've always had positive and successful relationships with MMIS vendors in the states in which we provide PBM services. For the State of Wyoming, GHS acts as both the claims adjudicator and the fiscal agent, making payment for pharmacy claims directly to providers.

Our POS system has modules in place to support DUR, Prior Authorization, COB, and other claims adjudication functions. All modules of the POS claims adjudication system are configurable based on State policy and other requirements. GHS' approach to supporting these modules are further refined in the following subsections.

1.1.1 Point-of-Sale (POS) Claims Processing System

The State of Vermont is seeking a vendor who will operate a real-time (POS) online claims processing system with current NCPDP format and guidelines with an emphasis on drug utilization review (DUR), utilization management (UM), prior authorization, messaging, processing and reimbursement for clinical services (MTM, Immunization administration, and other), and 340B eligible drugs. The Vendor's POS claims processing system must be capable of adding, changing or removing adjudication rules, edits and customized transmission messages to accommodate Department-required changes for its current and future pharmacy programs. The POS claims processing system may include point-of-sale durable medical equipment claims processing, such as diabetic supplies. In addition, the system should be capable of processing both NDC and UPC codes. The system must be capable of displaying the formulary status of a drug. The Vendor must describe their approach to providing a Point-of-Sale system.

The Goold Rx pharmacy POS claims adjudication engine offers unparalleled flexibility in benefit management and is a proven solution that will provides the flexibility to easily and cost-effectively implement policy and rule modifications. We have responded to the specific, detailed requirements from Template F related to Pharmacy POS (FR1.1 though FR1.18) within this subsection of the RFP response.

Our POS claims adjudication system provides the core features all State Medicaid programs have come to expect from their PBM providers:

- On-line, real time Point-of-Sale (POS) claims adjudication;
- Formulary maintenance and status reporting;
- Application of Preferred Drug List and Prior Authorization criteria;
- Application of DUR rules and return of associated messaging;
- Data-driven, user configurable rules engine modules for the validation and pricing of claims;
- Compliance with all applicable federal, state, and industry standards, such as NCPDP D.0 and HIPAA;
- Support for compound, 340b, DME, and medical drug claims; and
- Support for manual claims entry (single and multi-ingredient)

Central to the POS Claims Adjudication System are the specialized rules engines modules supporting the activities mentioned above:

- Pharmacy Validation;
- Prescriber Validation;
- Member Eligibility Validation;
- Drug Validation (including support for both NDC and UPC);
- Benefit / Formulary;
- ProDUR Module;
- ePA Clinical Module; and
- Pricing Module, including cost avoidance.

These modules are data driven and user configurable, eliminating the need for programmer intervention when modifying rule criteria. This allows administrative changes, such as an eligibility restriction or a dispensing fee change, to be implemented quickly, following standard procedures for approval, quality assurance testing, and release to production.

GHS has also expanded the capability of the baseline GOOLD RX product to support specialized or 'custom' features resulting from initiatives put forth by clients, or designed jointly with GHS clinical staff. Some specific examples include:

- Processing claims for medications dispensed at a pharmacy location, such as a vaccine or immunization, or other medication therapy management activities.
- Processing claims for Durable Medical Equipment, such as diabetic supplies, where approved by the State.
- Incorporation of NADAC pricing for use in the POS claims adjudication process.

FR1.1 The Vendor's POS claims processing system must support online, real-time operations for receipt, adjudication, and notification to billing providers regarding the disposition of a claim (e.g., as payable, denied, or requiring more information).

The Goold Rx Pharmacy POS claims adjudication system is a fully compliant with NCPDP D.0, the most current standard for exchanging pharmacy claim adjudication requests. NCPDP compliant pharmacy claims will be transmitted from pharmacy providers to the POS claims adjudication system where Vermont's rules will be applied through each phase of the claims adjudication process. All operations of the claims adjudication process are conducted online and in real-time with Goold Rx.

Our POS claims adjudication architecture is built on a Service Oriented Architecture (SOA), which provides the flexibility to update to new NCPDP messaging standards quickly, and with little to no impact to ongoing operations. This infrastructure leverages an InterSystems Cache service bus and a data integration engine which handles the parsing and integration of messages. Our PBMS solution has the ability to support new NCPDP messaging standards as they become available for integration with our full enterprise.

Messaging returned to pharmacies is completely parameter driven, based on criteria implemented in the POS claims adjudication system, such as ePA rules. These are configured to meet the specific rules for each of our clients. Within the PBM Portal, authorized users can (within the standards set by NCPDP) configure the criteria under which messages are returned to pharmacy providers. The NCPDP standard also allows for "free text" customized messages to be sent in addition to the standard NCPDP message for any event. The free-form messages may be simple text, such as "Non-preferred drug", or they may contain meta-data like the claim date of service or any other value derived from the claim or other

supporting data structures. The NCPDP standard for the free-text message allows for messages up to be up to 240 characters long.

The example PDL message screen in the figure below displays and tracks each edit's disposition as a claim navigates the PDL (ePA) adjudication module, as well as the message triggered for each disposition. This list of messages triggered during the adjudication process is maintained in the claim record:

[redacted]

Figure 6: [redacted]

FR1.2 The Vendor's POS claims processing system must adhere to the most current version of the National Council for Prescription Drug Program (NCPDP) Implementation Guide functionality for Governmental Programs to allow appropriate reimbursement and coordination of a beneficiary's benefits.

Goold Rx is compliant with NCPDP version D.0, the most current version of the standard. GHS will ensure that the Pharmacy POS claims adjudication system implemented for the State of Vermont is compliant with the most current NCPDP version at the start of operations. GHS' technical staff are always prepared to assist all of our state clients in maintaining full compliance with all future applicable transaction standards and formatting requirements. This represents core functionality of PBMS that GHS is offering to the State of Vermont.

Goold Rx performs online cost avoidance edits for member claims with eligibility in multiple Medicaid plans and commercial insurance, including managed care and Part D plans, based upon business rules and data supplied by client states. Reimbursements are calculated according to the reimbursement policies of our client states and the beneficiary benefit on the claim date of service. Reimbursement methodologies are easily configured based on new or updated reimbursement policy.

FR1.3 The Vendor's POS claims processing system must support NCPDP Multi-Ingredient Compound functionality to process compounded claims in accordance with current Department policy and procedures.

Goold RX fully supports NCPDP compliant, online, real-time multi-ingredient compound claims processing for multiple NDCs. Each NDC is validated independently against all applicable PDL rules, requirements, and pricing algorithms, based on current policy and reimbursement methodologies. GHS will work with the Department to configure the on-line compounding module to ensure compound claims are processed according to Vermont's current policies.

FR1.4 The Vendor must support implementation and ongoing support of providers' interaction with the Vendor's POS systems including, but not limited to, the following

1. *Establish testing procedures*
2. *Coordinate with network vendors to ensure smooth operation of the POS system*

3. Certify provider practice management systems (e.g., service bureaus, switches, etc.) as compatible and ready to interface with the Vendor's POS system

1. Testing Procedures:
GHS will ensure proper provider interaction with the Goold Rx POS system through clear communication with the providers and through pilot testing conducted prior to final implementation. GHS and the DVHA will work together to prepare communications to the provider community, which will be distributed throughout the DDI phase of the project and continue through ongoing operations. GHS feels that communications with the provider community regarding the roll-out of a replacement PBM must start early in the project life cycle, and be provided frequently through the implementation phase. This not only benefits the providers, but also DVHA and GHS: as important stakeholders in the project, providers will communicate their thoughts and concerns if and when they find them. This provides an opportunity to help ensure that the PBM solution is the best it can be on the first day of operations.

After the start of ongoing operations, communications become less frequent, and often take the form of regularly-scheduled communications, such as a quarterly PBM program update. Additional communications are developed as needed to support specific changes, new pharmacy projects, or other events or activities. Written materials can be distributed to the provider community through mass mailing, "fax blasts," and emails. All of the information presented directly to providers by mail, email, or fax can also be posted to the website established to support the DVHA PBM project during operations.

Providers will have the opportunity to test with GHS' replacement PBM through pilot testing activities. Procedures for Pilot Testing will be communicated to providers in preparation for operational readiness, including a revised Provider Manual. A gap analysis will be performed against current submission requirements and the new POS deployment. Any changes to the existing process will be highlighted with test scenarios for the providers to exercise. Pilot test scenarios will not only confirm that the general claims submission and adjudication process is set up correctly, but also highlight any new requirements so each provider can successfully exercise their software's ability to submit the necessary data in the specific fields. GHS will manage a provider registration process for providers to sign up for Pilot testing and the results will be captured and made available to the State. The operational readiness phase consists of activities that allow us to ensure the system is ready for implementation and provider participation is a critical element of these activities. Procedures for pilot testing will be developed by GHS, in collaboration with DVHA staff.

Testing procedures will be published in the State's pharmacy provider manual, and with supplemental training material produced by GHS with the Department. Also, help desk support and formal in-person training sessions will be provided when appropriate.

2. Network Vendor Coordination:
GHS has existing relationship with network switching vendors and has experience establishing the necessary connections when establishing a new pharmacy POS. GHS' parent company, Emdeon, is a pharmacy network services vendor, which represents additional experience and lower risk with regard to establishing connections with pharmacy switch vendors.

GHS currently provides data telecommunications network services providing nation-wide pharmacy networking capability through contracted pharmacy switching vendors. In accordance with the Vermont pharmacy network switching requirements, GHS will work with the switching vendors, approved by

Vermont, to ensure accessibility and a seamless transition. GHS will not change (add, remove) switching vendors at the exclusive request of a single pharmacy location, but will work with the State to ensure appropriate connectivity. GHS will provide any necessary documentation (such as BIN, PCN, and Payer Sheet) and assistance needed to assure that the Vermont pharmacies are connected to successfully adjudicate POS claims.

GHS has a full time Network Services Department staffed by experienced employees with decades of combined experience in data center, hosting, and network operations. The GHS Network Services team is responsible for the provision and maintenance of all data center and network infrastructure, including data communication connectivity to third parties such as pharmacy switching vendors and client data system.

3. Provider Practice Management Systems:
Compatibility with provider practice management systems, and capability to connect with the DVHA POS provided by GHS, will be confirmed during pilot testing conducted during the operational readiness phase of the project. In the lead-up to pilot testing, providers will be provided with a designated test BIN/PCN that will allow their systems to exchange transactions with GHS' POS claims adjudication system.

GHS has over 20 years of experience working with the major switching vendors and pharmacy software vendors. We have established long-standing relationships that provides us with the experience and skills to successfully work with any providers who may have issues where they are unable to connect or experiencing other types of technical issues. Our staff will work with the provider, their software vendor and the switching vendors to determine the root cause of the issue and see it through to a successful resolution.

FR1.5 The Vendor's POS claims processing system must be capable of adding, changing, or removing adjudication rules, edits, and customized transmission messages to accommodate Department-required changes for its current and future pharmacy programs.

The Goold Rx POS claims adjudication system allows for full configuration of all new and existing rules, edits, audits, and messaging according to applicable State, industry, and federal standards and best practices. A complete history and audit trail of rule configuration changes is maintained within the system, and implemented based on effective start and end date, allowing for accurate claims processing or re-processing based on a claim's original date of service.

The Goold PBM Portal will be used to for POS rule management and to customize transmission messages.

[redacted]

Figure 7: [redacted]

[redacted]

Figure 8: [redacted]

[redacted]

Figure 9: [redacted]

After contract award, the GHS team will undertake a detailed review of the Department's Medicaid pharmacy policy and configurations within their current POS system. These findings will be documented in the formal Requirements Traceability Matrix, which will then become the primary input of specifications for configuring Vermont's instance of the Goold Rx POS claims adjudication system. We will undertake this process with the Department (following an appropriate procedure) each time a new or updated configuration is required.

FR1.6 The Vendor's POS claims processing system must support, at a minimum, the following:
a. The ability to track and report on the specific adjudication rule in effect by date of service and date of payment, and the date the rule was changed, added or deleted
b. Adjudication rules customized for each of the Department's programs by category codes within Medicaid, eligibility status, beneficiary attributes (e.g. age, sex, medical condition, etc), ambulatory, long-term care, hospice or other residential setting, drug or drug class (e.g. brand/generic status, drug coverage status, preferred drug list status or other attributes), Medicare-Medicaid dual eligible status and other criteria specified by the Department.
c. The ability to look up the PDL status of a drug at a claim and NDC level

A.
All claims are processed based on the rules effective on the claim's date of service. All rules applied to a claim are captured during adjudication and the necessary supporting data will remain in a patient's profile (claim history), based on the rule's effective start and end dates. The claim's date of services is compared to current and historic configurations of the rule to determine how the claim was adjudicated. When looking up a rule itself, authorized users will see the complete history of a rule's configuration based on these effective start and end dates. All claim and rule data, including rule configurations, are available for reporting and analysis. The PBM Portal interface provides search and look-up capability with regard to rule configurations, and the data is also available to our Data Analysts if more advanced reporting is required.

[redacted]

Figure 10: [redacted].

B.
Goold RX supports the configuration of multiple member benefit programs. All of our current clients have more than one benefit program, each with different rules and requirements for the pharmacy portion of the benefit. Each rule within the benefit has its own start and end date, and the plan itself is version controlled with each version (or iteration) of the plan having a defined start and end date. The various benefit levels are configured using the PDL and Formulary applications, then exported for use by the POS claims adjudication system. The following example shows Plan Detail screen for an example

plan. The Plan Detail screen provides all current and historic rules configuration through the plan's entire version history.

[redacted]

C.

The PBM solution provided by GHS has a number of different methods for looking up the PDL status of a drug at the claim or NDC level, based on the type of user and their access privileges.

The Goold eWEBS Provider Portal allows providers to query the PDL status of a specific drug. Users are then able to drill down into detailed clinical, PDL, and other information regarding the chosen drug. The query also returns therapeutic equivalents if the exist for the requested drug. Quick links are provided here to allow the prescriber to request a PA for non-preferred drugs or to ePrescribe (E-Fax Rx). In the Drug Name and PDL Status columns, links are provided to detailed drug information. This allows providers to look up PDL criteria and then initiate a PA request directly from the inquiry results screen. Users may also download a copy of the current PDL in PDF / Excel format, if they wish to have access to this information off-line.

[redacted]

Figure 11: [redacted]

The Goold PBM Portal allows authorized help desk, operations, and Department staff to access the PDL status of a drug and related information using the formulary look-up tool. A user simply enters the full or partial name or NDC of the desired drug and/or other criteria. The results returned provide s information regarding the drug, including its current PDL status. This is a more detailed, technical view of drug information than eWEBS, and is intend for the clinicians and technicians who manage and configure PDL criteria.

[redacted]

Figure 12: Example – [redacted]

PBM Portal also allows users to see the PDL status of a drug associated with a specific claim. Using the claim inquiry tool, a user selects the desired claim, which opens the claim detail screen. This screen provides any PDL messages associated with the claim and PDL status of the drug on the claim's date of service

[redacted]

General | Claim | Price Detail | Compound PA | PDL Messages | Rollover Plans | Codes | DUR | PDL Class | COB | Transactions | Raw Transaction

Class:	00016318	Category:	00039	Sub-Category:	00007531
GPI-14:	39400075000360	Brand/Generic:	G	Package:	BLISTER
As of:	08/14/2012				

Rules

Effective	Step	MC	Grace Eff	Grace Exp	Grand Eff	Grand Exp	Cls Exc	NDC Exc	Actions
08/15/2012	8	b					0	0	
01/01/2009	4	b					0	0	

Figure 13: Example - [redacted]

The Goold Pharmacy Decision Support System (DSS) also provides queries for PDL information. DSS users have the ability look up PDL information based on an NDC or GPI. DSS is intended for help desk, operations, and Department staff who do not require access to the PBM Portal, but still need access to PDL and claims information to perform their work. This same query can be accessed from the claim inquiry results table: the NDC listed for the claim is a hyperlink the user can click to look up PDL information for the drug.

[redacted]

Figure 14: Example - [redacted].

FR1.7 The Vendor's POS claims processing system must support unique edit and claims processing logic as specified by the Department for each of its individual programs including, at a minimum, the following:

a. Prescriber Validation – Validate the prescriber entry on the claim using either a National Provider (NPI) check digit or an HCIdea National Provider Identifier/DEA Lookup from the NCPDP, and/or the Department's Master Provider Index as specified by the Department.
b. Co-Payments – Calculate different co-payment amounts for different pharmacy programs, for different drugs, and for beneficiaries based on age or any other specifications provided by the Department.
c. Prior Authorization (PA) Requirements – Edit for drugs requiring PA or bypass PA requirements when authorization is granted for the date of dispensing or automated authorization is allowed based on pharmacy or medical claims history files. In particular, system must be capable of displaying expiration dates of prior authorizations at POS.
d. Diagnosis-Specific Requirements – Edit for drugs requiring submission of specific diagnosis codes.
e. Age-Specific Requirements – Edit for drugs requiring specific beneficiary age restrictions
f. Other Reference Files – Apply Department-specified payment criteria based on First DataBank, Medi-Span, or other reference files approved for use by the Department.
g. Preferred Drug List and Other Formulary Requirements – Deny payment for drugs requiring PA, non-preferred, non-covered drugs or drug classes not covered by a beneficiary's pharmacy program and notify the provider through an online, real-time response. Exceptions must be allowed when approved by the Department or based on Department-approved criteria.
h. Authorized Providers – Limit payment for selected drugs, classes, or specific Department programs to authorized prescribers as designated by the Department. For example, limit certain dosage forms of buprenorphine to prescribers with an X-DEA number.
i. Compounded Drugs – Capture, edit, and adjudicate compounded drug claims as specified by the Department. Must be able to apply edits at ingredient level detail
j. Quantity, Days Supply, and Frequency of Service – Validate claims to assure that the quantity of services is consistent with the Department's policy (i.e., verify drug specific minimum and maximum quantity limitations are followed including any days supply limitations and frequency limitations).
k. Benefit Restrictions – Impose pharmacy benefits restrictions that apply to a given recipient including, but not limited to: benefit restrictions based on the lock-in program, living arrangements (e.g., ambulatory versus long-term care settings), and eligibility for the Department's different pharmacy programs.
l. Approved Manufacturers – Deny payment for drugs distributed by manufacturers not participating in the federal manufacturer drug rebate program, except as directed by the Department for specific pharmacy programs or products.
m. Proposed Less-Than-Effective Drugs – Deny payment for drugs that the federal government has identified as proposed less-than-effective under the Drug Efficacy Study Implementation (DESI) program and as identical, related, or similar to such drugs.
n. Other CMS-Restricted Drugs – Deny payment for any drug that CMS identifies as restricted.
o. Sanctioned Providers – Deny payment for sanctioned providers (e.g., pharmacies or prescribers) designated by the federal government and the State.

A. Prescriber Validation:
Using the prescriber's National Provider Identifier (NPI), the system verifies the prescriber submitted on the claim is an eligible Vermont Provider by validating against the State's provider file, and applying any restrictions and/or exemptions that may be present in the prescriber's record on the claim date of service. Other prescriber identifiers, such as the DEA number or a State-specific identifier, can be supported if required by the Department. GHS will work with the Department to capture the specifications for prescriber validation in the POS claims adjudication system.

B. Co-Payments:
Goold Rx deducts member co-payment amounts based upon state-specified, data-driven rules when pricing claims. Co-payment amounts are set and easily configured for each unique member benefit, according to Department policy. GHS will work with the Department to capture the specifications for the

application of co-payments based on member plans in the POS claims adjudication system. The co-payment applied to a claim is always available in the claim detail screen in the PBM portal and the Pharmacy DSS. The current and historic co-payment amounts associated with a member plan are listed in on the Plan Detail screen in the PBM Portal.

[redacted]

Figure 15: [redacted].

Below is an example of a co-pay based on the drug's preferred / non-preferred and brand / generic status:

[redacted]

Figure 16: [redacted].

Below is an example of a Co-pay Exemption for members under 18 years of age, American Indians (AI), for Family Planning Products.

[redacted]

Figure 17: [redacted].

GHS will work with the Department to capture the specifications the co-payment amounts for all Vermont plans that must be applied in the POS claims adjudication system.

C. Prior Authorization (PA) Requirements:
The ePA module of the Goold Rx POS claims adjudication system provides automated determination of PA criteria during the on-line adjudication process. The ePA module allows drugs that would otherwise require a clinical PA determination to bypass this process when Department-specified criteria is present in a members profile on the claim date of service. The ePA module is configured based on current PDL criteria. The ePA module of the POS applies an expiration date to all automated PAs authorized during online claims adjudication, and this will remain in the patient's profile for consideration during the adjudication of future claims.

GHS will work with the Department to capture the specifications for ePA and related PDL criteria that must be applied in the POS claims adjudication system.

[redacted]

Figure 18: [redacted].

D. Diagnosis-Specific Requirements:
Goold Rx provides configurable edits and rules for claims requiring submission of specific diagnosis codes to be accepted for payment. If Department rules specify that a product is only available with the presence of a specific ICD-9/10 code, the POS claims adjudication system has the ability to integrate medical claims information into real-time payment of claims by verifying the presence of the appropriate matching code.

Goold Rx also has the ability to allow diagnosis codes to enter the POS system from the pharmacy (as part of the NCPDP transaction) and to then adjudicate the claim based on the pharmacy-supplied ICD-9/10 code. The submitted ICD-9/ICD-10 diagnosis code can also be cross-referenced to a Department-specific diagnosis code file (if such a code is used) and validated against the condition, and other parameters such as drug and patient age.

Below is an example for Chantix used for smoking cessation using the medical profile to look for ICD9 codes associated with tobacco dependence, is greater than or equal to 18yoa, and has not had more than 168 days of Chantix therapy.

[redacted]

Figure 19: [redacted]

Below is an example of claim rejecting for client's age and also not having an ICD9 code submitted on the claim with a member diagnosis of ADHD.

[redacted]

Figure 20: [redacted]

GHS will work with the Department to capture the specifications diagnosis-code related criteria that must be applied in the POS claims adjudication system.

E. Age-Specific Requirements:
Goold Rx provides configurable rules and edits for drugs requiring specific beneficiary age restrictions.

Figure 21:

Figure 22: Example –

GHS will work with the Department to capture the specifications member age-based criteria that must be applied in the POS claims adjudication system.

F. Other Reference Files:

The Goold Rx claims adjudication system supports both the Medi-Span and First DataBank drug reference files for use in claim payment calculations. The prices associated with any drug (such as Average Wholesale Price (AWP), Suggested Wholesale Price (SWP) or, the Wholesale Acquisition Cost (WAC)) are provided by these drug reference files. These drug prices are used to calculate payment amounts for pharmacy providers, based on state policy and drug reference data effective on the claim Date of Service (DOS), and any other policy, rule, or procedure required.

Our solution also supports the use of State-specific pricing reference data, such as State Maximum Allowable Cost (SMAC) or any other formally approved and managed drug pricing reference source. Other components of the overall PBM solution are also capable of supporting these drug reference data sources

Claims pricing calculation will be based upon the reimbursement policy established by the Department for the benefit level of the member and medication dispensed. If allowed by policy, any prices that may be submitted by the provider are compared against the prices calculated at a State rate and the least amount calculated is used for pricing the claim (NOTE: We understands there may be exceptions to this 'least-of' rule, and have the ability to support this in Goold Rx). Third party paid amounts and member

copays are incorporated into the final reimbursement calculation. (i.e. lesser of w/ different dispensing fees, copays, etc.). All prices considered during claims adjudication, as well as the drug price used in final calculation, are stored in the claim record and can be accessed in the Claim Detail screen in the PBM portal, and elsewhere.

[redacted]

Figure 23: [redacted].

GHS will work with the Department to capture the specifications claim payment calculation that must be applied in the POS claims adjudication system. GHS will also work with Department to capture all historic rates and effective dates for the purposes of reversal/resubmission of claims and to have a comprehensive history for reporting and analysis.

G. Preferred Drug List and Other Formulary Requirements:
The Goold Rx claims adjudication system will deny payment for drugs requiring PA, non-preferred, non-covered drugs or drug classes not covered by a beneficiary's pharmacy program on the claim date of service. Notification of denials, along with clarifying details, are returned to the provider through using an online, real-time response returned to the submitting pharmacy at the conclusion of the adjudication process. Goold Rx allows for the configuration of exceptions based on Department-approved criteria.

[redacted]

Figure 24: [redacted]

[redacted]

Figure 25: [redacted]

[redacted]

Figure 26: [redacted].

Criteria for these rules are configured within formulary and PDL using the Goold PBSA Formulary maintenance workflow application. The formulary defines which drugs are covered by each of the Department's beneficiary plans, or for all plans if the Department uses a single formulary. The PDL defines how the drugs are covered: the criteria and conditions that must be met for the claim to be accepted for payment, specifically PA and ePA criteria. This also includes any exceptions to a rule. The specific messaging related to PDL edits is also configured within PBSA Formulary.

GHS will work with the Department to capture the specifications for configuring the formulary and PDL that will be consumed by the POS claims adjudication system.

H. Authorized Providers:
Goold Rx supports access to and restrictions on drugs, categories of drugs, or specific Department programs based on prescriber and/or pharmacy provider type. A common example is specialty drugs, the claims for which may only be paid if they are dispensed from a specialty pharmacy. This requirement is support by standard data elements provided in provider eligibility, claims, and other drug reference data. These rules are configured based on Department specifications. Specifically, our system can be configured to limit certain dosage forms of buprenorphine (or any other pain medication/narcotic) to prescribers with an X-DEA number

[redacted]

Figure 27: [redacted]

GHS will work with the Department to capture the specifications for restricting providers and related methods that will be consumed by the POS claims adjudication system.

I. Compounded Drugs:
The Goold Rx POS fully supports NCPDP compliant online real time compound claims processing for multiple NDCs. Each ingredient NDC is validated independently against all applicable PDL rules, requirements, and pricing algorithms.

[redacted]

Figure 28: [redacted]

GHS will work with the Department to capture any other special rules or specifications related to the processing of compound claims that must be configured in the POS claims adjudication system.

J. Quantity, Days Supply, and Frequency of Service:
Goold Rx validates claims to assure that the requested quantity, days supply, and frequency of service (refills) is consistent with Departments policy on the claim date of service. These criteria are configured using the PBSA formulary application.

GHS will work with the Department to capture the specifications for configuring quantity, days supply, and frequency of refills in the POS claims adjudication system.

[redacted]

Figure 29: [redacted]

[redacted]

Figure 30: [redacted].

K. Benefit Restrictions:

Goold Rx supports the configuration of benefit restrictions, such as lock-ins, based on client and/or provider criteria. Rules regarding member eligibility and benefit restrictions are fully configurable within the Goold Rx pharmacy solution. For example, if a member is restricted (locked-in) to a single pharmacy location, claims for drugs dispensed at any other pharmacy location will be rejected. Lock-in restrictions can also be configured for prescribers, physicians, restrict the member to obtain certain drugs from specific providers. Effectively, restrictions can be configured based on any criteria supported by data supplied on the pharmacy claim and/or drug reference data.

[redacted]

Figure 31: [redacted]

Goold Rx determines the appropriate benefit level and services covered for the beneficiary from eligibility and other supplemental member data such as lock-in information provided by the client. The system verifies if the beneficiary is eligible for services submitted with rules-driven edits applied in regards to any restricted programs, services or drugs or disease management, lock-in restrictions, and if any applicable overrides or prior authorizations are on file to allow the exception to that rule.

Features are also available in the Goold eWEBS provider portal that can be used in the event that patient is locked into a specific pharmacy, but goes to a different pharmacy. Pharmacy users can look up a member's eligibility, which will show any lock-ins a member has, as well as the effective dates of those lock-ins. GHS can (if allowed by Department policy) also provide lock-in pharmacies the ability to create an override to allow a specific secondary pharmacy to submit a claim for their member. This allows for a one-time exception in the event that the lock-in pharmacy does not have the patient's requested drug stocked, or for any other reason acceptable by DVHA policy. There is also existing functionality to facilitate this transfer of locked-in services via the Pharmacy Help Desk, much like the support for an override.

L. Approved Manufacturers:

By default, drugs distributed by manufacturers not participating in the federal manufacturer drug rebate program are configured as 'not covered' in the formulary. Exceptions to this rule can easily be configured using the PBSA Formulary application for consumption by the POS claims adjudication system. The member plans of our current clients sometimes make exceptions to this rule as needed to meet specific scenarios they feel necessitate an exception. We're capable of doing the same types of exceptions for Vermont on a program-by-program basis.

[redacted]

Figure 32: [redacted].

GHS will work with the Department to capture the specifications for configuring quantity, days supply, and frequency of refills in the POS claims adjudication system.

M. Proposed Less-Than-Effective Dugs:

Deny payment for drugs that the federal government has identified as proposed less-than-effective under the Drug Efficacy Study Implementation (DESI) program and as identical, related, or similar to such drugs.

The Goold Rx POS uses identifications provided by Drug Efficacy Study Implementation (DESI) codes, as well as therapeutic classification to assure the s all NDC's of a particular generic equivalent will be identified. Any claims meeting the Department's criteria for being 'less-then effective' will be rejected, and an appropriate NCPDP message returned to the submitting pharmacy.

Figure 33:

GHS will work with the Department to capture the criteria for determining when a drug is considered less-than effective in the POS claims adjudication system.

N. Other CMS-Restricted Drugs:

By default, CMS-restricted drugs are configured as 'not covered' in the formulary. If allowed by State and CMS policy, exceptions to this rule can easily be configured using the PBSA Formulary application for consumption by the POS claims adjudication system. The Formulary has several reference files available that can be incorporated into the creation of the State's covered drug list, as well as identifying drugs that need to be marked as not covered, such as the CMS drugs noted as DESI drugs or obsolete drugs, which are typically not covered for a Medicaid program. The value of having a variety of reference files available, in addition to the configurability of the Formulary application, will support the ability to manage and deny payment for any drug that CMS identifies as restricted.

[redacted]

Figure 34: [redacted]

GHS will work with the Department to capture the specifications for configuring quantity, days supply, and frequency of refills in the POS claims adjudication system.

O. Sanctioned Providers:
Provider sanction information is used by the POS Claims adjudication system to deny payment for any claim submitted from a sanctioned provider. Provider sanction information is typically provided in provider eligibility reference data, but can also be incorporated from a separate source.

GHS will work with the Department to determine the best source for provider sanction information and to ensure the POS is configured to reject claims from sanctioned providers according the Department rules and policy.

FR1.8 The Vendor's POS claims processing system must provide NCPDP standard messages in addition to customized transmission response messages as specified by the Department for its current or future programs including, but not limited to, the following:

a. Bill [Health Plan] and [phone number]
b.Bill Medicare Part B
c. Bill Medicare Part D [name] and [phone number]
d.Program has no pharmacy benefit
e.Bill as Medical Supplier
f. PA expires on [date]
g. Drug not covered – included in long-term care per diem rate

h.Doctor not authorized, pharmacy not authorized, doctor/NDC not authorized, or pharmacy/NDC not authorized related to the Lock-In Program (message must return authorized pharmacy)

GOOLD Rx supports fully configurable, criteria-specific NCPDP messaging for all possible edit events. Specifically, Goold Rx supports messaging for the specific events and edits listed in this requirement:

- Bill [Health Plan] and [phone number]
- Bill Medicare Part B
- Bill Medicare Part D [name] and [phone number]
- Program has no pharmacy benefit
- Bill as Medical Supplier
- PA expires on [date]
- Drug not covered – included in long-term care per diem rate
- Doctor not authorized, pharmacy not authorized, doctor/NDC not authorized, or pharmacy/NDC not authorized related to the Lock-In Program (message must return authorized pharmacy)

All rejections are tied to a table of Reject Condition Codes that, among other things, allows users to set the free-form rejection message associated with any NCPDP rejection code and edit event combination. The free-form messages may be simple text, such as "Non-preferred drug"; or they may contain meta-data, like the claim date of service or any other value derived from the claim or other supporting data structures. The NCPDP standard for the custom message (or ''Free Text") allows for messages up to be 240 characters long.

The example PDL message screen in the figure below displays and tracks each edit's disposition as a claim navigates the PDL (ePA) adjudication module, as well as the message triggered for each disposition. This list of messages triggered during the adjudication process is maintained in the claim record:

[redacted]

Figure 35: [redacted].

FR1.9 The Vendor must be able to process POS, batch electronic claims (e.g. batch adjustments), and paper claims. Paper claims to be processed by the Vendor within 14 days of receipt

The Goold Rx pharmacy POS claims adjudication system complies with the NCPDP batch transactions (version 1.2), which would be used to facilitate the electronic mass (batch) adjustments process. Goold Rx offers the ability to run custom batches to conduct mass reversals and resubmissions with distinct

criteria, such as only engaging the pricing module to correct payments or adjust dispensing fees. These batches will generate transactions that include submissions for claim payment, claim reversal, and claim resubmission which would include any changes or adjustments. Batch processing of claims can be coordinated as appropriate with the MMIS and other supporting services contractors to ensure non-duplication of claims transactions. This process provides a complete audit trail.

GHS' in-house Data Capture department facilitates the capture and entry of paper pharmacy claims into the pharmacy POS claims adjudication system. After the paper claim is captured and available in the Electronic Document Management System (EDMS) the data is keyed from the paper claim image and will be adjudicated. Paper claims will also subsequently be available for reporting in the same manner as other adjudicated claims, with the original supporting documents maintained in the EDMS. We recommend that the Department choose a single, HIPAA compliant paper claim form for use in the submission of all paper claims. If a single claim format is not already in place, we will work with the Department and Vermont-enrolled pharmacies to choose an appropriate claim form. Maine uses a state-specific standard form; Iowa uses a variation on the Universal Claim Format (UCF). We typically recommend a single format based on the UCF to support the submission, entry, and processing of paper pharmacy claims.

FR1.10 The Vendor must create electronic imaged copies of all paper claims and attachments within 24 hours of receipt.

The GHS Electronic Document Management System (EDMS) solution, provided by Alfresco and FormWorks, is a collection of technologies that work together to provide a comprehensive solution for managing the creation, capture, indexing, storage, retrieval, and disposition of artifacts from both paper and electronic sources. The EDMS will be used to capture and store paper claims as they are received, ensuring that all paper claims and their related attachments will be available electronically within 24 hours.

FR1.11 The Vendor must notify the Department staff of any and all claims that have been erroneously processed by the claims processing system, and present a corrective action plan to the Department within five business days. The Vendor must initiate corrective actions, at no additional cost to the Department, only after the written approval of the Department.

In the event that GHS discovers or is notified that a claim has been paid in error, GHS will notify the Department within 5 business days. Prior to supplying this information to the Department, our operations team will research why the claim was paid in error and use this information to determine and document a corrective action plan. The corrective action plan, along with any other information detailing why the error occurred, will be delivered to the Department in the time-frame specified. If the error is determined to be urgent, we would fast-track this process and could supply the required information to the Department within a few hours. We understand that no corrective action is to be undertaken by GHS until written approval is received from the Department.

Without exception, the Goold Rx POS claims adjudication system applies edits to claims according to the configurations effective on the claims date of service. All configuration changes will based upon specifications approved by the Department or other authorized party. All configuration changes are thoroughly tested and follow quality assurance practices and procedures to confirm they meet the approved specification and expected outcome. All test results are reviewed for any discrepancy and

formally approved prior to the tested change being made active. Therefore, GHS is confident in stating that there is extremely low risk with regard to a claim being paid in error.

FR1.12 The Vendor must analyze probable erroneous payments that have been brought to the Department's attention by providers or that have been identified through the Department's evaluation of paid claim samples.

GHS will accept notifications of claim payment errors from any authorized source, including providers reporting errors through the Department or the Department's own evaluation of paid claim samples. GHS will undertake the review of all errors reported in the same manner described above in FR1.11.

FR1.13 The Vendor must base its POS transmissions and batch electronic transmissions on NCPDP and other required transactions and code sets. As additions and updates are available, the Vendor must continue to be in compliance and, at no additional cost to the Department, the Vendor must:

a. Implement new and updated NCPDP and other required transactions and code sets

b. Maintain compatibility with pharmacies using the previous version data elements and those providers using the updated version(s), according to the timeline approved by the Department

GHS operates a fully compliant pharmacy POS claims adjudication system (Goold Rx) in accordance with all current federal guidelines, including the Omnibus Budget Reconciliation Act (OBRA) and Health Insurance Portability and Accountability Act (HIPAA) provisions, and all additional initiatives implemented by our client states. GHS has implemented requirements for NCPDP version D.0, ICD-10 code sets as they pertain to pharmacy, and HIPAA X12 Version 5010. Our functional and management teams monitor the organizations that manage these and other standards to plan for all planned changes.

The Goold Rx POS claims adjudication system is compliant with NCPDP D.0, the most current transaction standard released by the organization. GHS has implemented the requirements for all NCPDP version D.0 updates and will remain current with all future updates to this standard. GHS' technical staff are prepared to continue assisting our state clients in maintaining full compliance with all future applicable transaction standards and claim submission format requirements. This represents critical functionality of PBMS that GHS is offering for the DVHA PBM project.

Our staff continually monitors standards and State initiatives that may affect how our PBMS solution operates. Any necessary updates or changes are planned in advance to ensure they are implemented in a timely manner. Key members of GHS functional teams are members NCPDP and are active participants in the ongoing initiatives of the organization. We also monitor standards released by CMS and other agencies of the Federal Government (as they pertain to Medicaid and/or healthcare in general) and other standards organizations, such as NCPDP.

Any changes in federal or industry standards that affect the POS system (or any other component of our PBMS solution) will be undertaken by GHS with no additional costs to the DVHA or any other client. These types of enhancements are shared across all PBM services clients and are critical to our core product offering.

GHS has experience working with various providers and clients as they transition from one NCPDP version or business rules standard to another, providing the capability to accept both versions for a transition period and to establish distinct rules and versions to only be considered during an allowable time period. The Goold Rx POS is designed to accommodate applicable NCPDP versions that are within

the clients established billing period. If there are enhancements deployed in a new version or additional values are incorporated from the External Codes List into the business rule logic of the adjudication process, the processor will assign the appropriate billing requirements and versions within the specified time frame based upon parameters defined such as the claims date of service or process date. This design accommodates the ability to receive, process and transmit deviations in not only NCPDP versions but also in the client's business rule versions and historical time periods.

When allowed and required according to applicable State, Federal, or industry standards, GHS will maintain backward compatibility with previous versions of standards such as NCPDP. This will be done according to timelines approved by the Department. We understand that this type of 'backward compatibility' is often necessary to support providers who are delayed in updating their systems to current standards. This is an issue GHS has successfully addressed with providers in other client states.

FR1.14 The Vendor must adjudicate primary, secondary, and tertiary pharmacy claims for the Department's current programs and any future programs consistent with the Department's coverage and reimbursement policies and procedures specified in the Vermont Provider Manual, the Pharmacy Provider Manual, Department PDL, the VT Medicaid State Plan, and other Department documentation. The Department's current programs are:

a. Medicaid
b. Dr. Dynasaur
c. VPharm
d. Healthy Vermonters
e. VMAP(Ryan White HIV MA program)
f. Dual Eligibles
g. General Assistance
h. Long Term Care

Incoming transactions are checked against the departments member TPL file. Transactions submitted as primary payer for a member with TPL on file for the date of service are rejected with a message to submit to the other payer. Additional information may be sent back to the provider indicating who the primary payer is if that information is available in the member TPL file. Claims submitted as secondary payer expect required COB elements to be populated indicating that the claim was rejected for specific reasons or had partial payment before the claim would adjudicate.

GHS will provide ongoing system updates to assure system compliance with changes to Federal and State coverage and reimbursement polices during the life of the contract. GHS has experience with several Medicaid agencies that support multiple programs that require Medicaid as the payor of last resort. GHS also has experience in managing unique claims capture, pricing and reporting for a General Assistance program where there is no member eligibility but the Town issuing the voucher is requesting the claim be priced at the Medicaid rate. In this scenario, monthly reports are presented to the Towns to verify pricing against their Pharmacy invoices. The Goold Rx POS is designed to manage members that are enrolled in multiple programs and an established benefit hierarchy is implemented in the business rules. This allows the adjudication process to interrogate each possible benefit and its drug coverage in the order specified by the State. The claim is adjudicated against the rules assigned to the qualifying benefit that is selected during the hierarchy search. Examples of these benefit levels include but are not limited to Medicaid, State plans, Ryan White plans, Dual Eligibles, General Assistance and Long Term Care.

FR1.15 The Vendor must provide automated audit trails to document, identify, and track chronological records and transactions throughout the Vendor's systems including, but not limited to, additions, deletions, and changes to PDL and formulary maintenance

GHS system security provides full audit trails such that all system activity can be traced to a specific user or process. The GOOLD Rx solution, including all systems, applications, and databases, store a complete audit trail of all user login access points and all activity the GHS administrators and the State would like to capture. All data entry and data updates are fully audited. At a high level, audit trails are tailored for each type of PBMS system components:

- Applications – Capture activities such as: User access, data inquiries, record creation/modification, and workflow configuration.
- Databases – Capture activities such as: User access, process access, data inquiries, and record creation/modification.
- Systems – Capture activities such as: User access, process updates, rule creation/ configuration, and record creation/modification.

At a minimum, audit information captured includes the user ID of the person or process accessing, the time/date of access, and a record of the data replaced (for updated records) or activity performed. Additional fields are also available for capture in specific components to support any custom reporting functionality that may be necessary. This allows for detailed reporting and tracking of distinct events or activities for specific auditing requirements. These audit reports are typically made available to State users through the standard reporting module, and additional customized reports can be provided through the ad hoc reports module when necessary.

[redacted]

Figure 36: [redacted]

FR1.16 Vendor's System must be capable of recording the PDL status of a drug on an NDC level, and capable of a look-up or query of PDL status of a drug on an NDC level.

The PDL status of a drug is recorded at the level of an individual NDC. Therefore, the drug and PDL inquiry tools provided by our PBM support applications allow users to look up and determine the status if a specific NDC. This information can be looked up in the Goold PBM portal, Goold DSS, the eWEBS Provider portal, and the PADSS PA determination workflow tool. How the inquiry is configured and functions in each application is determined on the typical workflow of users accessing PDL information in each respective application.

[redacted]

Figure 37: Example – [redacted]

The results table will provide all drugs matching the criteria supplied by the user. If a user enters a unique NDC, only the information on that unique drug will be returned.

[redacted]

Figure 38: [redacted]

FR1.17 Vendor's must maintain detailed electronic documentation outlining the specific benefit design structure that supports and represents the Department's pharmacy benefits in the Vendor's system

Detailed documentation regarding the benefit plan design and structures of formulary and PDL are documented by GHS, working with State Program Managers. These documents then become the formal, approved specification for all formulary and PDL configurations for each member benefit or plan.

FR1.18 The Vendor must provide functionality to apply different reimbursement logic or benefit coverage as specified by the Department including, but not limited to, the following:

a. Ingredient Cost and Dispensing Fee Payments based on pharmacy network for compounded drugs, 340B drugs, specialty drugs, and other

b. Based on program, category code or other program specifications, beneficiary age, drug or drug class, Medicare-Medicaid dual eligibility, beneficiaries residing in a nursing facility, and other

c. . DVHA "lower of" reimbursement logic as outlined in the Vermont Medicaid State Plan included in the Procurement Library

A.

The Goold Rx POS claims adjudication system supports the configuration of ingredient cost and dispensing fee payments according to the type of claims and/or the type of provider. Specifically, we have the capability to set unique ingredient cost and dispensing fee rates for compounded drugs, 340b drugs, specialty drugs, and other designations. GHS already provides this type of special rate setting for current PBM clients and is prepared to do so for the DVHA.

[redacted]

Figure 39: [redacted]

B.

The Goold Rx POS claims adjudication system supports the configuration reimbursement rates according to any available member and benefit related criteria. Specifically, we have the capability to set unique reimbursement rates using criteria such as member age, category, dual eligibility, facility/institution, etc. GHS already provides this type of special rate setting for current PBM clients and is prepared to do so for the DVHA.

[redacted]

Figure 40: [redacted]

C.

Our Goold Rx POS claims adjudication solution supports the use of multiple reimbursement methodologies using pricing sources such as WAC, AWP, AAC, EAC, SMAC, FUL and any others that must be implemented to comply with DVHA approved reimbursement policies. Goold Rx has logic and rules that are applied to identify the lesser of all approved pharmacy rates and use that as the claim payment amount. As an experienced PBMS vendor, GHS is familiar with payment methodologies and can configure the PBMS reimbursements according to current and future requirements. Goold Rx allows for easy configuration where the dispensing fee, State Maximum Allowable Cost (SMAC) prices, or the percent discount is changed by Department policy or market factors.

Claims pricing calculation is based upon the reimbursement policy established by the DVHA for the benefit level and medication dispensed. Prices submitted by the provider are compared against prices calculated at a state rate and the least amount calculated is used for pricing. Third party paid amounts and member copays are incorporated in the total reimbursement calculation. (i.e. lesser of w/ different dispensing fees, copays, etc.)

All business rules, including current and historic values for pricing methodologies, have effective (start) and termination (end) dates that apply to the specific processes within an application. Within the POS claims adjudication system specifically, this allows prices to be applied as they were on the original claim date of service. This is especially important for reversals and resubmissions, as pricing can change weekly, and pharmacies often re-process claims at the end of the month or financial quarter.

[redacted]

[redacted]

Figure 41: [redacted]

1.1.2 Automated Coordination of Benefits (COB)

The Vendor must validate claims to determine whether there is one or more liable third party that must be billed prior to billing the State's programs including, but not limited to, the following:

☐ *Denying payment for claims when a beneficiary is covered by one or more carriers until the billing provider indicates the claim has been fully adjudicated (paid or denied) by the other payer(s);*

☐ Utilizing the Department's TPL data, the Vendor's external TPL data, and eligibility records to ensure that all payment opportunities are exhausted;
☐ Processing claims where multiple third parties are liable, some of which may be other state programs;
☐ Overriding COB editing as specified by the Department;
☐ Maintaining indicators to identify Medicare Part B drugs and process the claim balance remaining after subtracting the Medicare Part B payment for beneficiaries dually enrolled in Medicare and any of the Department's programs;
☐ Coordinating benefits automatically with all primary payers including capturing and storing the primary payer's data; and
☐ Obtaining maximum cost avoidance and reimbursement for beneficiaries covered by third parties.

The Vendor must describe their approach to providing coordination of benefits.

GOOLD Rx performs online cost avoidance edits for member claims with eligibility in multiple Medicaid plans and commercial insurance, including managed care and Part D plans, based upon business rules and data supplied by client states. The member-specific data provides information that can be relayed back to the provider in adjudication response messaging to guide them towards appropriate billing alternatives. Additional information submitted by the provider, such as primary payer rejections and identifiers, is collected and used during eligibility verification when required and when the necessary data is made available. This process can be configured to meet specific state policy and requirements with regard to claims for Medicaid recipients with coverage in multiple plans.

We have responded to the specific, detailed requirements from Template F related to Coordination of Benefits (FR1.19 though FR1.21) within this subsection of the RFP response.

GHS has created processes for checking member eligibility that are tailored to the client's specific needs and process. For example, supporting spend-down programs or holding claims for verification prior to final adjudication. As another example, in some states a 'crossover claim' is loosely used to describe claims that may have some Part-D PDP coverage and the state supplements the member's portion of the claim. In all cases, GHS uses member eligibility and other insurance information to support the state's business rules for rejecting or accepting a claim.

GHS' pharmacy solution can also incorporate a state's member-specific TPL data to provide online cost avoidance, by deducting TPL amounts, as appropriate, when pricing claims. GOOLD Rx also has the capability to identify claims appropriate for pay and chase by receiving overrides from pharmacies that indicate the member's TPL information may be invalid, requiring follow up. If, according to state policy, the claim is designated as "pay and chase", the system can process and pay the claim (if it meets all other criteria), and report the claim to the appropriate party for follow up activities.

FR1.19 The Vendor must validate claims to determine whether there is a liable third party (or parties) that must be billed prior to billing the Department's programs including, but not limited to, the following:
a. Denying payment for claims when a beneficiary is covered by one or more carriers until the billing provider indicates the claim has been fully adjudicated (paid or denied) by the other payer(s)
b. Utilizing the Department's, vendor's or external sources of TPL data and eligibility records to ensure that all payment opportunities are exhausted
c. Processing claims where multiple third parties are liable, at a minimum, must be able to correctly process claims where either the Department or an external insurer is the tertiary payer. Must be able to identify and/or assign multiple funding sources depending on the payer, if the payer is an Agency program.
d. Overriding COB editing as specified by the Department

e. Maintaining indicators to identify Medicare Part B drugs and process the claim balance remaining after subtracting the Medicare Part B payment for beneficiaries dually enrolled in Medicare and any of the Department's programs

f. Coordinating benefits automatically with all primary payers including capturing and storing the primary payer's data

g. Obtaining maximum cost avoidance and reimbursement for beneficiaries covered by third parties

A.

All incoming claims transactions will be checked against the Department's member eligibility data, which may include some member other coverage information. Transactions submitted with DVHA as primary payer for a member with other coverage on file for the date of service will be rejected with a message to submit to the other payer(s). Additional information, when available, may be sent back to the submitting provider indicating who the primary payer is, along with contact information if that information is available. Claims submitted with DVHA as secondary or tertiary payer expect required COB elements to be populated indicating that the claim was rejected for specific reasons by the primary payers or had partial payment before the claim would adjudicate, according to DVHA policy.

[redacted]

[redacted]

[redacted]

B.
GHS is prepared to accept member TPL and other coverage information from any source approved by the DVHA. This data must be supplied on an agreed-upon data format and delivery method, and on a regular schedule, from the source of the data. Ideally, member TPL and other coverage information will be supplied as part of the member eligibility data from a single source, such as the MMIS. After contract award, GHS will work with the DVHA and its business partners to identify sources of member TPL and other coverage information. GHS will then work with sources approved to establish a regularly updated feed of this data, which GHS include as part of a members overall eligibility profile. All TPL and other coverage information will be used to ensure the DVHA is the 'payer of last resort' for any claim transaction submitted.

C.
GHS has experience in processing Coordination of Benefits claims for Medicaid agencies that are performing online real time cost avoidance using any of the three COB Options available in NCPDP D.0, with the ability to customize the business rules to meet the clients various needs. The information that is received during these claims transactions is captured and stored so the applicable values submitted in the primary, secondary, tertiary, etc. submissions can have edits applied against them during adjudication. This will then trigger custom messaging that will be incorporated in the response as the business rules dictate. GHS has been managing complex pharmacy benefit designs, utilizing member eligibility requirements that indicate multiple third party payers. Business rules are incorporated to add

applicable data tags to the adjudicated claim that will be exported to support the assignment of multiple funding sources for consumption of downstream systems and payment agencies.

D.
The Goold Rx POS solution supports overrides COB/TPL editing according to the specifications of the Department. We presently support overrides of this nature on an exception basis for current PBM clients, according to their respective rules and regulations.

E.
Maintaining indicators to identify Medicare Part B drugs and process the claim balance remaining after subtracting the Medicare Part B payment for beneficiaries dually enrolled in Medicare and any of the Department's programs

The Goold Rx POS system is designed to process secondary payments and will capture and maintain indicators that will identify Medicare Part B drugs and process the claim balance remaining after subtracting the Medicare Part B payment for beneficiaries dually enrolled in Medicare and any of the Department's other programs. The business rules that support the plan hierarchy will determine which applicable benefit will be exercised first during the claims adjudication process. As the claim is processed through the pricing module the information supplied in the COB Segments of the claims transaction will be applied. Additional information can be assigned to the processed claim to support the data needs by other Department programs as defined by the client.

Figure 42: .

F.

Goold Rx utilizes NCPDP D.0 Telecommunications Standard which allows for the data sharing and capture of key data elements that identify the primary payer. This information is stored within the claims transaction and made available for consideration in further adjudication, reporting and analysis. For example, we maintain indicators to identify Medicare Part B drugs and process the claim balance remaining after subtracting the Medicare Part B payment for beneficiaries dually enrolled in Medicare and any of a client's pharmacy programs.

G.

GHS' goal for any Medicaid program (unless required otherwise) is to obtain the maximum cost avoidance and reimbursement for beneficiaries covered by third parties. In other words, we will ensure that the DVHA is the payer of last resort based on all third-party and other coverage information that is supplied to GHS for a beneficiary. GHS has experience with engaging online cost avoidance rules during the claims adjudication process by utilizing the information transmitted in the various NCPDP COB segments as well as member TPL data that is supplied by the State and information received on the incoming claims transactions. Rules can be engaged to accept and process information transmitted by

the pharmacy provider that supplies information not found on the State's TPL file but is still allowed to reduce the final cost of the prescription.

FR1.20 The Vendor must report TPL plan information to billing providers when another payer is primary (or available) including, but not limited to:

a. Payer names, identifiers, addresses, phone numbers
b. The payer's Bank Identification Number (BIN) and Processor Control Number (PCN).

If TPL / other coverage information is associated with a member's profile, this information can be returned to the submitting pharmacy by the Goold Rx POS. This includes information such as the other payer name(s), plan identifiers, address, phone number, etc. GHS will also provide the other carrier's BIN and PCN (if available) so the submitting pharmacy has all of the information they need to submit the claim to the primary payer(s). Additional TPL / other coverage information will be considered and related messaging returned according to Department requirements. This information provided is as supplied by the TPL reference file and allowed for within the NCPDP Standards. Any messaging related to TPL will be returned to the submitting pharmacy according to NCPDP standards and with any custom messaging the DVHA requires.

FR1.21 The Vendor must be able to support the Department's current COB process for mail order pharmacy coverage from another insurer.

The Goold Rx POS currently supports processing of claims submitted from Mail Order Pharmacies and the rules that are typically associated with them, as well as all of the NCPDP COB Segments. We will work with the State to identify all applicable business rules associated with Mail Order claims and secondary billing to ensure that services are provided in accordance with the State's expectations.

1.1.3 Provider Network Support, Call Center, and Portal

The Vendor must be the first point of contact for providers with questions, concerns and complaints and must implement and maintain a provider contact and problem resolution tracking system. The system must, at a minimum, document and track contacts with providers, identify issues and describe problem resolution. The Vendor must review the data submitted by providers, obtain any corroborating information, and prepare an analysis of the issues. The analyses must be reviewed with Department staff at regularly scheduled meetings. The Vendor is responsible for provider communications and must maintain current contact information for the provider networks. The Vendor must implement a pharmacy and prescriber provider portal and provide support, updates, and maintenance customized to meet the needs of the State. The vendor must guarantee any data exchange on its website between the Vendor and the State or providers will be secure.

The Vendor must describe their approach to providing a portal that supports effective communications with providers.

GHS offers a full-service pharmacy provider help desk solution that can be operated by the State's own staff, or staffed and operated by GHS employees hired specifically to support the State of Vermont. Our help desk solution includes the Goold Help Desk workflow support application, used by help desk technicians and supervisors to log and manage calls, ensuring completion. Help Desk call log also captures information allowing for performance monitoring of help desk activities.

GHS has been providing a variety of help desk services to physicians, pharmacists, and benefit recipients for over 18 years. We presently operate call centers in five (5) other states, serving provider populations in Maine, Iowa, Wyoming, Minnesota, and New Jersey. In the State of Utah, we provide our Pharmacy Help Desk workflow management tool, Goold Help Desk, to State staff in a Software-as-a-Service (SaaS) implementation. Each of these call centers address any issues relating to SMAC pricing, and PA- and POS-related issues as needed. GHS supplies Pharmacy help desk support the business hours specified by our clients for prescribers, pharmacies and members to access help regarding the pharmacy program, claim processing, or technical assistance. In addition, Vermont staff will have access to the Pharmacy Account Manager and Project Manager assigned by GHS to the project and ongoing operations. Over 250,000 Help Desk calls are received annually across the three PBM help desks GHS operates (Maine, Iowa and Wyoming), with a similar single-state volume received in the State of Utah. Our overall Call Center solution can be scaled to support call centers of varying sizes. Our solution can handle thousands of calls in a day, or just a few.

The GHS Pharmacy help desks operated by GHS are primarily staffed by individuals who have worked in pharmacies as pharmacy technicians in their respective states, and/or as Pharmacy Help Desk Technicians from the previous vendor. They bring their expertise and knowledge of the pharmacy environment to the phone as they assist callers in the submission of claims and resolution of problems. We have that by utilizing pharmacy technicians they bring real life experience to the help desk team, lending unique insight into the issues and challenges confronting participants and providers alike. This attribute, combined with their knowledge of the processor systems and issues, makes them especially well qualified to carry out their assigned duties, which is reflected in high ratings of their customer service skills reported by providers.

Help desk staff includes customer service specialists, registered pharmacists and several administrative support staff members. Help desk staff are supported by the GHS Medical Director, who lends clinical expertise to help desk matters. Pharmacy help desk staff is overseen by a Registered Pharmacist able to offer years of retail and Medicaid experience on the day-to-day pharmacy-related issues. These individuals work closely with GHS administrative staff to assure that issues are quickly brought to the attention of the appropriate individuals within the company or State staff for prompt resolution. They also assist in monitoring the types and frequencies of calls to support efforts to improve the system.

Importantly, GHS assures providers continuous availability to help desk resources. Immediate access to the help desk is available during normal business hours. After-hours, weekend and holiday access is provided via a pager system. On-call personnel respond to pages during off-hours and respond to issues requiring immediate attention. In special circumstances, we have found it helpful to extend our regular operating hours. This has occurred in instances where a new program is coming on-line (for example, PDL and new Prior Authorization programs), creating the likelihood that there will be many questions and issues posed by providers. By extending office hours into the evening and weekend, we are able to facilitate the implementation of a new program while minimizing confusion and frustration for providers.

The above activities, and more, are supported by the Goold Helpdesk application and workflow management tool, the Goold PBM Portal, documented procedures, and support from experienced call center leadership. GHS has developed Goold Help Desk to provide record keeping and performance reporting for the pharmacy help desk during ongoing operations. This workflow management application allows technicians to log all calls, note the type of call, the account involved, and add

comments to the call log. Goold Help Desk is our secure, web-based helpdesk call logging and tracking system. With intelligent integration of core data, this tool supports efficient workflow management for call management, issue resolution, and performance reporting. Help Desk provides the ability to track pharmacy prescriber, patient, PA, and other pharmacy program related support calls. The application incorporates pharmacy program reference datasets such as patient, prescriber, pharmacy, drugs, and claims history to provide help desk technicians with easy access to the data necessary to facilitate timely call resolution.

Key features of the Helpdesk call log application include, but are not limited to:

- Clinicians are able to conduct comprehensive clinical reviews of member's medication therapy;
- Allows for multiple disease/program management;
- Document management of chart notes, labs, drug profiles, adherence, and other pertinent clinical information; and
- Generate letters to members and providers for educational or notification purposes.

[redacted]

Figure 43: [redacted].

The Goold PBM Portal has a specific configuration that is established for Help Desk users. This level of access to the PBM Portal allows help desk staff to access features like dashboard reports and data inquiry tools, which are frequently used when researching and issue and implementing a resolution. PBM Portal also provides an interface for the POS claims adjudication system. This allows authorized help desk users to perform activities such as manually entering a claim, entering an override, and reversing claims. For Help Desk supervisors and other authorized users, PBM portal also provides access to more advanced features, such as the ability to load drug reference data or manually update a Prior Authorization.

[redacted]

Figure 44: [redacted]

GHS has experience in building in maintaining a pharmacy provider network to support pharmacy claims processing. GHS was the claims processor for several private insurers and accumulated extensive experience in this area. GHS has approaches to supporting network enrollment:

- Reenroll and contract directly with the pharmacies that are currently in the State's network, re-building the pharmacy network that already exists.
- Work to identify other options based on their unique situations. GHS pharmacy enrollment specialists can work with a state to build a tailored enrollment process.
- GHS performed a complete provider reenrollment for the State of Wyoming in 2010.

To support additions, modifications, and terminations to provider enrollments, GHS developed and implemented a workflow support application and detailed operational procedures. Provider enrollment data is captured and maintained for use in other PBM components, particularly the POS claims adjudication system. Additions to and medication of provider enrollments is part of ongoing operations. Providers may be terminated for any number of reasons, based on state policy and criteria.

The eWEBS Provider Portal is a secure and convenient web-based collection of tool for prescribers, dispensing, pharmacies, and DVHA program administrators respectively. It provides a secure interface for providers to look up member eligibility, member history, drug formulary information, PDL criteria, and submit and confirm PA requests online. Prescribers are guided through preferred or non-preferred selections, as well as potential step therapy, dose limits or other PDL criteria to allow them the ability to make informed drug choices within a State's Medicaid PDL tools and information are tailored to each type of user: Prescriber, Pharmacy, or State Administrator.

Features available to all users:

- Patient Inquiry – Look up demographic information for any Medicaid enrolled individual, including a profile of their current and historic pharmacy claims.
- Pharmacy Inquiry – Look up pharmacy information.
- Formulary Inquiry – Look up drug information, including coverage status and PDL step order.
- Diagnosis Inquiry – Look up diagnosis code definitions.
- Public-facing document repository for pharmacy program announcements and updates.

Prescriber-specific features:

- Dashboard – The Dashboard is a dynamic summary of all transactions the provider has submitted. This includes all of the provider's PA requests in the PADSS workflow tool, both submitted as Web PAs and by fax or mail, as well as all E-Fax Prescriptions submitted to pharmacies.
- Create and Submit a Web PA – Prescribers have the ability to complete and submit a PA request into the PADSS workflow tool by filling the web PA form. The inquiry tools are available in the form to easily search for and select the desired information to supply with the request.
- E-Fax a Prescription – The E-Fax feature allows prescribers to build and submit a patient prescription to the desired dispensing pharmacy. The E-Fax tool takes the information provided by the prescriber and generates a prescription document that is then automatically faxed to the indicated pharmacy.
- User custom configurations such as contact information, PA decision notification preferences, and testing notification preferences.

Pharmacy-specific features:

- E-Fax Prescription Validation – If a pharmacy receives an E-Fax prescription from a provider, they have the ability to validate that prescription electronically through eWEBS using a system-generated validation number.
- User custom configurations.

State Administrator Features:

- Reports – Dynamically generated summary reports of eWEBS activity, such as Web PA requests, E-Fax prescriptions, user access requests, and PA determination status.
- Manage PA Forms – Create new PA forms or update / remove existing PA forms. This includes the ability to map a PA form to specific PDL categories.
- Manage PDL Drug Categories – Create new or maintain existing PDL category-specific criteria from the PDL.
- User Maintenance – Allows Administrators to create and update the accounts of other administrators.

- Pending Registrations – Allows Administrators to review and approve or deny login requests from new Physician and Pharmacy users.
- Activity Logs – View the activities of all users as well as failed logins and unauthorized access attempts.

[redacted]

Figure 45: [redacted].

FR1.22 The Vendor must maintain telephone support for technical and business operations. The Vendor must maintain call center services and help lines to respond to providers about questions and issues including, but not limited to, general eligibility questions, claims inquiries, prior authorizations, operational questions and problems, clinical/drug inquiries, and general provider support. The Vendor must supply all required information systems, telecommunications, and personnel to perform these operations. Each of the following help lines must be available through a designated telephone number:

a. Pharmacy Support Services Help Line available toll-free 24x7x365 to respond to questions on coverage, claims processing, pricing, reimbursement and other pharmacy-related issues. .

b. Prescriber Support Services Help Line (including toll-free telephone and toll-free fax access) available 24X7X365, to handle PA requests from prescribers, drug dispensing questions, or other requests from providers.

Our skilled technical and business operations staff is available to address any questions or problems related to the operation of our system during the business hours mandated by our clients. To ensure technical issues are addressed expeditiously, GHS takes a comprehensive approach to supporting our customers. Each member of our support staff is highly trained in their area of expertise and understands when issues need to be routed or escalated to another functional unit within GHS. All issues are tracked in our help desk ticketing system, and are followed through until properly resolved.

GHS is prepared to supply Pharmacy Help Desk support during the business hours indicated in this requirement for prescribers, pharmacies and members to access help regarding the pharmacy program, claim processing, or technical assistance. GHS is prepared to provide full help desk support for the DVHA PBM solution with 24x7x365 coverage. GHS provides 24/7/365 emergency support for technical and business operations to all current PBMS clients. We will discuss and define coverage specifics during

DDI. In addition, Department staff will have access to the Pharmacy Services Account Manager and Project Manager and other key staff assigned by GHS to the project and ongoing operations during regular business hours.

FR1.23 The Vendor must provide operational and customer service that is scalable to meet the Department's future needs and includes, but is not limited to, the following:

a. An automated call distribution voice-response system;

b. Capacity to handle all telephone calls at all times including times of peak call volume and to meet the Department's needs and performance expectations with acceptable call completion and abandonment rates

c. Management tracking and reporting capabilities

d. A Quality Assurance program that includes call sampling and follow up to confirm efficient handling and caller satisfaction

e. Language translation services

f. Call response from individuals with hearing or visual impairments

g. Access to a pharmacist consultant 24 hours a day

h. A reference document with guidelines on how to handle caller inquiries

i. A backup system available to operate in the event of line trouble or other problems

A.

The phone delivery system for our call center is Cisco Unified Contact Center Enterprise, an enterprise-grade VOIP service, including Automatic Call Distributor (ACD) routing, Interactive Voice Response (IVR), and a full reporting engine. The architecture allows for communications enabling of a wide array of business applications, including those supplied by GHS and its partners. The Cisco Unified Contact Center Enterprise provides all of the features the DVHA PBM project will require to support ongoing help desk operations in an effective manner. Phone lines can easily be added or deleted to reflect capacity needs.

B.

Cisco Unified Contact Center Enterprise has the capacity to handle all telephone calls at all times including times of peak call volume and to meet the Department's needs and performance expectations with acceptable call completion and abandonment rates. Phone lines can easily be added or deleted to reflect capacity needs on an exception and/or ongoing basis.

C.

The Cisco Unified Contact Center Enterprise phone system and PBM portal provide reporting and tracking capabilities for management and other purposes.

The reporting available within the PBM portal is fully configurable, pulling reports from our central reporting server. The PBM Portal would typically provide the following types of reports:

- Reference file load statistics
- Daily claims statistics
- Daily PA statistics
- Claims volume
- Claims transactions
- Claims rejections
- Pharmacy rankings

Other reports can be configured and implemented as needed to meet any DVHA specific needs or requirements.

Cisco Unified Contact Center Enterprise provides numerous standard reports related to phone system operations and incoming and outgoing calls. The reporting can be run against real-time or historic data. This phone system also supports custom reports for specific needs.

D.
GHS has capabilities to review calls, including the listening in of call center calls by supervisors. Fro the DVHA PBM support help desk we will develop a procedure that will allow random sampling of call center calls by individual help desk staff and implement a process to survey calls for the purposes determining caller satisfaction. We have an open call center set up that facilitates interaction with call center supervisors and direct call center staff for additional training moments and superior information delivery; we will follow this model for the help desk established for the DVHA PBM help desk.

Our help desk managers meet regularly with help desk staff to ensure continuous quality improvement. Supervisors periodically review phone scripts and monitor calls for appropriate and consistent messaging and to identify remediation training needs. Help desk reports are reviewed for correct disposition and performance metrics. Regularly scheduled training addresses policy changes, performance reviews, accuracy in messaging, HIPAA compliance and program integrity.

E.
GHS will have the ability to support the translation of non-English languages within the pharmacy and provider help desk. We currently provide bilingual French/English help desk staff for the State of Maine, and can do so for the State of Vermont. GHS has recently completed the planning required to provide help desk services in Spanish in addition to English. This includes supplying bilingual English/Spanish technicians, as well as help desk support and informational documentation in both languages. While none of our current or prospective clients currently require bilingual English/Spanish language help desk support, GHS is prepared to provide this additional level of service within a relatively short implementation timeframe.

F.
GHS currently supports TTY for the hearing impaired in the help desks we operate.

G.
We can provide access to a pharmacist consultant on-call, 24-hours per day. GHS offers after hours on-call support and other support outside normal hours of operation on an exception basis, such as the days immediately following implementation of the DVHA PBM system.

H.
GHS has developed help desk manuals consisting of user documentation for the software used by staff, along with all memos, policies, mailings and internal reference sheets designed to provide optimum service to the communities served. Call center agents will perform call center activities including the following:

- Research Provider inquiries using all data, systems and support applications;
- Respond to all Provider inquiries including pharmacy claim payment, pharmacy claim status, system problems, adjustments and general questions regarding policy and regulations;
- Provide accurate and comprehensive information;
- Accurately correct a claim issue and resubmit the claim for successful adjudication;

- Handle complex questions requiring detailed research by:
  - Referring inquiries to appropriate Provider Relations staff;
  - Entering details into the GHS Help Desk Call Log tool and forwarding to the appropriate pharmacy operations unit for further research; and
  - Logging the inquiry in the tracking system and provide either a verbal or written response within a specified timeframe.

I.

Since GHS operates multiple pharmacy/provider help desks, GHS can forward calls from one help desk to another when necessary. Specifically, calls can be re-routed between our Augusta office location and our Wyoming office location. Once the GHS' DVHA PBM support office is established in Vermont, this location will have the capability re-direct calls to either the Augusta or Wyoming if the needed arises. Help desk technicians at each office are cross-trained to support the basic operations of any other client State. While GHS has never experienced the need to use this backup capacity, high-probability events such as inclement weather or an unexpectedly high call volume could necessitate call forwarding.

FR1.24 The Vendor must implement and maintain a provider contact and problem resolution tracking and document management system which, at a minimum, documents and tracks contacts with providers, identifies issues and describes the problem resolution. The Vendor must prepare an analysis of the issues which must be reviewed with Department staff at regularly scheduled meetings at the Department's discretion.

GHS will use the Helpdesk call log application to support all of the provider issue tracking and call logging workflow activities. This specifically includes:

- Provider contact and problem resolution tracking – The Helpdesk application supports the entire workflow of addressing issues from initial contact through final resolution.
- Document management – Each incident logged allows for the attachment of specific information regarding the call, as well as free-form notes regarding the issue and its resolution.
- Assignment of a unique incident ID, call information, and provider information.
- Reference data inquiries – Help desk technicians may look up member, prior authorization, pharmacy, and physician information directly in the Helpdesk application.

[redacted]

All information captured within the Helpdesk application is available for ongoing reporting and analysis. GHS provides several help desk activity reports to current clients, and can prepare additional reports to meet the specific needs and requirements of the DVHA PBM project. The image below is an example of one report.

[redacted]

Figure 46: [redacted].

FR1.25 Vendor must prepare and distribute (subject to the Department's approval) all provider communications including but not limited to, provider notices, newsletters, operational, programmatic, or system changes of any type that impact providers , and clinical notices such as changes to drug coverage. Communications must be distributed in a variety of formats including, but not limited to direct mail, Vendor web portal, DVHA website, email, fax, phone.

GHS will prepare and distribute all provider communications, as we're presently required to do for most of our pharmacy services clients. We will not distribute any provider communication until it is explicitly approved by an authorized individual within the DVHA. GHS currently produces a wide variety of provider communications for currently clients, including those specified in this requirement: provider notices, newsletters, operational, programmatic, or system changes and clinical notices such as changes to drug coverage.

The provider communications we produce in support of our current clients are (for the most part) public information. We invite the DVHA to view provider communications we currently produce on the pharmacy provider websites of our respective PBM services clients:

- http://www.mainecarepdl.org/ - The MaineCare Pharmacy program
- http://www.iowamedicaidpos.com/ and https://www.iowamedicaidpdl.com/ - Iowa Medicaid pharmacy and PA/PDL programs
- http://www.wymedicaid.org/ - Wyoming Medicaid pharmacy program

Each of the above websites, as well as others, are constructed, hosted, and, maintained by GHS. For the State of Utah, GHS helps develop provider communicates, but Utah staff handles distribution.

GHS supports all standard methods for distributing communications to the provider community:

- Direct mail – GHS can produce provider-specific mailing and/or accompanying reports. GHS has a mailroom in-house that may be used to print and mail any provider communications the DVHA requires. Provider address data is typically acquired from the provider reference data, but other sources can also be added as necessary and approved by the DVHA.
- Vendor web portal – The eWEBS provider portal supports the posting of document by user type.
- DVHA Website – GHS can provide all provider communication materials to the DVHA, in any standard format they require, for posting on the DVHA website.
- Email – GHS currently supports email distribution of communications to providers. Email address data will be from a source approved by the DVHA.
- Fax – GHS has a system in place to distribute document by fax to providers, and regularly uses this to send 'fax blasts' in support of current clients. We have found that many pharmacies do not have immediate access to the internet, so Fax Blasts are a useful means of communications to quickly distribute alerts and notifications.
- Phone – Communications that are verbal in nature may best be communicated by phone. Our pharmacy help desk staff would be able to facilitate this if the need arises.

FR1.26 The vendor must interface with the State of Vermont's Master Provider Index database in order to maintain a database of current contact information for providers. The Vendor must research any undelivered provider communication and make reasonable attempts to identify a new address for such providers.

GHS will interface with the State's Master Provider Index to maintain current and up-to-date provider reference data. We understand that the Master provider index is the source for provider contact information. During requirements definition, GHS will work the DVHA to de3termine means and schedule by which provider data will be updated.

GHS has methods in place to accept and capture undeliverable communications, both in hard copy and electronic forms. It's standard procedure for our staff to take all reasonable efforts verify and correct email/mail addresses for undelivered communications, and re-submit communications when feasible

and appropriate. The exact methods for the capture and correction of undeliverable addresses will be captured and published in the Communications Management Plan.

FR1.27 The Vendor must design, develop, and implement customized provider portals for the Department that support the needs of the pharmacy programs. Vendor must support, update, and maintain the portals to meet the needs of the Department. The vendor must guarantee any data exchange on its website between the Vendor and the Department and/or providers will be secure.

To support the DVHA PBM project scope of work, GHS will be providing three portals:

- Goold PBM Portal – POS portal for use by help desk, operations, and the Department, based on user credentials.

[redacted]

Figure 47: [redacted].

- Goold eWEBS Provider Portal – Pharmacy portal for Pharmacies, Prescribers and portal administrators (such as the Department), based on user credentials

[redacted]

Figure 48: [redacted].

- Goold Rebate Services Portal (RSP) – Drug rebate portal for drug manufacturers and rebate administrators, supporting rebate invoicing activities.

[redacted]

Figure 49: [redacted].

- Medicaid pharmacy program website – While note technically a portal (in the sense that it requires credentials to access), a traditional internet website is useful in the dissemination of information (i.e., public information) to providers and other interested parties. If a website such as this is established by GHS for the DVHA, we can provide authorized department users with administrative privileges to perform updates, attaché document, create pages, etc.

Each of the web portals indicated above is fully configurable to meet the needs and requirements of the DVHA. In the event that any of the above portals do not have a specific, configurable feature required by the DVHA, GHS will work with the Department to capture the specifications for this feature during requirements definition activities. We would then develop and implement these features during the DDI phase of the project, ensuring they are available at the start of operations. Given that Provider Portal needs are relatively consistent across our current client states, we are confident that eWEBS already provides all features the DVHA may require.

All portals are secure, and any information exchanged between screens within the portals and other authorized systems is appropriately encrypted to prevent unauthorized access. Our portals use HTTPS for all external communications with users. We've also implemented a robust ACL mechanism to deny

access to users who attempt to access features for which they are restricted. This is completely logged and available to administrators via the activity logs in the applications themselves.

FR1.28 The Vendor must update its portals, maintained for the Department, after the content of such updates has been approved by the Department. The Vendor's postings to its website must include, but not be limited to:

a. Important communications and alerts to providers

b. Drug Utilization Review (DUR) Board meeting schedules, meeting agendas and notices, policies, meeting minutes, member contact information

c. Other Department-designated committee activities.

d. Provider forms and reference policies or links to forms and policies, if applicable.

e. Drug information including the Vermont Preferred Drug List (PDL), special drug policies, Maximum Allowable Cost (MAC) policies and prices, frequently asked questions from manufacturers or providers.

f. Manuals including the Pharmacy Claims Processing Manual and links to the Vermont Medicaid Provider Manual.

g. Special provider policies and requirements including e-prescribing support.

h. Web-based PA requests.

i. Other documents as specified by the Department

Through the eWEBS provider portal and/or the website established for the DVHA PBM project, GHS will disseminate all information approved by the Department.

A. Communications and Alerts:

Alerts and communication to Providers will be updated in the designated portals upon approval by the Department

B. DUR Board Meeting Documents:
In the client states in which GHS provide DUR or P&T committee support, GHS creates and publishes all related documentation, according to the policy and procedure in each state. This specifically includes documents such as meeting schedules, meeting agendas / notices, policies, meeting minutes, board member contact information, and other supporting documentation.

For the State of Maine, GHS manages and publishes all approved DUR board information on the MaineCare pharmacy website we maintain. This represents a good example of how the DVHA's DUR documentation may be publish, with both current and historic documents available. This example can be viewed suing the following URL: http://www.mainecarepdl.org/durfiles

C. Other Department-designated Committee Documents:
Other department-designated committee documents can be added and maintained in the same manner as other DUR board meeting documents, as indicated in the response to item B.

D. Provider Forms / Policies:
Policies and forms will be provided through the DVHA PBM website established to support the project and/or the eWEBS provider portal. If the forms and policies are maintained by a party other than GHS, GHS recommends linking to where they are published by the responsible parties. Forms and policies are typically listed according to their functional areas (PA, rebate, claims adjudication, etc.).

E. Drug Information:

Drug reference information will be provided through the website and the eWEBS provider portal established to support the DVHA. For current PBM client states, GHS publishes drug information such as the Preferred Drug List (PDL), special drug policies, State Maximum Allowable Costs (MAC/SMAC) policies and prices, as well as frequently asked questions from manufacturers and providers. In the following figures, GHS provides an example of how PDL and SMAC information can be accessed. Other documentation, such as answers to frequently and specialty drug policies, can be published in the same manner as any other document, according to DVHA requirements.

Figure 50: PDL [redacted].

Preferred Drug Lists (PDL)

Please select the desired PDL from the options provided below. Depending on the software you have installed on your computer, you will also need to select the appropriate format.

If you prefer MS Excel - select the "xls" versionIf you prefer Adobe Acrobat - select "pdf"

If you cannot view a file, please download the appropriate free plug-in from the links below.

- MS Word Viewer (.doc or .rtf)
- MS Excel Viewer (.xls)
- Acrobat Viewer (.pdf)

MaineCare PDL

Show 50 entries Search:

Name	Description	Date
MaineCare PDL (MEDEL Combined) with criteria-January 2014 1.26 MB		2013/12/31
MaineCare PDL (MEDEL Combined) with criteria-January 2014 3.69 MB		2013/12/31

Showing 1 to 2 of 2 entries First Previous 1 Next Last

Figure 51: For those who do not have access to the provider portal, or who prefer having their own copy of the PDL list, current and historic PDL reports can be downloaded.

ILLINOIS DEPARTMENT OF Healthcare and Family Services
www.hfs.illinois.gov
Pat Quinn, Governor

- Home
- State MAC List
- SMAC Rate Review Request
- Frequently Asked Questions
- Contact
- Illinois Department of Healthcare and Family Services
- Centers for Medicare & Medicaid Services
- Federal Upper Limits Policy & Reimbursement

State MAC List

The following State MAC lists are available for download as Adobe PDF format.

List
SMAC List Effective 12-24-13 (Includes January 1, 2014 Updates) 173 kB
Specialty SMAC List Effective 12-24-13 (Includes January 1, 2014 Updates) 67 kB
Proposed Blood Clotting Factor SMAC List Effective 1-1-14 45 kB
SMAC List Effective 12-12-13 172 kB
Specialty SMAC List Effective 12-12-13 67 kB
SMAC List Effective 11-26-13 (Includes December 1, 2013 Changes) 175 kB
Specialty SMAC List Effective 11-26-13 (Includes December 1, 2013 Changes) 67 kB
SMAC List Effective 11-19-13 172 kB
Specialty SMAC List Effective 11-19-13 67 kB

Figure 52: For the State of Illinois, SMAC prices and related information are published as PDF documents on the Illinois SMAC website.

F. Manuals:

The Pharmacy Claims Processing Manual and a link to the Vermont Medicaid Provider manual will be provided through the website and the eWEBS provider portal established to support the DVHA. Links to and direct downloads of these manuals will be established in the same manner as any other link or document, according to DVHA policy. A specific page and/or section will be established for these documents within the website / web portal ensuring that they are easily found by users.

G. Specialty Provider Information:
The eWEBS provider portal supports the posting of document by user type, such as specialty provider.

H. Web-Based PA Requests:
The eWEBS provider portal allows authorized providers to submit a PA request electronically. Using the Web PA feature of the provider portal, Prescribers have the ability to complete and submit a PA request into the PADSS workflow tool by filling the web PA form. The inquiry tools are available in the form to easily search for and select the desired information to supply with the request.

Figure 53: .

[redacted]

Figure 54: [redacted]

[redacted]

Figure 55: [redacted].

[redacted]

I. Other Documents:
Other department-designated committee documents can be added and maintained in the same manner as any other documents. For example, GHS manages and publishes documents and other information on the MaineCare pharmacy website we maintain. Because of the complexity and variety of services GHS provides to the MaineCare pharmacy program, there is a large amount of documentation available on this website. This represents a good example of how the DVHA's may publish any desired documentation, with both current and historic documents available.

If appropriate, a specific page and/or section will be established for these other documents by type within the website / web portal, ensuring that they are logically organized and easily found by users.

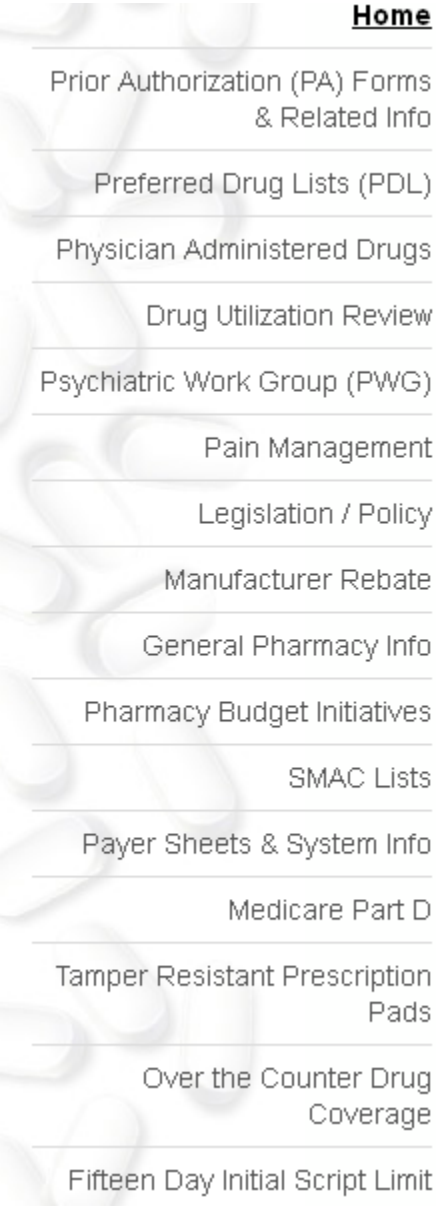

Figure 56: Documents available on the MaineCare PDL website are organized into several categories.

FR1.29 Vendor must keep current electronic versions of Department-approved Pharmacy Provider Manual which must include payer sheets, instructions on POS, batch, and paper claims processing. The Vendor must post the Manual(s) on the provider portals and/or website and, on an on-going basis, maintain and update these manuals. Any modifications must be submitted to the Department for approval prior to implementation of revisions.

GHS provides all necessary documentation (such as BIN, PCN, and Payer Sheets) and assistance needed to assure that the pharmacy providers in our client's state can connect successfully to adjudicate pharmacy POS claims. Payer sheets, the provider manual, claims processing instructions (POS, batch, and paper), and other related system information will be published through the website and the eWEBS provider portal established to support the DVHA PBM project. We will maintain these documents to reflect all changes in industry standards, enhancements to the claims adjudication system, and any other activity that requires revision, as we do for all of our current PBM clients. GHS will submit all modified documents to the DVHA for formal approval prior to publication.

1.1.4 Post Payment Claims

As requested by the State, the Vendor must process post-payment claim reversals for pharmacy claims, such as Third-Party Liability (TPL) adjustments and other adjustments.

The Goold Rx pharmacy POS claims adjudication system complies with the NCPDP standards for processing pharmacy claims submissions, using B1, B2 and B3 transactions. We are also capable of supporting the current standard for NCPDP batch transactions (version 1.1), which would be used to facilitate mass (batch) adjustments. Goold Rx offers the ability to run custom batches to conduct mass reversals and resubmissions with distinct criteria, such as only engaging the pricing module to correct payments or adjust dispensing fees. These batches will generate transactions that include submissions for claim payment, claim reversal, and claim resubmission which would include any changes or adjustments. This process provides a complete audit trail and can be used for post-payment reversal or re-processing of claims.

1.1.5 E-Prescribing and E-Prior Authorization Capabilities

The State is interested in promoting the electronic exchange of information to support administrative simplification. Currently, pharmacy benefit eligibility verification, medication history and preferred drug list (PDL) information is made available to all Electronic Medical Records (EMR) statewide. This is accomplished through the PBM's existing infrastructure and the network exchange services with AllScripts Healthcare Solutions, Inc. and SureScripts, LLC. The State wishes to continue its work on refinements to the PDL interface to assure accurate and meaningful displays of formulary and coverage limitations to prescribers at the time of prescribing. In addition, the State wishes to expand these capabilities by providing the means to perform electronic prior authorizations through the EMR.

The Vendor must describe their approach to work with the State to meet the goals of the program for electronic prescribing and electronic prior authorization and for providing prescribers and pharmacies information promoting both. More information can be found in the Single Formulary and Electronic Prior Authorization Recommendations (2012) document in the Provider Library.

Goold understand the need to support the Electronic Medical Records statewide initiative for Vermont.

Goold is a subsidiary of Emdeon, who is a certified partner with SureScripts. We are currently integrating with the Emdeon ePrescribing system to provide related services to current clients. Upon certification, GHS eWEBS provider portal will have the ability for prescribers to initiate an ePrescription using the E-

Fax Prescription feature. In addition, Goold will integrate with Allscripts Healthcare Solutions, Inc and SureScripts, LLC to establish a PBM network for exchange of data and to support the existing Pharmacy and Prescriber networks for ePA and ePrescribing.

FR1.30 The Vendor must provide electronic prescribing companies (e.g., SureScripts-RxHub) access to the data for the Department's various programs including, but not limited to:

a. Beneficiary eligibility
b. Preferred Drug List including drug's PDL status, alternative choices within the class and their PDL status
c. Beneficiary drug claims history
d. Other Department specified data.

Emdeon is currently a certified partner of SureScripts and will pursue relationships and certification with other e prescribing companies as identified by the Department and the business need.

Goold will support data exchanges to support the Department's electronic prescribing vendors. Data exchanges will identified during the DDI phase of the contract.

FR1.31 The Vendor must work with the Department to meet the Department's goals for electronic prescribing and for providing information to prescribers and pharmacies promoting electronic prescribing

Goold, aligned with Emdeon, is willing and fully capable of working with the Department to achieve or exceed its electronic prescribing initiatives. Emdeon's established record of working with prescribers and pharmacies will support the Departments goal expanding the ePrescribe network.

Emdeon's long track record of support for all areas of ePrescribing includes:

- educating pharmacists and physicians
- advocating mass adoption
- encouraging growth
- promoting interoperability
- enhancing technologies and capabilities
- driving favorable legislation

By playing an active role in establishing and monitoring industry trends and developments, Emdeon has established itself as a leader in pharmacy's ePrescribing efforts.

FR1.32 The Vendor must provide, at a minimum, monthly reporting on e-Prescribing activities such as number of e-prescriptions, number of requests for eligibility, medication history, or PDL inquiries, and any technical or operational issue identified during the specified time period. Vendor must have quality assurance process in place to assure system integrity and display of required information.

Goold will provide monthly reporting as defined in this requirement for e-prescribing activities. Reporting will be identified and review during the DDI phase of the contract.
A quality assurance plan will be implemented to assure system integrity of the information required to support ePrescribing for the Department.

1.2 FR2-Pharmacy Benefit Management and Clinical Programs

Pharmacy Benefit Management services support the program in the following areas: drug benefit management services, drug utilization review, utilization management programs, and PDL management. All of these services must encompass drugs processed through both the pharmacy benefit and those physician-administered drugs processed through the medical benefit. In regards to the specific services identified below, the Vendor must describe their approach to providing these PBM services to the State.

In the following subsections GHS describes our approach to successfully meeting all Functional Requirements of the DVHA Pharmacy Benefit Management Project specifically related to pharmacy benefit management and clinical programs. Reviewers will find that GHS has a comprehensive, reliable, and fully operational solution for each area of these functional requirements.

1.2.1 Utilization Management Programs

Utilization Management programs include but are not limited to:
- *Prior authorizations, quantity limits, and step therapy*
- *Development and dissemination of clinical criteria, procedures for its application, and proper documentation of all clinical decisions*
- *First reconsideration review of denials by a clinical pharmacist when requested and access to independent physician reviewers*
- *Proper notification of all denials and approvals to members and prescribers within timelines established by applicable law and State policies*

The Vendor must describe their approach to utilization management.

GHS performs PDL and PA Criteria management activities in Iowa and Maine, as well as clinical PDL support activities in Mississippi and Wyoming. PDL and PA Criteria management is closely integrated with SR negotiations, SMAC changes, utilization assessment, and clinical data analysis. Management of the PDL includes all activities related to PA criteria, quantity limits, step therapy and PDL exceptions. Clinical efficacy of PDL management can be assessed using well validated techniques to assess relevant outcomes including adherence monitoring.

Our PDL and PA Criteria Management process yields a significant selection of preferred drugs for prescribers, allowing them to care for the majority of their patients without the necessity of daily prior authorization requests. GHS will provide our unique blend of clinical and analytical expertise to identify which drugs should be recommended for PDL placement based on the actual clinical contribution of the drug. The DUR Board must rely primarily on evidence-based guidelines and not the more subjective clinical experience, or other sources, when determining the contribution value of the drug. GHS assesses the true value of medications by thoroughly assessing clinical benefit with our proprietary evidence rating scale and factoring in medication and drug class specific financial attributes. By looking at cost effective alternatives and appropriate drug utilization for specific diagnosis or indications we are able to effectively manage drug categories.

All criteria are documented and made available to providers to use in their management of patient care and include clinical decisions in all prior authorization determinations. GHS uses multiple methods of communication to disseminate clinical criteria and procedures for its application. Typically, this

information is posted on the PDL website so that providers are able to access all applicable PA information from one site. This information is also posted within the eWEBs provider portal and can be accessed when querying drugs on the PDL. Whenever changes occur, GHS attempts to push these notices out to providers through notices on remit statements (where available) and through provider newsletters. Electronic communications, such as through email, can also be done provided it is made available to us.

GHS has an effective and comprehensive clinical PA support system in place including operations staffing, clinical management, and workflow support systems. We currently provide clinical PA processing in Iowa, Maine, and Wyoming. We process over 250,000 Pharmacy PA's per year, with an average turn-around time of approximately 2 hours. Our Pharmacy Prior Authorization Decision Support System (PADSS) is our workflow tool which directly supports the clinical PA determination process. PADSS is an integrated workflow, document, and communication management system specifically designed for drug clinical PAs. PAs processed through PADSS specifically require clinical review beyond what's permitted within our ePA engine's automatic PA avoidance criteria.

The application allows users to document all clinical considerations made during the review process. Notes can be left internally as to why a particular decision was made. Additionally, notes that will appear on the Notice of Decision communications can also be managed within this application. The Notice of Decision communications, both of approved PAs and denied PAs, are faxed out to pharmacy providers and prescribers once a clinical determination is made. When the eWEBs portal is used, the Notice of Decision appears in the provider's dashboard. In cases where the PA request is denied, a letter is generated with appeal rights and mailed to the Medicaid recipient. As our typical turn around time for PAs is about 2 hours, providers can expect to receive these notices of decision letters that are sent electronically within a matter of hours after they are submitted.

GHS' clinical team of physicians and pharmacists work closely together to administer State's prior authorization programs. When providers wish to initiate a re-review of a denied prior authorization request, the determining pharmacist is the first line of communication to discuss the clinical merits of the case with the provider. The provider also has the option to speak to one of our physicians on staff if they would prefer to have a peer-to-peer conversation. In particularly complicated cases, our physicians on staff have a network of colleagues in a variety of different medical specialties that can be called in as in independent reviewer of prior authorization requests.

GHS can and has supported multiple Medicaid programs with Administrative hearings process or exceptions to policy with denials of specific denials of PA submissions or other policy related criteria. GHS can also utilize independent review if initial or State policy requires additional review process of hearing or exception process.

Our GOOLD Rx POS claims adjudication system was designed to interface directly with the PADSS application, allowing approved PA records to be automatically loaded into the POS. This is in addition to the POS integrated GOOLD ePA module.

1.2.2 Prior Authorization Program

An aggressive and effectively managed Prior Authorization (PA) program has been demonstrated to provide savings to the State's pharmacy program, while at the same time improving prescribing practices and overall quality of care. The State seeks modern state of the art prior authorization systems and capabilities. These services must

encompass drugs processed through both the pharmacy benefit and those physician-administered drugs processed through the medical benefit. The PA program must be capable of utilizing medical codes such as CPT and ICD-10 codes to make PA determinations in an automated fashion through POS. In addition, the PA process must accommodate the electronic submission of forms (via provider portals) to the provider call center(s) for manual PA determinations. Both pharmacies and prescribers should have an electronic means to check on the status and expiration date of a PA through the provider portals. Additionally, the State is interested in detailed and ongoing analyses of program success focused on evaluation of drugs, criteria, return on investment, and recommendations for change. Lastly, the State is interested in implementing a PA process through the electronic medical records of provider practice management systems as soon as technology makes this feasible. The Vendor must describe their approach for conducting Prior Authorizations now and in the future.

Our PA help desks are staffed with Prior Authorization (PA) Technicians with a pharmacy background, supported by our staff pharmacists and our clinical team. The PA technicians facilitate PA determinations and are also available to support providers regarding issues or questions they have regarding a specific PA or the PA process generally.

For each of the States in which we provide PA determination services, we have an established local office staffed by local full-time employees.

GHS considers the PA program to be one of the most important functions it carries out for the Department. Its proper administration is critical to efforts to influence prescribing patterns and drug use, and is integral to the management of programmatic costs. The PA system is compliant with all relevant State and federal statutes and regulations, including OBRA 90. As history has demonstrated, GHS and its systems – including the PA system – are flexible enough to accommodate the changes and update the Department requests. GHS will work with the Department after contract award to capture and confirm all needs and requirements with regard to pharmacy PA.

Pharmacy Prior Authorization is a successful cost saving program for Medicaid programs. Our PA system allows Medicaid pharmacy program managers to reduce costs by requiring physicians to receive authorization before prescribing cost restrictive and/or clinically inappropriate drugs to patients. This process allows our customers to limit expensive pharmaceuticals to only those patients for whom the drug is therapeutically necessary.

PA determinations are made by GHS's staff of clinical pharmacists, assisted by an automated, electronic determination process. Completed PA forms are delivered to GHS through the eWEBS provider portal, by fax, or by mail and are stored electronically and loaded into our PA Decision Support System (PADSS). GHS currently makes a determination on completed PA requests in fewer than three hours. This rapid turnaround is attributable to the efficiency of the automated system and the professional staff we have dedicated to PA inquiries. GHS also has capability to determine PA's using CPT and ICD-9 codes for the physician administered medications. The PADSS workflow management application and supporting systems can handle all types of PA submissions and use the best care practices based on State policy and clinical criteria.

GHS and its PA systems are flexible enough to accommodate any changes and updates that may be requested by our clients. GHS's PA system interfaces efficiently with its POS system, and can be easily added to any pharmacy benefit solution.

The PA system operated by GHS exhibits the following characteristics:

- The system verifies client eligibility, pharmacy eligibility prescriber eligibility and NDC eligibility;
- The system verifies each PA request form for completeness;
- The system incorporates a secure communication capability for requesting completion of incomplete forms and for required additional information;
- GHS researches and validates PA criteria rules, including research of patient profiles for drug history;
- All PA determinations are made by clinical staff;
- Notification of PA determination is made to the client, prescriber and pharmacy by secure means where available and by mail. Notification is also made to the claims processing system for claim adjudication and validation;
- The system can receive a PA request via the eWEBS provider portal, fax or mail and is able to accept PA's 24 hours a day 7 days a week;
- GHS completed a determination on all PA requests within 24 hours from receipt of a completed PA form– approved, denied, deferred and no PA required. We track this function electronically and can document that complete PA requests are turned around, on average, in less than four hours' time;
- All PA's are compliant with applicable federal and State laws and regulations;
- The system archives all PA forms, determination dates and supporting documentation, when applicable, in read-only media;
- GHS maintains the eWEBS provider portal to provide copies of provider mailings and educational material, in addition to allowing for the on-line submission of PA requests;
- GHS provides Help Desk support for PA inquiries from prescribers, pharmacists and State staff for assistance, education and status of PA's in process; and
- GHS operates the PA process relative to deferrals in accordance with the specifications of federal and state requirements.

GHS currently operates call centers supporting projects similar in size and scope to the DVHA PBM project in 3 states, and provides systems and applications supporting call center operations in one additional state. GHS is prepared to staff and operation a call center supporting the Pharmacy project at the local offices we will establish in the Burlington area. GHS will meet or exceed the specific performance indicators mandated by the State of Vermont. Our Help Desk workflow management tool collects information regarding each call which can be used to monitor and quantify the performance achieved. We are confident will be able to meet the performance requirements for the State of Vermont, as we have done so for all of our current clients.

GHS presently handles prior authorization requests through multiple communication mediums, including mail, telephone, fax and web. In the three states GHS presently reviews and determines prior authorization requests, PAs are most commonly submitted by facsimile. These faxed requests are imaged and archived into the Goold PADSS system where they are reviewed by our staff and a pharmacist (or physician if necessary), and a determination is made. This system also allows for determining prior authorization requests that are mailed in or called in by providers. Most recently, Goold began accepting electronic prior authorization requests via a provider web portal. This allows prescribers to submit prior authorization requests electronically from their computer or tablet. As part of the Web Portal submission process, prescribers can get up to date information regarding PA criteria, patient eligibility and more importantly track the process of their PA submission. Through the dashboard available to each unique provider any updates to the prior authorization during the determination

process can be viewed and eventually sent in a communication to the provider, via fax, e-mail or mobile device.

Looking to the future, GHS foresees leveraging Emdeon's ePrescribing solution to fully integrate the PDL, prior authorization criteria, prior authorization forms and the member's claims history into commonly used ePrescribing products used by providers. This will allow prescribers to use a single sign on and one technological solution to comprehensively manage their patients while being seen. With the development of a J-Code Preferred Drug List, GHS will establish a process for reviewing and determining J-Code PA requests similar to our existing workflows, leveraging multiple points of contact for providers to use to initiate the process of getting a prior authorization reviewed.

GHS is developing new approaches to the Specialty Drug market to manage an ever increasing expense to any Medicaid Preferred Drug List. GHS has analyzed many recent high cost therapies, and there have been frequent issues with adherence, discontinuation, and lack of proper monitoring. This has led to a significant concern regarding the potential loss of the clinical benefit due to incomplete therapy course or, in some cases, medication waste. The cost of pharmaceuticals over the next few years is expected to rise dramatically with the release of bio-similars, oral oncology medications and other specialty medications. The expectation is that there will be a rising number of highly specialized medications that are for a relatively small number of Medicaid members. However, these medications are expected to represent an ever increasing proportion of the cost associated for the pharmacy program. Many of these newer medications are expected to cost as much as 400-800 thousand dollars per member each year. By utilizing our clinical staff GHS is implementing clinical criteria to many drugs with costly monthly expenses in many of the biological drug classes to ensure improved medication adherence, proper utilization and for FDA approved durations, indications, dosing and proper metabolic monitoring.

FR2.1 The Vendor must manage and operate a prior authorization (PA) program and procedures for the Department that encompasses drugs processed through the pharmacy benefit and physician-administered drugs processed through the medical benefit. Components of the program will include, but not be limited to:

1. *Implementation of the operational processes to support drug coverage decisions for all clinical and non-clinical criteria*
2. *Operation of a provider call center staffed with appropriate clinical personnel*
3. *Notifications of decision to providers and beneficiaries*
4. *Compliance with all Department PA rules, regulations, and policies*
5. *Support of the grievance and appeal process*
6. *Detailed reporting and analysis on all aspects of the PA program*

1.

[redacted]

2.
GHS currently operates call centers supporting projects similar in size and scope to the DVHA PBMS project in 3 states, and provides systems and applications supporting call center operations in one additional State. GHS is prepared to staff and operate a call center supporting the DVHA PBM project at the local offices we will establish in or near Burlington, Vermont. GHS will meet or exceed the specific performance indicators mandated by the DVHA. Our PADSS determination workflow tool and provider Helpdesk application applications collect information regarding each PA and any related calls, which can be used to monitor and quantify the performance achieved. We are confident will be able to meet or exceed the performance requirements for the State of Vermont, as we have done so for all of our current clients.

GHS' multiple support applications help our dedicated staff the ability to service all incoming inquiries or provider concerns. Our clinical teams has years of Medicaid, Retail and Provider experience that it will utilize to aid all inquiries from providers to guide them with answers to clinical options with Vermont's PDL, POS claim submissions and any other pharmacy related questions.

3.
The Goold PADSS workflow tool supports the creation and distribution a variety of determinations. The application allows the flexibility of creating an approval, denial, deferment, incomplete, not required or request for more information required response at the conclusion of the PA decision workflow. Other types of responses can also be configured and supported. PADSS also provides the ability to automatically provide related policy information included within the body of the determination letter and also include information regarding PA hearing rights.

Responses to either the member, prescriber or pharmacy will include as part of the automatically generated notice of decision pertinent information associated with the specific PA request. This information includes clinical dialog from the clinical staff to the providers reasons for the determination, such as, FDA unapproved indications, DESI designations, PDL alternatives, dose consolidations or request for clinical support of inappropriate dosing. Also, each letter/determination provides unique PA transaction number, prescriber information, drug information, and member identification to help providers if they continue to have questions about a determination or the ability to review by accessing through the web portal. Notification can be configured to be sent to the prescriber, pharmacy location, and/or the member, depending on state-defined criteria.

4.
During the requirements definition phase of the DVHA PBM project, GHS will work with the department to discover and document all PA rules, regulations, and policies that must be addressed. These documented requirements will serve as the basis for the specification for configuring the prior authorization solution implemented by GHS for the DCHA.

[redacted]

5.
While each state's procedure regarding requests for grievance hearings or appeals is different, we currently provide clinical support and representation at all hearings. GHS has the ability to review all PA determination appeals and escalate all requests to a PA pharmacist or physician, depending on the exact nature of request. GHS has procedures in place tailored to each states hearing / appeals process requirements. GHS provides a member of our clinical pharmacy staff to be present at all appeals if required by the State.

Our PADSS PA determination workflow tool has the ability to produce PA appeals documentation packets at the push of a button. This feature produces all documentation attached to a PA determination record, as well as other details stored in data. This feature allows our clinical staff and state administrators to easily collect all the materials needed for a PA appeal. Additional documentation resulting from the PA appeal hearing is also attached to the PA record in PADSS and is available to clinical staff to aid them in future PA determinations or to research previous determinations for therapeutic trials or appropriate diagnosis. All PA determination documentation is electronically stored and indexed within PADSS.

6.
GHS currently provides detailed reporting and analysis on all aspects of the PA programs we operate for each of our respective clients

During the requirements definition phase of the DVHA PBM project, GHS will work with the department to review current reports and what the State would like to have going forward. We will then pass these requirements to our team of analysts for configuration of existing reports, or development of new reports if required.

FR2.2 The Vendor must comply with all Department PA requirements including, but not limited to, providing a telephone call center which must:

1. *Be accessible 24x7x365 – except for Vendor downtime approved in advance by the Department*
2. *Support PA processing through toll-free telephone, toll-free facsimile, mail, and web-based requests through provider portal*
3. *Be compatible with real-time electronic editing of medication requests based on current paid claims history, beneficiary eligibility, provider eligibility, and reference medical data supplied to the Vendor*
4. *Be staffed with appropriate technical and clinical personnel including clinical pharmacists*

1.
GHS is prepared to supply Pharmacy Help Desk support during the business hours indicated in this requirement for prescribers, pharmacies and members to access help regarding the pharmacy program, claim processing, or technical assistance. GHS is prepared to provide full help desk support for the DVHA PBM solution with 24x7x365 coverage. GHS provides 24/7/365 emergency support for technical and business operations to all current PBMS clients. In addition, Department staff will have access to the Pharmacy Services Account Manager and Project Manager and other key staff assigned by GHS to the project and ongoing operations during regular business hours.

2.
Current implementations of our PA determination solution support submission of clinical PA requests by toll-free telephone, toll-free facsimile, mail, and web-based requests through the eWEBS provider portal.
Telephone Requests – Phone requests are entered directly into the PADSS workflow application by a PA technician, while the requesting provider is on the phone. If any additional supporting documentation is required, our PA technician will request that the provider fax, email, or (on an exception basis) mail this documentation to the provider help desk. Once the supporting documentation is received, it is attached to PA request record in the PADSS system.

Fax Requests – Faxed requests are handled in a completely electronic manner. When a provider faxes a PA request and any supporting documentation, it is automatically imaged, time and date stamped, and entered into the PADSS workflow queue where a PA technician can begin processing the request. Currently, faxing is the most common method providers use to submit a PA requests into PA determination workflow.

Mail – Mailed requests are entered into the PA determination workflow through the fax submission system. If a mailed PA is received, a PA technician will simply fax it and any other supporting documentation to the PA submission fax number. If additional supporting documentation is needed from the provider, the PA technician will make contact with the provider and ask that this documentation be faxed or mailed in a timely manner. Mailed PA requests are very infrequent.

eWEBS provider Portal – Prescribers have the ability to complete and submit a PA request into the PADSS workflow tool by filling the web PA form within the eWEBS provider portal. A PA request can be initiated by clicking the Request PA button in the drug search results table or by selecting the Web PA tab. When requesting a PA from the drug search results table the appropriate PA request form for the associated non-preferred drug. If not, providers can search for the desired drug directly from the Web PA form and the appropriate form will be loaded. The Web PA form is divided into sections to collect all information required for processing a clinical PA. At a minimum, Patient, Provider (prescriber), diagnosis, and drug information is required. Other types of PAs may require additional information to be submitted to support clinical decisions, such as chart notes or lab results.

During the requirements definition phase of the project, GHS will work with the State to define all clinical PDL criteria, and configure as many PA submission forms as necessary. The State will have complete oversight over Web PA form parameters and the Web PA submission system will have full audit capabilities. In Utah, GHS' flexible eWEBs prescriber and pharmacy portal approximately 100 different Web PA forms.

3.
The GOOLD ePA integrated rules engine applies edits in a process known as "online", or "automatic", PAs to claims during adjudication. Complex algorithms are run on claims to perform PA avoidance based on criteria. The end result is a data feed to the POS that encompasses more than 38,000 data driven rules applied against 140,000 NDCs utilized during real-time claims adjudication. The GOOLD ePA clinical module handles in excess of 200,000 claims per quarter, successfully avoiding the need for clinical PAs in these instances.

Key Features include:

- Ability to process a high volume of fully automated transactions.
- Apply system edits to determine if evidence-based, clinical criteria is met
- Determines PAs real time during claim adjudication
- Clinical rules use:
    - Client Demographics (i.e. age)
    - Medical Data (diagnosis information)
    - Pharmacy Claims Data

4.

Our PA help desks are staffed with Prior Authorization Technicians with a pharmacy background, supported by our staff clinical pharmacists and have access to our clinical team of physicians for more complex clinical scenarios. GHS holds regularly scheduled clinical team meetings for all staff at all locations to update the staff of drug therapy trends and other clinical disease management. The PA technicians facilitate PA determinations and are also available to support providers regarding issues or questions they have regarding a specific PA or the PA process generally.

For each of the States in which we provide PA determination services, we have an established local office staffed by local full-time employees.

FR2.3 The Vendor must have functionality to automatically override PA requirements during POS processing based on data available from pharmacy claims paid by the Vendor and on medical claims history files provided by the Department to the Vendor.

The automatic override of PA requirements during POS processing is a core function of our Goold ePA module.

GHS currently integrates medical claims data into the ePA adjudication process and clinical PA determinations in two clients States: Wyoming and Utah. Medical claims data for these states are incorporated into the pharmacy claims adjudication process and the clinical PA determination workflow process. Like all other rules and edits applied during adjudication, ePA rules using medical claims data can be configured, then turned on and off based on rule effective dates.

GHS' GOOLD Rx pharmacy solution has the capability to include medical claims data so that both medical and pharmacy claims can be used to properly apply step edits. Our data driven process ensures that all appropriate step therapy will be handled according to State-approved policies. The GOOLD ePA module is an integral part of the robust system design of GOOLD Rx. The ePA module uses a member's drug and medical claims profile history during the claim validation process. The flowchart below illustrates an example workflow for the Sex Hormones ePA, currently implemented for the State of Wyoming according to their criteria.

[redacted]

Table 18: [redacted]

Rules and criteria are encoded in the PDL, based on State criteria. PDL criteria can be structured based on information provided in Medical claims provided that the claims data are updated at regular intervals. Like other PDL criteria, criteria related to medical claims data can be updated regularly on the schedule desired by the State. Rules are set at individual NDC level or at the level of drug classification. Again, this applies to all types of PDL rules, not just those that require access to medical claims data.

The duration of time a rule looks back into a patient's pharmacy and medical claims history can also be customized. GHS maintains a file with the current and historic ICD-9/10(s) for each Medicaid program member. It's assured that the ICDs will change for each member over time, depending on their medical condition and/or disease state.

The medical claims data itself can be updated as frequently as the State's MMIS (or other source) is able to provide it. While GHS does not support real-time integration of updated medical claims data in the POS at this time, it can be updated as frequently as daily. Presently Utah and Wyoming choose to provide updated medical data on a monthly basis. It's especially important to note that ePA edits supported by medical claims are dependent on quality and completeness of the medical claims data provided to GHS.

With regard to the use of medical claims data for clinical PA determination, the process is no different than PAs that only require review of the pharmacy claims data. The medical claims data are available to PA technicians as the move through the PA determination process. Some types of PAs will require review of medical claims, while others will not, all depending on State criteria established in the PDL. The process and procedures for mailing prior authorizations, determination letters, and notifications to both providers and client are identical.

FR2.4 The Vendor must include a review of the beneficiary's eligibility record as part of their PA processing to retrieve the information needed for PA determinations including, but not limited to:

a. Program eligibility
b. Existence of authorized prescribers
c. Existence of program coverage restrictions
d. Existence of alternative insurance (ex. Part B or primary commercial coverage)
d. Other elements specified and approved by the Department

Standard edits exist in the Goold Rx POS claims adjudication system and ePA module to address the specific PA criteria indicated in this requirement:

- Determine member program eligibility
- Determine existence of authorized prescribers
- Determine existence of any program coverage restrictions
- Determine existence of alternative insurance (ex. Part B or primary commercial coverage)
- Any other elements specified and approved by the Department

Specifically regarding the last item in the list, during the requirements definition phase of the project, GHS will work with the State to define all clinical PDL criteria, and configure the POS and ePA module to automate the necessary validations.

FR2.5 The Vendor's PA process must allow determinations based on various data elements identifying drug products including, but not limited to, the following:

a. The first 9-digits of a product's NDC

b. First DataBank, Medispan, or equivalent, therapeutic classification system

All PA requests, whether processed using the ePA module or the formal clinical PA determination process, must include an NDC number, according to each State's requirements. Some of our current clients only require the first 9-digits of an NDC to be supplied with a clinical PA request, while others require the full 10-digit number. The flexibility of our PA determination system allows us to configure the authorization based on configured criteria and state requirements, specifically at the drug level or specific NDC level if required.

FR2.6 The Vendor must send required notifications to the beneficiary and provider when PA is approved or denied. Notifications must include the required components as outlined by the State.

The Goold PADSS workflow tool supports the generation of an approval, denial, deferment, or more information required response at the conclusion of the PA decision workflow. Other types of responses can also be configured and supported. PADSS also provides the ability to automatically provide related policy information and information regarding PA hearing rights. Responses take the form of automatically generated notice of decision letters which include pertinent information associated with the specific PA request, such as the unique PA transaction number, prescriber information, drug information, and member identification. Notification can be configured to be sent to the prescriber, pharmacy location, and/or the member, depending on state-defined criteria.

Notifications are faxed or mailed, depending on the contact information available. Other notification types can also be configured, such as deferred or more information required. Notice of prior authorization decisions submitted online through our eWEBS system will be sent back to the inbox of the prescriber who submitted the request. Determination letters will be specific for DVHA member and they can be differentiated for Part D or any other future program that may be added at a later time.

During the requirements definition phase of the project, GHS will work with the State to define all notification requirements to configure the PA determination notification letters and electronic notifications.

FR2.7 The Vendor must coordinate and provide support to the Department and other State personnel who oversee the appeals process if an appeal results from a denied PA.

GHS will coordinate and provide support to the Department and other State personnel who oversee the appeals process if an appeal results from a denied PA. GHS has procedures in place tailored to each states hearing / appeals process requirements. GHS provides a member of our clinical pharmacy staff to be present at all appeals if required by the State.

Our PADSS PA determination workflow tool has the ability to produce PA appeals documentation packets at the push of a button. This feature produces all documentation attached to a PA determination record, as well as other details stored in data. This feature allows our clinical staff and state administrators to easily collect all the materials needed for a PA appeal. Additional documentation resulting from the PA appeal hearing is also attached to the PA record in PADSS and is available to

clinical staff to aid them in future PA determinations or to research previous determinations for therapeutic trials or appropriate diagnosis. All PA determination documentation is electronically stored and indexed within PADSS.

FR2.8 The vendor must interface with the State of Vermont's Master Person Index database in order to maintain a database of current contact information for beneficiaries. The Vendor must research any undelivered beneficiary communication and make reasonable attempts to identify a new address for such beneficiaries.

GHS maintains mailing addresses of beneficiaries for our current Medicaid clients when it is supplied on the member/beneficiary eligibility record. This has been accomplished in a number of ways in collaboration with each Medicaid agency and depending on the quality and availability of their reference data sets. Typically we collaborate with the State's MMIS vendor who maintains an up-to-date mailing address for prescribers (as well as providers and other stakeholders). With this experience, GHS is prepared to interface with the State of Vermont's Master Person Index database in order to maintain a database of current contact information for beneficiaries.

Provider contact information is maintained in a database and can be used in any system or function, such as a mail merge, or exported to other systems or external business partners. Templates for letters, reports, and other types of communication can be developed and used by automated process that produce individualized communications based on selection / identification criteria. GHS has done this in the past for many one-time and ongoing communication efforts for current clients, and will provide the same support and capabilities

FR2.9 The Vendor must allow for the dispensing of at least a 72-hour supply (or other Department-approved amount) of a drug product in an emergency situation as specified by the Department, except for non-covered drug classes or products.

The GHS POS claims adjudication system allows pharmacies to process a claim for an emergency 72-hour supply using a standard NCPDP data field to authorize the dispensing of at least a 72-hour supply of a covered outpatient perception drugs in an emergency situation. The pharmacy may enter this override without contacting the Help Desk. DVHA will determine the products to include and exclude from having access to this override during the requirements definition phase.

FR2.10 The Vendor must maintain an electronic version of a PA policies and procedures manual, including, but not limited to:

a. Clinical criteria
b. Department-approved product protocols
c. Criteria for PA processing

The information will be available on DVHA's website and/or the provider portals

The PA policies and procedures manual for the DVHA PBM solution will include the information specifically identified in this requirement:

- Clinical PA criteria
- Department-approved product protocols
- Drug-specific Criteria for PA processing
- Covered non-covered statuses
- The Preferred Drug List; and

- All PA forms.

We will also provide a current PDL, including all current updates, which is the most critical document that providers use when determining the PDL status of a requested drug.

All documentation is maintained electronically, with distribution being electronic or in hard-copy as most appropriate for the intended audience. We will make the PA policies and procedures manual available for the DVHA's website and through the eWEBS provider portal established for the project.

FR2.11 The Vendor must provide a PA system, accessible to designated state staff and providers, which maintains and allows the query of all pertinent information about PA requests and determinations including, but not limited to, the following:

a. Requesting provider name
b. Date and time of request
c. Beneficiary identifiers
d. Requested drug name, strength, form, and quantity
e. Program eligibility of the beneficiary
f. Request status (i.e., approved, pended, denied)
g. Reason for denial or exception
h. Authorization begin and end dates
i. Date and time of action on the request
j. Authorization of a 72-hour emergency drug supply
k. Comprehensive and flexible "free-text" notation functionality.

The specific criteria indicated in this requirement can be used as criteria for looking up a PA request and its determination status in PADSS and the pharmacy DSS. The designated State staff (as specified by their user role) will have the ability to access these applications to view PA records based on any available PA record data captured. The eWEBS provider portal also provides PA status look-ups, and may allow State Staff (as specified by their user roles)the ability to view those submitted by the provider uses, and as such use more basic look-up criteria.

FR2.12 The Vendor's PA system must have flexible administrative reporting and include functionality to retrieve and track PA determinations using multiple search fields including, but not limited to: pharmacy program, beneficiary name, beneficiary unique identification number, provider name or ID, drug, date of authorization, and authorization status

The specific criteria indicated in this requirement can be used as criteria for retrieving and tracking PA request and its determination status in PADSS and (after a determination is complete) the pharmacy DSS. Queries can be configured to look up PA records based on any available PA record data captured. The eWEBS provider portal also provides PA status look-ups, but this is limited to only those submitted by the current (provider) user, and as such used more basic look-up criteria. The PBM portal provides users to look up approved PAs, which are subsequently made available for the claims adjudication process.

FR2.13 The Vendor's system must include functionality to support the Team Care and Pharmacy Home (Prescriber/Pharmacy Lock-In) programs including, but not limited to, the following:

a. Implement claims processing customized edits and transmission messages
b. Support beneficiary lock-in for a specific drug, drug class, drug DEA schedule, and other parameters as defined by the Department

c. Support the capability to lock members into one or more specific providers (pharmacies and/or prescribers).
d. Support identification of potential Team Care eligible beneficiaries in the claims processing system using state defined criteria,
e. Provide detailed reporting information to the Department on program activities including, but not limited to, prescription utilization, cost per beneficiary, and parameters of the lock-in

A.
GOOLD Rx supports fully configurable, drug-specific NCPDP messaging for multiple edit events. All rejections are tied to a table of Reject Condition Codes that, among other things, allows users to set the free-form rejection message associated with any NCPDP rejection code and edit event combination. The free-form messages may be simple text, such as "Non-preferred drug"; or they may contain meta-data like the claim data of service or any other value derived from the claim or other supporting data structures. The NCPDP standard for the custom message (or ''Free Text") allows for messages up to be 240 characters long.

The example PDL message screen in the figure below displays and tracks each edit's disposition as a claim navigates the PDL (ePA) adjudication module, as well as the message triggered for each disposition. This list of messages triggered during the adjudication process is maintained in the claim record:

Figure 57: Example – [redacted]

B.
Rules regarding member eligibility and lock-in restrictions are fully configurable within the GOOLD Rx pharmacy solution. The GOOLD RX POS also has the ability to lock in a member to any combination of the following:

- A defined drug or set of drugs;
- Specific pharmacy provider(s); and/or
- Prescribing provider(s).

GHS' GOOLD Rx pharmacy solution determines the appropriate benefit level and services covered for the beneficiary from eligibility and other supplemental member data such as lock-in information provided by the state or other approved source. The system verifies if the beneficiary is eligible for

services submitted with rules-driven edits applied in regards to any restricted programs, services or drugs or disease management, lock-in restrictions, and if any applicable overrides or prior authorizations are on file to allow the exception to that rule.

[redacted]

Figure 58: [redacted]

C.
Rules regarding member eligibility and lock-in restrictions are fully configurable within the GOOLD Rx pharmacy solution. The GOOLD RX POS also has the ability to lock in a member to any combination of the following:

- A defined drug or set of drugs;
- Specific pharmacy provider(s); and/or
- Prescribing provider(s).

For example, if a member is restricted (locked-in) to a single pharmacy location, claims for drugs dispensed at any other pharmacy location will be rejected. Lock-in restrictions can also be configured for prescribers, physicians, and also restrict the member to obtain certain drugs from certain providers.

D.

The PA solution offered by GHS has the capability to support identification of potential Team Care eligible beneficiaries in the claims processing system using state defined criteria. We will work with the State to define all eligibility criteria.

E.
GHS will provide detailed reporting information to the Department regarding program activities including, but not limited to, prescription utilization, cost per beneficiary, and parameters of the lock-in. GHS and our team of analysts are limited only by the scope and quality of data made available by the State of Vermont and their vendor(s) and captured during ongoing operations.

During the requirements definition phase, GHS will work with the Department to review current reporting and identify the requirements for new DVHA PBM operational reporting. Specifications based on requirements will be passed to our team of analysts where they will configure and/or develop reports specifically for the DVHA PBM project.

FR2.14 The Vendor must comply with State and federal policies and procedures for beneficiary or provider appeals including, but not limited to, the following:

a. Notifying providers and beneficiaries of their appeals rights in accordance with the Department's policy

b. Coordinating with State personnel who oversee the grievance and appeals process

c. Preparing the appropriate reports and documents to support the Vendor's actions resulting in the request for an appeal from a beneficiary or provider

d. Providing the services of a clinical pharmacist to engage in peer discussions with state Medical Director and other Department clinical personnel to address an appeal related to pharmacy benefit services

e. Providing resources to address appeals related to claims disputes

f. Complying with the mandates and timelines stipulated by the Department

A.
GHS will notify providers and beneficiaries of their appeals rights in accordance with the Department's policy when a PA request is denied. Typically, this information is provided directly on the PA denial

notification, but we can distribute this information however the DVHA requires. Our PA determination workflow process has the capability to automatically provide related policy information and information regarding PA appeal rights with PA determination responses.

B.
GHS and its PA determination staff, including PA technicians and pharmacists, will coordinate with State personnel who oversee the grievance and appeals process. We presently do this for all of our clients to whom we provide clinical PA determination services.

C.
Our PADSS PA determination workflow tool has the ability to produce PA appeals documentation packets (including any relevant reports) at the push of a button. This feature produces all documentation attached to a PA determination record, as well as other details stored in data. This feature allows our clinical staff and state administrators to easily collect all the materials needed for a PA appeal. Additional documentation resulting from the PA appeal hearing is also attached to the PA record in PADSS and is available to clinical staff to aid them in future PA determinations or to research previous determinations for therapeutic trials or appropriate diagnosis.

D.
GHS will a clinical pharmacist to participate in peer discussions with the State's Medical Director and other Department clinical personnel to address an appeal related to pharmacy benefit services. We presently do this for all of our clients to whom we provide clinical PA determination services.

E.
Our PA staff will review any claims disputes or appeals to make sure they are in compliance with State Policy. As part of our normal day to day operation we continue to review any claim appeal to ensure the validity and appropriateness of edits, PA criteria, or any other clinical criteria applied. GHS is constantly in discussion with the personnel of our State clients about specific clinical criteria, potential appeals of decisions and other claim specific issues that may offer opportunities for clarifications, refinement or changes of information for members and providers alike.

F.
GHS will comply with PA determination process mandates and timelines stipulated by the Department, as we do for all our current PBM services clients.

FR2.15 The Vendor must continuously review and evaluate PA protocols and criteria, and the appropriateness of continued PA, suggestions for drugs appropriate for electronic or manual PA's. These reviews and evaluations must encompass drugs processed through the pharmacy benefit and physician-administered drugs processed through the medical benefit. The Vendor must analyze historical PA determinations and drug claims data and must provide quarterly recommendations and protocols for PA to the Department for review and approval.

GHS has made strong operational and philosophical commitments to a process of internal and external continuous quality improvement. GHS has rigorous internal quality improvement procedures to continuously improve our PA protocols and criteria in a proactive (not reactive) fashion. GHS uses these internal quality improvement processes to assist us in the identification of issues or problems before they become critical in nature or result in negative performance.

Further detail regarding our approach to quality control and continuous improvement in Section G, Subsection 1.2.10 Quality Assurance.

FR2.16 The Vendor must provide detailed monthly operational, clinical, and financial reporting on all prior authorization activities, including but not limited to: number of PA's, denial/approval rates, number of electronic vs. manual PA's, drug and overall health care savings, and return on investment. Reports should be available by drug, drug class, beneficiary, provider, and other defined parameters.

GHS provides detailed monthly operational, clinical, and financial reporting on all prior authorization activities to all of our current PA services clients. We design and develop PA reports to address the specific needs and requirements of each of our clients.

The standard suite of reports we provide to current clients includes the following:

- Average PA Determination Times
- PA Statistics by PDL Category
- PA Statistics by Drug Category
- PA Approval Rates by PDL Category

Samples of these reports are provided on the following pages.

[redacted]

Figure 59: [redacted]

[redacted]

Figure 60: [redacted]

[redacted]

Figure 61: [redacted]

FR2.17	*The Vendor must, develop and maintain approved protocols and criteria for coverage of products* *a. Not listed on the PDL* *b. Typically not covered* *c. Exceeding the Department's SMAC rates* *d. Not meeting other clinical or technical criteria*

GHS will work with the Department during requirements definition activities to establish protocols and criteria for coverage of products outside normal coverage, rate or clinical criteria. GHS will work with the Department to define procedures for drugs not listed on the PDL and will implement rules within the POS such that these NDCs will be labeled in a manner and that any new drugs that come onto the market that fall into the same category match these rules. Drugs that are typically not covered will be identified and built into the formulary rules. Rules will be established and built such that any new drug that comes to market will be coded as "non-covered" to follow the Department's policies.

As the SMAC vendor in eight states, rules and procedures have been established and customized for each customer as to how to handle situations where reimbursement rates exceed the Department's SMAC rates. GHS will work with the Department during JAD sessions to determine how best to handle these situations and what would be appropriate triggers to modify or remove an established SMAC rate.

Similarly to our other clinical clients, GHS will propose multiple solutions for handling clinical or technical criteria that do not meet established policies. For example, GHS will propose protocols for criteria for coverage of new drugs that come to market that belong to categories currently managed on the PDL. An example of these criteria is listed below:

A. All drugs on the PDL are reviewed at the annual Drug Utilization Review Committee Meeting held in the last quarter of the calendar year.
B. Newly introduced products to the market, with or without submitted supplemental rebate offers, are reviewed by the DUR Committee at the next scheduled quarterly DUR Committee Meetings
C. Recently introduced drugs that were initially reviewed without a supplemental rebate consideration (see B above), may upon the receipt of a valid supplemental rebate offer be reviewed at the discretion of the DUR Committee at the next quarterly DUR Committee meeting.
D. D. All DUR Committee Meetings include an opportunity for Public Comment. All public members, including drug manufacturers, have the opportunity to speak before the P & T Committee about any product. Additionally, Public Comments may be submitted via the website at all times. These comments are posted to the website and all hardcopies are presented to the P & T Committee at each meeting. It is at the discretion of the DUR Committee to re-discuss drugs mentioned during Public Comment.
E. Drugs may not be eligible for review if existing contract(s) with other labeler's products precludes additional preferred products within the same therapeutic class on the PDL.
F. Minutes of the P&T Committee meeting will include the basis on which a drug status recommendation on the PDL was made.
G. Manufacturers requesting reconsideration of the status of a product on the PDL will only be considered if there is new supporting information (i.e. new clinical information or cost data) that impacts the original decision made by the P&T Committee. The request must be submitted by e-

mail within five business days following the date of the DUR Committee meeting at which the recommendation was made.

1.2.3 Drug Utilization Review

Drug Utilization Review (DUR) activities for the State include, but are not limited to: prospective and retrospective Drug Utilization Review including provider profiling, educational outreach, peer-to-peer education, and activities related to assuring best practice compliance assurance. The State has a focus on management of drugs of abuse and drugs used for substance abuse treatment, management of psychotherapeutic drugs in adults and children, treatment of chronic pain, ADHD, asthma and other costly and complex chronic conditions. Drug utilization review services must encompass drugs processed through both the pharmacy benefit and those physician-administered drugs processed through the medical benefit.

The Vendor must describe their proposed approach to providing Drug Utilization Review services.

Prospective DUR:
GHS provides a fully automated, integrated, Prospective Drug Utilization Review (ProDUR) module in the Goold Rx POS system that has incorporated industry-standard Pro- and Concurrent DUR edits. The GHS ProDUR module is currently used in Iowa, Maine, Wyoming, and Utah.

GHS' ProDUR module functionality includes, but is not limited to:

- Capability to customize ProDUR criteria based on DVHA requirements and ensuring that modified criteria are not overwritten by subsequent updates from the drug pricing file vendor.
- GHS' ProDUR module, PDL rule logic, and our GOOLD ePA module enable claims to be compared against member history (pharmacy claims and medical claims) and benefit rules to determine if the claim complies with DVHA standards for edits consistent with policy.
- Capability for the DVHA to adjust the severity levels resulting in soft messaging back to the provider or inducing a fatal edit, stopping the claim and sending a message to the provider.
- DVHA can control the conditions that allow a provider to override certain DUR criteria using NCPDP DUR service codes.
- Many components of the ProDUR module can be used as stand-alone DUR edits or they can be used in conjunction with the electronic prior authorization (ePA) module where more refined edits specific to Vermont's Medicaid program need to be applied.
- GHS uses the MediSpan clinical module as a resource to customize and maintain a fully functional, robust Pro-DUR component, providing the ability to adjust to the specific clinical needs of the DVHA.

Retrospective DUR:
GHS can leverage our experienced, skilled staff to ensure that the DVHA receives the information and support required to complete their requirements and meet their DUR responsibilities. By monitoring national and state trends, and comparing those data with the prescribing patterns of Vermont's Medicaid prescribers, GHS can provide timely analytical material to Vermont's DUR committee.

GHS' Retro-DUR services include, but are not limited to:

- RetroDUR processing at a regular interval, typically bi-monthly, based on State requirements. All standard reports and evaluations are updated on this schedule;
- Generate profiles for those members whose claims fall outside accepted therapeutic standards.
- Support in State / DUR committee review of profiles and selection beneficiaries for intervention;

- Production and mailing of intervention packets. GHS' standard procedures include addressing multiple issues if a client's profile is identified as one requiring intervention;
- Identification of comparison groups in cost savings reports. (A comparison group is an equal subset of patients who were taking medication involved in an alert, but needed no intervention);
- Development of educational initiatives that group multiple recipients with similar drug therapy problems. Interventions are then launched for the prescribers of the entire group of recipients identified;
- Review of utilization and trends across multiple states (with required data sharing agreement(s);
- Production of cost savings and other required reports as requested;
- Provision of claims data reporting in aggregate and at the claim level;
- Production of reports that detail patient and prescriber trends;
- Administration and configuration of "lock-in" policies;
- Support in preparing the CMS Annual Report;
- Providing other on-going RetroDUR support activities including technical support, operational support, and criteria support;
- Providing Administrative Functions such as mailing out profiles, coordinating meetings, performing follow ups, capturing meeting minutes, etc.;
- Providing administrative support for DUR Board Meetings.

The central activity of RetroDUR is the design, generation and review of member profiles. Through regular reviews of member histories (both pharmacy claims and medical claims), GHS generates profiles for those members whose claims fall outside accepted therapeutic standards. Profiles are screened for potential problems involving at least 30 major therapeutic categories of prescription drugs most frequently dispensed in the identified population. This screening process will include drug-drug interactions, drug-disease contraindications, patient-drug considerations, dose limit exceptions, and drug-laboratory considerations at a minimum. The modules and algorithms used for this process are constantly updated in response to new drugs, new warnings, new interactions, etc. It is imperative that these screening tools be as up-to-date as possible.

We have had excellent results from having a combination of our clinical staff and the members of the DUR Board review the profiles generated to identify the most problematic clinical issues that require a direct educational intervention. Once all comments from the reviewed profiles are collected, we prepare educational initiatives for the problems identified. The selected profiles for educational initiatives establish a baseline for pharmaceutical costs. For more serious issues, a physician or pharmacist from our clinical staff will reach out to the identified prescriber to make him/her aware of the issue identified and recommend strategies for ameliorating the aforementioned problem. Most often, however, GHS sends individualized letters to prescribers on behalf of the State, which are informational in nature, calling attention to the problem identified.

In addition to patient-specific issues identified through profile reviews, GHS also regularly identifies groups of recipients who share similar drug therapy and/or disease related problems and develops educational initiatives. Many times, these activities focus on drugs with a high abuse potential, chronic disease states that require complex medical management, and psychotropic medications. Some examples include chronic use of short acting narcotics without concurrent use of a long acting narcotic, use of valproic acid for non-seizure diagnoses in women of childbearing age, use of multiple second generation antipsychotics without a trial of clozapine and chronic use of legend topical antibiotics. Our

clinical staff of physicians and pharmacists works closely with our analysts to identify these groups of recipients and lead the educational initiative. One of our physicians is a board certified psychiatrist with experience in substance abuse. This experience and training not only results in more focused and relevant educational initiatives in these areas, but it also brings more credibility when interfacing with mental health providers about their patients and prescribing patterns.

All intervention communications and related documentation are imaged, managed, archived, and stored with our in-house DUR Survey Tool application. Once the educational initiative has been launched, the selected profiles are sequestered for 6-12 months. They are then reviewed to see if the recommended changes in drug therapy were accepted. Costs for prescription drugs are re-calculated and compared to the baseline to determine how much in savings were generated as a result of the intervention.

GHS welcomes provider feedback on educational initiatives launched. Most often, surveys are sent out to providers that are targeted for an educational initiative. These surveys attempt to gain a better understanding as to what the clinical rationale is behind the identified problem as well as to gather self reported cases of correcting the identified problem. GHS' DUR Survey Tool takes the responses from these surveys and includes them as part of the final analysis as to the results of a given intervention.

FR2.18 The Vendor's RetroDUR management system must include data warehouse analytic/reporting tools, clinical rules, algorithms, and profiling including, but not limited to, identifying prescribing and utilization patterns which fall outside best practice guidelines.

GHS' DVHA pharmacy solution provides flexibility to design or manipulate RetroDUR report elements for incorporation into a standard report or ad hoc report requested by DVHA, either on a production or ad-hoc basis. GHS has developed a series of algorithms and weighted criteria that identifies and selects patient profiles where utilization and/or prescribing trends fall outside of the norm and/or best practice guidelines. Within our data warehouse, GHS will house years' worth of patient pharmacy and medical claims histories from which to query.

GHS has the ability to produce a wide variety of RetroDUR reporting. This includes reports of expenditures by individual drug and therapeutic class, which will be based on claims utilization data and drug pricing on the claim date of service. GHS' POS system can prevent, based on state-designed criteria, excessive utilization at the point of sale according to the predetermined rules in the profile. Upon contract award, GHS will work with the State staff to develop a regular suite of utilization reports that can be prepared monthly or quarterly. Ad hoc reports can also be generated upon request. This kind of regular report generation can help all stakeholders track and follow trends of common drug therapy problems.

Through a combination of monitoring claims data, prior authorizations, utilization trending, market share reports, standards of care, updated professional guidelines, and strategies employed by private sector third parties, GHS has capability to continually monitor, track, and forecast PBMS activities. Within our suite of regular reports, we offer reviews of the top physicians and pharmacies both in terms of highest dollar amount billed to Medicaid, as well as the highest utilized by Medicaid. Similar reports are prepared looking at high cost NDCs/drug classes, as well as highly utilized NDCs/drug classes. Once outliers are discovered, any one of our desktop analytic tools can be used to pinpoint the source of the problem. These are just one example of the ongoing utilization tracking and forecasting reports we produce to support our clients.

GHS conducts ongoing, long-term analysis to track utilization and forecast future trends. We do this presently for all of our clients, as it is particularly important to the ongoing management of Medicaid pharmacy programs. Our utilization tracking and forecasting can take a number of different forms, but is essentially proactively monitoring a specific subset of data to identify trends over time, forecast outcomes, and monitor the results of a change.

Pharmacy tracking, trending, forecasting, and reporting are limited only by the scope and quality of data available to GHS. For this reason, GHS typically seeks at least the most recent 2 years (and ideally 4-6 years or more) of historic pharmacy reference data from incumbent vendor, particularly paid claims data, during the service transition period. During the requirements definition phase, GHS will work with the State and their outgoing vendor to document specifications with regard to the fields, formats, scope, and delivery method of all historic data sets identified for transfer.

By monitoring national and state trends and comparing that data with Vermont's Medicaid providers' prescribing patterns, we can provide timely analytical material to the State. For example, we flag all rapidly increasing or decreasing drugs on the basis of both utilization and cost, so that state and GHS stakeholders can fashion responses in a timely manner. Often this involves being alert to off-label activity.

A specific example of success from our past experience was when a higher than expected growth in the utilization of Dronabinol was discovered in utilization for one of our current clients. Dronabinol is an expensive medication used to treat nausea and vomiting due to chemotherapy, as well as appetite loss in AIDS patients. Using one of our desktop analytic tools, we were able to track the spike in utilization and also determine that the new prescriptions were not being used for cancer or AIDS. Additionally, we were able to pinpoint the spike in utilization to a specific county and physician's office. A DUR initiative was launched, and it was discovered one of the physicians was using Dronabinol off-label to treat an organic brain disorder. As there is no safety or efficacy data supporting the use of Dronabinol for organic brain disorder, an educational initiative was launched to curb this off label utilization.

Another example of how pharmacy services utilization will be tracked and trended overtime is through regular review of POS override codes entered by dispensing pharmacies. Regular reporting and review of which pharmacies enter POS and ProDUR override codes in the POS system and the frequency with which they are used can be very enlightening. High utilization of certain POS override codes could serve as a signal to closely monitor for overuse, misuse, and/or abuse.

Another aspect of forecasting concerns quality of care; we can create and run reports that examine whether standards of care are being met and if certain diseases are becoming more prevalent. For example, we can follow the incidence and prevalence of diabetes, especially in the pediatric population. We can describe the drug treatment preferences and the extent of polydrug therapy. We can integrate the medical claims data if desired and examine hemoglobin A1C testing frequency and examine how frequently home blood glucose monitoring is performed. We can examine the trend over long periods and make comparisons on some of these measures across other states.

GHS has undertaken a wide variety of utilization tracking and forecasting activities for our clients. They typically start with questions and conversations between State Program Managers and our clinical staff,

leading to data inquiries and related research into the issue being reviewed, and finally culminating in reporting or ongoing analysis.

FR2.19 The Vendor's RetroDUR management system must have functionality to merge medical service claims provided by the Department with pharmacy claims to identify and monitor drug usage including, but not limited to:

a. Overutilization
b. Underutilization
c. Therapeutic duplication
d. Drug-disease contraindications
e. Drug-drug interactions
f. Incorrect drug, dosage, or duration of therapy
h. Drug-induced illness
i. Beneficiary clinical abuse and drug misuse
j. Therapeutic appropriateness
k. Other criteria identified by the Department or its DUR Board

GHS is prepared to receive medical claims data on a regular basis from the DVHA MMIS vendor and incorporate it into our data warehouse for use in RetroDUR, as well as any other required activities, such as POS claims adjudication. Once medical claims data are available, it can be incorporated with pharmacy claims data to support RetroDUR reporting that looks at a patient's entire medical profile. We presently do this type of reporting for current clients to whom we provide RetroDUR services.

Specifically, RetroDUR reporting can be established to monitor for and identify the instances of the following:

- Overutilization
- Underutilization
- Therapeutic duplication
- Drug-disease contraindications
- Drug-drug interactions
- Incorrect drug, dosage, or duration of therapy
- Drug-induced illness
- Beneficiary clinical abuse and drug misuse
- Therapeutic appropriateness
- Other criteria identified by the Department or its DUR Board

During the requirements definition phase, GHS will work with the Department to review current reporting and identify the requirements for new DVHA RetroDUR reporting. Specifications based on requirements will be passed to our team of analysts where they will configure and/or develop reports specifically for the DVHA PBM project.

FR2.20 The Vendor must conduct regular ProDUR and RetroDUR program activities that meet all state and federal requirements. Vendor must conduct regular program review, facilitate quarterly evaluations of criteria and interventions, recommend draft standards and criteria, and implement approved changes. RetroDUR activities must encompass drugs processed through the pharmacy benefit and physician-administered drugs processed through the medical benefit. Actions include, but are not limited, to the following:

a. Conduct clinical and financial analyses and literature reviews related to its ProDUR and RetroDUR activities and report findings to the Department and DUR Board regularly

b. Assess the effectiveness of ProDUR and RetroDUR practices and provide clinical and financial summary reports at least quarterly
c. Implement DUR Board recommended changes after Department approval
d. Generate educational materials for prescribers, pharmacies, and beneficiaries to support Department-approved interventions

The purpose of GHS' Retrospective Drug Utilization Review (RetroDUR) program is to improve patient care and, as a by-product, reduce overall drug costs. We deliver on this commitment by providing clients with a clear set of utilization rules, as well as by performing associated reporting and analyses. Our RetroDUR initiatives meaningfully influence the prescribing behaviors of physicians and provide valuable information to pharmacists. The rule sets developed from RetroDUR analyses help prescribers determine and deliver appropriate, effective, and compliant drug therapy. The rule sets used for both the RetroDUR program and the ProDUR program are constantly being updated as new drugs are introduced, new interactions are discovered, and peer reviewed, best practice guidelines are updated. GHS also looks to input from the providers on the DUR Board and the Department for rules that are clinically relevant and important to the recipients in the Vermont Medicaid program. Through these various sources, GHS will ensure the rule sets used are clinically relevant and timely for use in the program. Before any changes are incorporated into the existing rule sets, GHS will seek approval from the Department.

GHS provides full DUR services to the states of Maine and Iowa. GHS' GOOLD Rx allows the preparation of pharmacy claims history to be used for the purpose of retrospective DUR, prescriber and pharmacy provider profiling, management reporting and other decision support functionality. Historical data is captured from the POS and is provided upon request. GHS will also request a regular feed of medical claims data from the MMIS to combine with the pharmacy claims data, further enhancing our RetroDUR analytical capabilities.

RetroDUR programs execute periodic examination of claims data to identify patterns of fraud, abuse, gross overuse, underuse, inappropriate, or medically unnecessary care. Claims reviews may be based on physician, pharmacist, and individuals receiving benefits, a single drug, or groups of drugs. Predetermined standards for RetroDUR are used to monitor therapeutic appropriateness, overutilization, underutilization, appropriate use of generic medication, therapeutic duplication, drug-disease contraindications, incorrect dosage, incorrect duration, and clinical abuse or misuse.

DUR Boards utilize clinically based and scientifically valid, Pro- and RetroDUR compatible predetermined standards to assess medication therapy. GHS will work with the State of Vermont to develop standards consistent with peer-reviewed medical literature and official compendia. The standards are used to determine whether there is a population at risk for clinically significant adverse medical outcomes. Each DUR Board serves in an advisory role for the state Medicaid agency; however, Medicaid has the authority to accept or reject any recommendations or decisions of the DUR Board.

In Iowa, GHS coordinates and supports the DUR Commission. GHS is responsible for providing the RetroDUR and educational components of the program, as well as administrative and clinical support. GHS also administers the ProDUR component of the program. The DUR Board reviews and makes recommendations regarding the criteria used by GHS for the ProDUR program.

GHS presents the Commission with potential DUR educational initiatives including, but not limited to, those based on FDA announcements, clinical guidelines, regional and national utilization trends, and suggestions from Iowa Medicaid. GHS provides a summary for each proposed initiative that contains background information, initiative goal, quotes from associated peer-reviewed articles, and a high-level overview of the issue. The Commission votes on which proposals to move forward with.

Patient Focused Reviews:
Patient-focused reviews are completed with the review of 300 member profiles (1,800 per year) at each meeting. GHS generates these profiles through a complex screening process, including a therapeutic criteria screen. If a profile shows failure on one or more therapeutic criteria, the member profile is assigned a level of risk based on medication history and the potential for adverse events. Profiles with the highest level of risk are selected for the Commission to review. Member profiles are reviewed by the Commission and the GHS clinical staff to minimize potential false positives generated during the computer selection process.

The Commission members and the Goold clinical staff identify cases where educational intervention is appropriate. Therapeutic or cost saving educational suggestions generally take the form of letters to providers, but are also communicated via conference call or in person, as needed. Providers are invited to voluntarily respond to the Commission's suggestions and to request additional information; GHS tracks provider response rates. Suggestions are classified by problem type for reporting purposes. Common classifications used in Iowa include:

- Not Optimal Drug;
- Not Optimal Dose;
- Not Optimal Duration;
- Unnecessary Drug Use;
- Therapeutic Duplication;
- High Cost Drug;
- Drug-Drug Interaction;
- Drug-Disease Interaction;
- Adverse Drug Reaction;
- Patient Overuse;
- Patient Underuse;
- Therapeutic Alternative;
- Missing Drug Therapy;
- Not Optimal Dosage Form;
- Potential Generic Use; and
- Inappropriate Billing.

Suggestions are intended to promote appropriate and cost-effective use of medications. Cost savings are calculated based on decreased medication costs. Several of these classes of interventions, such as member underuse and missing drug therapy, are intended to increase the use of medications. Additional medication therapy causes an increase in medication expenditures, but is beneficial to the member's quality of life and should result in future cost savings for medical services. Cost savings for increased medication use cannot be calculated due to data limitations; the suggestions have a positive impact on the program, but realize little to no cost savings.

Once a member's profile is reviewed, it is excluded from the selection process for nine months to eliminate repeat selections. After this waiting period, the current profile for each member is reviewed to determine if the Commission's suggestion was implemented; fiscal considerations resulting from the change are calculated.

Problem-Focused Reviews:
Problem-focused reviews narrow the emphasis of review to a specific issue that has been determined to be an area where a targeted educational effort to providers may be valuable. Topics for review are selected from the findings of patient-focused reviews and medical literature reviews. Educational materials are disseminated to providers caring for members who may benefit from intervention. Providers are encouraged to voluntarily respond to the educational initiative. The current member profile is typically generated 6 to 9 months after the initial review to determine the impact rate of the intervention, along with any fiscal considerations.

DUR Advisory Role:
Upon request, the Commission reviews utilization data and medical literature and makes recommendations to Iowa Medicaid regarding policy issues. The same process will be made available to the DVHA. These recommendations promote the appropriate use of medications and positive member outcomes. The authority to accept or reject DUR Commission recommendations lies with the Medicaid agency. Recommendations primarily include ProDUR, drug prior authorization (PA), coverage of medications, and administrative and billing procedures.

Regular self-assessment of the RetroDUR and ProDUR programs are paramount to ensure they remain effective and relevant. In addition to the regular updates described previously, GHS will regularly assess the two programs and provide quarterly financial summaries to the Department that will outline the cost savings achieved by the two programs, in addition to the overrides used on ProDUR edits. By comparison with updated peer reviewed literature, GHS will also provide updates and summaries as to the clinical relevancy of the RetroDUR and ProDUR edits to ensure they follow the best practice guidelines being used by providers.

FR2.21 The Vendor must monitor and report on the outcomes of its DUR educational efforts quarterly or as otherwise specified by the Department.

GHS regularly monitors and reports on the outcomes of its DUR educational efforts. Anytime a profile is selected for an intervention, it is sequestered for a period of time (typically 6-12 months) and then a follow up review is performed. Using the initial profile as a baseline for cost, GHS checks for changes in costs as a result of the educational effort. These changes in costs are then captured and reported. Similarly, when an educational effort is launched for an entire group of recipients, cost changes from the baseline are captured and reported. These reports can be presented quarterly or as prescribed by the Department.

When considering reporting outcomes of the DUR educational efforts, there are more factors to consider than just changes in costs. GHS also monitors things such as the number of prescribers who responded to the educational effort, the drugs used to replace problematic therapies, etc. It is also important to monitor medical claims and expenditures too. It does little good to recommend changes in

therapy through the DUR program that results in increase physician's office visits, increased ER visits, or increased expenditures on the medical side.

One DUR intervention that was completed was the recommendation to reduce the number of allowed doses of triptans (used for the acute treatment of migraine headaches) from 18 doses per month to 9. The outcomes reported for this educational effort not only captured the cost savings associated with the decrease in monthly triptan doses dispensed, but also the additional costs associated with starting migraine prophylactic medications as well as the increased number of physicians' office visits and emergency room visits for acute migraine attacks. When considering all of these factors, the initiative was still considered a success.

FR2.22 The Vendor's RetroDUR management system must have clinical pharmacist oversight.

GHS will assign a clinical pharmacist to oversee all RetroDUR system activities and to manage the program for the DVHA PVM project.

FR2.23 The Vendor must draft and finalize, with support from the Department, the CMS annual DUR report as described in Section 1927(g)(3)(D) of the Social Security Act and the required cost savings analysis including, but not limited to, the following:

a. Provide the draft CMS-required DUR Annual Report to the Department at least 30 days prior to the due date

b. Incorporate any changes recommended by the Department into the CMS annual report

c. Perform additional research requested by the Department

d. Upload per CMS protocol the final CMS-required DUR Annual Report to the Department at least 10 days prior to the due date for Department approval and submission.

A.

States are required to submit an Annual Drug Utilization Review (DUR) report to CMS that details the ongoing operations of its mandated Drug Utilization Review (DUR) program. The report includes detailed descriptions of the prospective and retrospective DUR programs, an assessment of the interventions undertaken during the year and the subsequent educational initiatives, a review of DUR board activities, and a full assessment of the impact of the DUR program on quality of care and cost savings. GHS' clinical account manager drives the process of building the report each year, working with the GHS analyst team to produce this series of targeted analyses. A draft of this annual report will be provided to the Department at least 30 days prior to the due date for review and comments.

GHS currently performs this service for the states of Maine and Iowa and is fully prepared to produce the report for the state of Vermont. GHS' RetroDUR tool and Goold Rx POS Claims adjudication system capture the necessary data to support completion of the report, as described in CFR 42 Sec.456.709. GHS will provide the annual DUR report to CMS using the most recently adopted Federal guidelines. GHS is familiar with the latest versions of the report and with the online submission process. It has always been our goal to adopt the new formats and submission standards of the report when first made available. GHS' membership in the American Drug Utilization Review Society and participation in their annual meeting each year helps us keep abreast on these kinds of changes and evolution of the reporting standards.

The Goold clinical account manager and analytical team generate templates for use in Attachment 1 of the CMS report detailing the review summary of the ProDUR program, including the top 20 type/drug

combinations that generate the largest number of messages. Information on the number of messages generated by the system and a denominator, the number of messages overridden, the number of reversals/cancellations/denials, and the number of refill too soon messages, duplicate prescription messages transmitted, and claims denials can all easily be extracted by the GOOLD Rx POS system and put into a format that meets the requirements of Attachment 1 of the CMS report. GHS will work with the DVHA and Vermont's DUR Board to collect data on all prospective DUR requirements, monitoring activities, and stores' compliance with the prospective DUR requirement in the Omnibus Budget Reduction Act (OBRA) of 1990 to satisfy the requirements of Attachment 2.

The GOOLD RetroDUR system will generate state-required management reports on drug utilization patterns, and produce all reports required by the DVHA and CMS (Attachment 3 of the report), including, but not limited to:

- Claims count, cost and utilization data by physician;
- Drug class information and comparative review with other physicians;
- Panel Patient Per Month drug cost analysis;
- Dollars spent by drug type;
- Number of claims reviewed;
- Number and type of exception reports generated;
- Number of clients whose prescription regimens were changed;
- Trends in utilization and prescription patterns;
- The cost to the Department of retrospective reviews (for both clients and providers);
- Calculation of savings realized by the Department as a result of reviews; and
- Any additional information relevant to assessing the impact of the program on quality of care.

Using GHS' RetroDUR system, the clinical account manager will compile data on RetroDUR activities and report the level of criteria exceptions by drug class or drugs within the class and problem type. In compliance with CMS directions, the year-end summary reports will be limited to the top 20 problem types with the largest number of exceptions. The GHS RetroDUR tool provides a denominator for each drug class/problem type for which criteria exceptions are reported, as well as a summary of the number of educational interventions performed.

The remainder of the report, including the summary of the DUR Board Activities, generic substitution policies, cost savings estimates, prescription drug monitoring, innovative practices, and ePrescribing, are drafted by the Goold clinical account manager and presented to state staff for review and sign off prior to submission to CMS. Some of these components, specifically those related to SMAC savings, have already been prepared for Illinois HFS as the current SMAC vendor. GHS is cognizant of the state staffs' time and strives to produce a near-complete first draft for review.

B.
GHS will work with and collaborate with the Department of ensure the accuracy and completeness of the annual DUR report. Any feedback received and recommended changes will be incorporated into the report prior to submission.

C.
GHS will perform additional research requested by the Department according to the rules and rates agreed upon during contract negotiation.

D.
GHS will upload (per CMS protocol) the final CMS-required DUR Annual Report to the Department at least 10 days prior to the due date. We understand that this is to ensure sufficient time for Department review and approval of the report prior to their submitting the report to CMS.

FR2.24 The Vendor must facilitate the DUR Board meetings and prepare Department-approved meeting materials including, but not limited to, the following:
a. Prepare, distribute, and post meeting agendas and materials to DUR Board members at least 14 days prior to the DUR Board meeting
b. Present in person, all items on the agenda related to DUR activities, PDL recommendations, and drug related information at the DUR Board meetings.
c. Record meeting minutes including all PDL changes and action items, and forward them to the Department within 3 days after the meeting for Department approval
d. Post meeting minutes on the website 5 days after the DUR Board meeting.
e. Assure that all DUR Board actions are implemented on a timely basis

GHS will provide a member of our support staff to act as the recording secretary for all DUR Board meetings. GHS presently acts as the recording secretary for all DUR Board and P&T Committee meetings we support for our current clients. We provide detailed minutes so that discussion, motions, amendments and recommendations are reflected accurately. We will carefully document the Medicaid Pharmacy Program updates, oral presentations made by manufacturers, the presentation made by our clinical pharmacist, the results of voting, as well as any new business and any other topics undertaken.

A.
GHS will submit DUR Board meeting agendas and supporting materials to DUR Board members at least 14 days prior to the scheduled DUR Board meeting.

B.
GHS' clinical pharmacy account manager will be present for all DUR Board meetings and will present all agenda items and will be prepared to answer any and all questions from DUR Board members. Most often, GHS uses a pharmacist and physician team to present to the DUR Board so that peer-to-peer discussions can always occur.

GHS will combine the information from our proprietary financial cost modeling and evidence-based clinical reviews with input from stakeholders to develop and present our PDL recommendations to the state Medicaid agency and its P&T Committee. Our PDL recommendation process takes into account the final net cost of a drug and all other influencing factors including, but not limited to:

- Supplemental Rebate (SR) offers;
- Clinical information;
- Stakeholder input;
- DUR Board recommendations; and
- Disputes escalated to the Department.

GHS closely monitors the FDA's activity related to product labeling, including new or modified indications. Evaluation of changes to indications may, at times, prompt GHS to recommend changes in PA criteria and/or PDL status of the affected drug or its therapeutic alternatives.

C.

GHS will provide all detailed DUR Board meeting minutes within three (3) business days of the end of the meeting for Department review and approval. These will be submitted as a draft, with the final version being produced after and changes requested by the DVHA have been made and final approval is received.

D.
GHS will post DUR Board meeting minutes to the DVHA PBM information website and/or other website designated by the DVHA. Assuming approval of the meeting minutes is received from the DVHA within three (3) business days of the meeting; GHS can assure that the approved meeting minutes will be posted within five (5) business days of the conclusion of the meeting.

E.
GHS will assure that all DUR Board actions assigned to GHS are implemented in a timely manner, as agreed upon in any resulting change or enhancement requests.

FR2.25 The Vendor's designated (Key Personnel) Clinical Pharmacist must manage and direct the Department's DUR program and PDL activities and act as the Vendor's representative at the DUR Board meetings. During planned or unplanned absences, Vendor must provide replacement personnel to fill this role.

GHS is proposing experienced staff to assist the State of Vermont in carrying out its objectives for a fully transparent, state-lead DUR program and PDL activities. GHS has chosen Michael Ouellette, R.Ph, with 13 years of experience in Pharmacy and Medicaid administration, to serve as the Clinical Account Manager. Michael Ouellette will attend and present clinical and cost information at all DUR Board meetings. Additionally, he will facilitate the meeting in the review of therapeutic classes and new medications. As part of this review, he will also provide recommendations for appropriate changes to the PDL including recommendations for clinical prior authorization requirements. State pharmacy staff will have open access to our entire team of physician medical directors, and other clinical, professional and analytical staff. GHS will not make any changes to key personnel assigned to any resulting contract without the express written permission of the State of Vermont. GHS understands and agrees that the State will have final approval of all GHS staff assigned to this project.

GHS understands the importance of contingency planning. We deploy teams of clinical staff with our project managers and technical staff to ensure that the State has a comprehensive team of professionals working together to achieve maximum outcomes for our customers and ensure contract adherence. We pride ourselves on our successful deployment of complex systems and, as a result, resource all engagements appropriately. GHS provides full time physician medical directors and cross-trained pharmacists, data analysts, project managers and rebate staff to ensure back-up personnel are in place and all contract responsibilities will be carried out in a smooth and professional manner.

GHS believes that communication that takes place early and often, in both formal and informal processes, is critical to ensuring the on-going timely and effective operation of a project. GHS uses varied communication methods to ultimately create a solid foundation for implementation and operations based on keeping state staff informed. GHS understands that the services that will be provided under the RFP are at the sole discretion of the State and as such advising State pharmacy staff

on all aspects of the engagement. GHS envisions strong monitoring by DVHA of the diverse contract elements that make up the program.

FR2.26 The Vendor's designated (Key Personnel) Clinical Pharmacist must proactively research, analyze, present findings, and advise the Department and/or the DUR Board on topics requested by the Department including, but not limited to:

a. PA requirements and clinical criteria
b. Prescription spending trends focusing on the Department's programs and on national trends
c. Cost containment strategies
d. RetroDUR
e. Educational materials for DUR
f. POS claims processing
g. Reimbursement strategies for product costs, dispensing fees, and beneficiary cost sharing
h. ProDUR
i. Reconsiderations and appeals

Resources a – e must consider drugs processed through the pharmacy and physician-administered drugs processed through the medical benefit.

[redacted]

GHS' clinical team is always seeking input from our clients and DUR Boards for topics that are of interest to them. We have found that the DUR Board members are more engaged with the overall process if the topics covered hit on their areas of interest instead of being passive listeners. Therefore, we take the time to get to know the Board members and learn what their interests are so we can take ideas and initiatives recommended by the DUR Board for inclusion in our presentations.

A critical element to the GHS PDL management process and DUR deliberations is the production of therapeutic class reviews. Class reviews provide detailed clinical information regarding the efficacy, utilization, and costs associated with a drug or class of drugs. This detailed information allows administrators to make decisions regarding the drug/drug class presented in the therapeutic class review, such as whether or not PDL criteria should be applied, supplemental rebate opportunities, or whether or not the drug(s) should be covered at all.

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FR2.27 The Vendor must facilitate the DUR Board's use of clinical subject matter experts in reviewing various classes of drugs or individual drugs, if such expertise is needed.

Our clinical team has specific expertise in the assessment and critical analysis of clinical trials and will apply this powerful analytic acumen to all ongoing PDL activities.

GHS' clinical team comprised of physicians and pharmacists are routinely reviewing new drugs for consideration of PDL placement, development of medically appropriate PA criteria, clinically relevant limits and safety concerns, including drug interactions and all other clinical edits.

In addition to this internal analysis, GHS will seek input from stakeholders, including advocacy groups and pharmaceutical manufacturers. When appropriate, GHS will meet with these stakeholders to ensure that their views are given due consideration. GHS' clinical team regularly receives clinical presentations from pharmaceutical manufacturers. While the information in these presentations is verified by the GHS clinical team prior to incorporation in our evaluation, these meetings do provide manufacturers with the opportunity to ensure that their perspective is considered. This proactive, open and transparent relationship with the manufacturers minimizes disputes and similar issues. In fact, because of this relationship, disputes are very uncommon in states with which GHS works. If the need arises, however, disputes will be elevated to the Department.

FR2.28 The Vendor must maintain the drug coverage lists specific to the Department's programs as defined by the State. These include the Department's Preferred Drug List, clinical criteria document, covered OTC's, and other coverage lists.

GHS will also perform regular maintenance activities associated with drug coverage lists specific to the Department's pharmacy programs, specifically the PDL, clinical criteria documentation, covered OTC's, and any other drug lists. GHS will manage the posting, updating and communication of PDL changes to providers in a timely manner and evaluate new generic and brand drug NDC's as they appear on the weekly drug files to determine appropriate placement on the PDL and other drug lists. GHS staff will implement clinical edits for new NDC's within existing rule sets.

All decisions will be made in accordance with DVHA-approved, documented guidelines and criteria. Review of potential brand/generic switches due to pricing changes, availability, and CMS termination notification are vital to ensuring responsive management of the PDL and other drug lists. GHS uses established, approved methods of communication to keep providers up to date on any changes to the PDL and other drugs lists. GHS will coordinate the receipt of provider feedback regarding PDL criteria or drug availability and share this information with DVHA and the DUR Board for evaluation and review purposes.

1.2.4 State Maximum Allowable Cost (SMAC) Program and the Federal Upper Limit (FUL)

The Affordable Care Act modified the previous statutory provisions that required the Secretary to establish a Federal Upper Limit (FUL) for multiple source drugs. Effective October 1, 2010, the Social Security Act was revised to require that the Secretary calculate a FUL as no less than 175 percent of the weighted average (determined on the basis of utilization) of the most recently reported monthly average manufacturer prices (AMP) for pharmaceutically and therapeutically equivalent multiple source drug products that are available for purchase by retail community

pharmacies on a nationwide basis. The Final Rule and revised FUL prices will most likely not be available until January, 2014.

The State Maximum Allowable Cost (SMAC) resembles the federal upper limit (FUL) methodology in that it establishes maximum reimbursement amounts for equivalent groups of multiple source drugs. While basing reimbursement payments off the FUL can save states money, they can potentially achieve additional savings by implementing a SMAC program. For example, States can include more drugs in these programs than are covered under the FUL program and reimbursement rates for drugs under a SMAC can potentially be lower than the established FUL rates.

Currently, the pharmacy reimbursement for drugs is the lower of the following calculations:

- *Average Wholesale Price (AWP) less 14.2% plus a dispensing fee,*
- *The Federal Upper Limit (FUL) plus a dispensing fee,*
- *The State Maximum Allowable Cost plus a dispensing fee*
- *The pharmacy's usual and customary charges*

The Vendor must describe their approach to implementing the new FUL rates to be published in 2014, the Vendor's approach to setting MAC rates on drugs, and the Vendor's approach to the administration and maintenance of the State's Maximum Allowable Cost program. The Vendor's MAC must be available and transparent to the State.

As the current SMAC vendor in 8 states, GHS has worked closely with each state to maximize the efficiency and savings outcomes of their SMAC programs. We have made every effort to balance the needs of our state clients in obtaining significant new savings while assuring that the independent pharmacies realize profit margins on nearly every generic drug with a SMAC. In addition to targeting multisource drugs for state MAC programs, GHS has also been successful in achieving additional savings for our clients by placing MACs on single source specialty products and DME items. These savings have been accomplished by using a variety of methodologies to take existing pricing information and actual acquisition costs to determine MAC rates. GHS believes that savings opportunities are lost if the state chooses one methodology for determining MAC rates. That is why Goold has developed a variety of methodologies to determine MAC rates and has customized the program to balance the needs of both the state and pharmacies.

GHS' primary philosophy regarding SMAC rate schedules is based on the belief that chemically equivalent drug products in the same strength, dosage form, and package size available from multiple sources should be reimbursed similarly. SMACs are designed to maximize the cost-effectiveness of pharmacy services by setting reimbursement amounts for brand name and therapeutically equivalent drug products at the same price, based on the cost of the products. The SMAC rate usually applies to both the brand and generic drug products. CMS uses the same rationale to establish Federal Upper Limits (FULs) for drug products.

GHS has cost-avoided tens of millions of dollars for client states over the years by selectively favoring more cost-effective brands and shunning the more expensive generic. The major lesson for state Medicaid programs has been that they must follow their final net prices after all rebates and not the pre-rebate prices of drug purchases. Promoting generic use is a sound overall strategy, but when applied rigidly it will assuredly result in wasting millions of tax dollars.

GHS currently performs Fee Schedule Administration and State Maximum Allowable Cost (SMAC) services for eight Medicaid clients including; Illinois, Maine, Minnesota, New Jersey, North Dakota, Sought Dakota, Utah and Wyoming. Our flexible program design and SMAC formula allows each state to

determine their own limits and criteria. Goold Rx receives SMAC pricing as part of a regular update of pricing data, and GHS can also produce SMAC price files for use in external, third-party systems.

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GHS specializes in assisting state Medicaid agencies in a variety of pharmacy benefit MAC services. We will continue to maintain, enhance and administer a unique SMAC program for Vermont, one designed for maximal efficiency while striving to maintain the current level of aggregate savings and safeguarding the viability of the state's pharmacy providers.

GHS currently operates a dedicated toll-free phone line to support the multiple SMAC programs. Upon contract award, we would add Vermont MAC calls to our existing Help Desk. We promptly answer and respond to calls from pharmacy providers about SMAC pricing. We maintain contact logs and are able to generate call log reports for the State.

The Help Desk is a critical feature of the services provided by GHS. GHS' help desk staff includes customer service specialists, registered pharmacists, and several administrative support staff members. Many of the help desk staffers are former pharmacy technicians, who bring their expertise and knowledge of the pharmacy environment to the phone as they assist callers. These individuals work closely with GHS' administrative staff to assure that issues are quickly brought to the attention of the appropriate individuals within the company for prompt resolution. They also assist in monitoring the types and frequencies of calls to support efforts to improve the system.

In addition to telephonic support, GHS develops dedicated websites to SMAC programs so that providers can access SMAC lists and information 24/7/365. These websites also serve as a communication tool whereby stores can initiate MAC disputes to our help desk via email. Dedicated fax lines have also been set up so that stores can fax their dispute information to our help desk. GHS will work with the Department during requirements definition sessions to determine which of these would be deployed to support the Vermont pharmacy providers.

FR2.29 The Vendor must administer the Department's MAC program, by setting rates on prescription and over-the-counter multiple-source generic and brand products. The Vendor's methodology for calculating the MAC must be available and transparent to the Department.

GHS has been successful in both starting MAC programs from scratch, and taking them over from other vendors.

FR2.30 The Vendor must set MAC rates on all multiple-source drugs rated as therapeutic equivalents (A-rated) according to the FDA Approved Drug Products with Therapeutic Equivalence Evaluations, unless otherwise directed by the Department.

While ensuring that the MAC program provides significant cost savings on multisource drugs and specialty drugs, it is equally important that Vermont Medicaid recipients are receiving the best clinical care possible.

FR2.31 The Vendor must comply with the requirements explained at www.cms.hhs.gov/reimbursement for Federal Upper Limits and Medicaid Prescription Drugs under DRA (the Deficit Reduction Act of 2005). Updates to the FUL will be made on a timely basis.

GHS will compare the Vermont SMAC list to the Federal Upper Limits (FUL) to ensure that the MAC price is lower than the FUL price and will run reports to ensure that, in the aggregate, the state is paying less than if it were to use the FUL price. Ultimately it is the state's prerogative to determine what represents fair and equitable compensation; we follow the guidance of the state in this matter. Each of our client states has their own reimbursement philosophy, which varies in the degree of explicit or implicit directions.

It is anticipated that in July, 2014, CMS will finalize the new FULs, which will be calculated as no less than 175 percent of the weighted average (determined on the basis of utilization) of the most recently reported monthly average manufacturer prices (AMP) for pharmaceutically and therapeutically equivalent multiple source drug products that are available for purchase by retail community pharmacies on a nationwide basis.

[redacted]

FR2.32 The Vendor must monitor the Department's MAC rates to assure products are available at the MAC rates and are appropriate estimates of providers' actual acquisition costs.

GHS continues to regularly examine established SMAC prices, published pricing information, available provider acquisition cost data, prescription drug patent expirations, and other available Vermont pharmaceutical market indicators to determine the adequacy of established SMAC prices. [redacted]

[redacted]

FR2.33 The Vendor must publish weekly additions, deletions, and revisions to the MAC rates on the Vendor and/ or provider portals. The MAC list will be posted in a searchable and downloadable format

GHS will publish weekly additions, deletions, and revisions to MAC rates on the DVHA PBM website and eWEBS provider portal established for the DVHA PBM project. We will produce the MAC list in a standard format that is searchable and easily downloaded, such as PDF.

For current SMAC services clients, GHS maintains websites wither exclusively for the SMAC programs or in addition to other PBM Services provided. On each of these websites, providers can find the SMAC rates (current rates and historic rates, if required) and recent updates, frequently asked questions with answers, news and information, and online forms to send questions and comments. GHS posts the SMAC list and all related updates to the site and provides hard copies or electronic files to all interested providers. Updates include price revisions and drug list updates, as well as any other information a state may need.

FR2.34 The Vendor must notify the Department at least ten business days prior to placing a MAC rate on a product, when a MAC has never been previously placed on that product.

GHS will notify the Department at least ten business days prior to placing a MAC rate on a product, when a MAC has never been previously placed on that product. We will ensure this is clearly documented in related policy and procedure followed by our staff.

FR2.35 The Vendor must ensure the Department's MAC rates, when compared with Federal Upper Limit (FUL) rates published by CMS, in aggregate, do not exceed FUL rates for CMS-specified products. This includes, but not limited to, taking the following actions:

a. Monthly compare the Department's Medicaid expenditures and utilization on CMS-specified FUL products to what would have been paid if the FUL rates were used

b. Prepare a monthly summary report of findings for the Department

c. Prepare an action plan within ten business days of becoming aware that the Department's Medicaid expenditures exceeded, in aggregate, projected expenditures if the FUL rates had been used

GHS will compare the Vermont SMAC list to the Federal Upper Limits (FUL) to ensure that the MAC price is lower than the FUL price and will run reports to ensure that, in the aggregate, the state is paying less than if it were to use the FUL price. [redacted]

FR2.36 The Vendor must provide regular reports on the operational status of the MAC program in addition to cost savings reports at least quarterly.

GHS prepares a regular reporting suite for its MAC clients. During JAD sessions, we will determine what reports are of interest and value to the Department. [redacted]

GHS has provided some examples of SAMC operational reports we produce for current clients on the following pages

NOTE: In these examples SUL refers to State Upper Limit, which is an equivalent term to SMAC

[redacted]

Figure 62: [redacted]

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Figure 63: [redacted]

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Figure 64: [redacted]

1.2.5 Specialty Pharmacy

Specialty pharmaceuticals are identified as one of the fastest growing segments of the State's pharmacy program. Industry projections indicate that this segment will continue to grow at a rapid rate. The State currently utilizes specialty pharmacy services for certain specialized drug therapies such as drugs used to treat multiple sclerosis, growth hormone deficiencies, cystic fibrosis, hepatitis C, and other complex medical conditions. Dispensing of specialty medications is limited to the specialty pharmacy for Medicaid beneficiaries when Medicaid is the primary insurer. The State expects that the selected PBM will provide a specialty pharmacy option and expand the program's specialty pharmacy services to support beneficiaries in better managing complex health conditions while managing specialty drug costs.

The Vendor must describe their approach to specialty pharmacy services such as developing, implementing, maintaining and enhancing innovative clinical and cost reduction efforts that ensures the appropriate use of specialty products and the management of complex medical conditions.

Diplomat Specialty Pharmacy (Diplomat) has been selected by GHS, an Emdeon company to provide the specialty pharmacy related services outlined in this requirement. Diplomat looks forward to providing the State of Vermont with exceptional specialty pharmacy services. As the largest independently-owned specialty pharmacy in the United States, Diplomat looks forward to providing State of Vermont superior specialty drug distribution, therapy management and benefit management services. In addition, Diplomat's innovative strategies and cost reduction efforts reinforce the appropriate use of specialty products and the management of complex medical conditions.

Diplomat's high-touch patient care management system provides clinically based medication therapy management (MTM) programs to ensure proper education, optimal compliance and reduced expenditures for our clients. This includes using industry-recognized disease outcome surveys collected at baseline and then every six months (e.g., health assessment questionnaires, psoriasis quality of life surveys, patient health questionnaires, and health and biomedical information surveys). There are no additional charges for providing these programs and services.

Approach is to work with Diplomat as our specialty pharmacy. Policies listed in policy manual, we can negotiate. Here are all the wonderful things Diplomat does. Write up should only discuss the items in the policy manual.

We need to list in the assumptions tab of the Cost proposal that we did not include pricing on a per product. Work with VT and can receive pricing such as…..

Diplomat can provide patients personalized medication programs and services for the following disease states:

- Anemia/Blood Modifiers
- Bio-Identical Hormone Therapy
- Crohn's Disease
- Cystic Fibrosis
- Growth Hormone Deficiency
- Hemophilia
- Hepatitis
- Hereditary Angioedema (HAE)
- HIV

- Immune Deficiencies
- Infertility
- Lysosomal Storage Disorders (LSDs)
- Multiple Sclerosis
- Neurological conditions such as Chronic Inflammatory Demyelinating Polyneuropathy (CIDP)
- Oncology
- Osteoporosis
- Psoriasis
- Respiratory Syncytial Virus (RSV)
- Rheumatoid Arthritis
- Transplant Patients
- Ulcerative Colitis

Diplomat provides a solution to patients requiring unique and customized specialty pharmacy management programs with trained personnel able to address very specific needs. Listed below are Diplomat's clinical management programs along with a description of the program and program results.

Oncology Navigator™ Patient Care Program:
Advances in the prevention, early detection, and treatment of cancer have provided an opportunity to evaluate clinical outcomes, enhance adherence and promote high quality, cost-effective care. By providing clinical guidance in medication therapy management and high touch patient care, we are able to help manage the intricacies of oncology care.

- Partial fill programs available for many of the oral oncolytics.
- Waste minimization programs including partial fill strategies help ensure patients can tolerate and remain adherent to prescribed therapy. These programs can achieve savings of about 1% of total oncology expenditures and approximately 10-20% of targeted specialty drug expenditures.
- Prophylactic starter kit sent with first dose to include side effect management education and samples of over the counter products to help alleviate symptoms.
- Physician collaboration to quickly address severe side effects.
- Free compliance packaging – Diplomat CarePak™ for select agents.
- Assistance with enrollment in patient support programs.
- Vitality™ GlowCap® – a reminder system to improve adherence for specific oral oncolytics.
- Drug-specific adherence programs: Scheduled nurse follow-up calls on specific oral oncolytics to review regimens and address adverse drug events that may occur.
- Access to Diplomat's web-based portal allows clients to track prescription dispensing and can help call centers with first call resolution. These programs can result in savings of 3% to 4% of total oncology expenditures.
- Utilization management programs and automated prior authorization can help achieve savings of 1% to 2% of total oncology expenditures.
- In 2012, Oncology Medication Possession Ratios averaged 91.69%.

Multiple Sclerosis Navigator™ Patient Care Program:
Starting treatment early and maintaining therapy can make a difference in managing disease symptoms and slowing the progression of multiple sclerosis (MS). Understanding the disease process as well as the goal of medication therapy is essential for successful treatment. Our clinicians provide guidance and support for the challenging needs of the MS patient population.

Collection of patient history data with first patient call allows the clinician to provide tailored patient education.
Depression screening and monitoring using validated survey tools, the PHQ 2 and 9 (Patient Health Questionnaire) - prescriber notification of symptomatic patients.

- Collaboration with case management/behavioral health.
- Semi-annual MS symptom assessments which can be shared with the prescriber.
- Proactive assessments completed with each subsequent fill:
    - Adherence
    - Side effects
    - Current medication
    - Current allergies
    - Current co-morbidities.
- Drug-specific tolerance questions reviewed with each refill (i.e., seizures, psychological disorders, thyroid problems, etc.).
- In 2012, Multiple Sclerosis Medication Possession Ratios averaged 91.51%.

Immunology Navigator™ Patient Care Programs (Crohn's Disease, Ulcerative Colitis, Psoriasis, Rheumatoid Arthritis)
Controlling the signs and symptoms of inflammatory diseases as well as maintaining or improving the quality of life and ability to function are the key components to successful treatment. Our knowledgeable clinical staff can help tailor a treatment plan that will help provide lasting benefits.

- Provide patients with educational materials centered on their autoimmune disease and the treatment options available.
- Verify that drug therapy is consistent with FDA approved indications, guideline recommendations, and currently available literature.
    - Collaboration with prescribers to ensure that dosing is appropriate for given indication, including confirmation of appropriate induction dosing when appropriate.
- Measure patient's degree of functional impairment at baseline and every six months thereafter using validated surveys built into the patient care system :
    - HAQ II (Health Assessment Questionnaire) used to measure the degree of difficulty in performing activities of daily living in those that have rheumatoid arthritis.
    - HBI (Harvey Bradshaw Index) assesses the degree of illness in patients with Crohn's disease.
    - PQOL (Psoriasis Quality of Life) used to assess how psoriasis impacts a patient's emotional and physical health.
- Monthly proactive patient review completed prior to each subsequent fill.
    - Adherence
    - Side effects
    - Current medication
    - Current allergies
    - Current co-morbidities
- Pharmacist or nurse availability 24 hours a day, seven days a week.
- In 2012, Immunology disease state Medication Possession Ratios averaged 90.12%.

Hemophilia Navigator™ Patient Care Program
Provide individualized patient-centric hemophilia services to each patient with bleeding disorders while managing overall hemophilia drug spend through factor utilization/dose management, assay

management, clinical/therapy education/intervention, and nursing support to advance patient administration and self-infusion. Components of our program include but are not limited to:

- New patient assessment to evaluate risk factors such as non-adherence, knowledge gaps in therapy and in self-infusion, and acuity assignment.
- Patient-specific plan of care and goals established according to the prescriber and the clinical assessment results.
- Provide targeted training, education and tailored interventions to achieve resolution to any problems noted in the care planning process.
- Assay management guarantee of less than or equal to 2% variation from the prescribed target dose.
- Guarantee that no patient will incur an emergency room (ER) visit due to lack of available drug needed to treat condition.
- Ensure each patient is at their appropriate adherence level to reduce the number of breakthrough-bleeds that may necessitate an ER visit and additional clotting factor usage.
- Administration of nationally recognized and validated "Quality of Life" surveys to further demonstrate patients' increased awareness of their disease and/or co-morbidities.
- Holistic approach includes development of strategies that promote a healthy diet and a more active lifestyle in an effort to help the patient manage their weight to ultimately decrease the amount of factor being used.
- National nursing network for home infusion nursing coordination.
- Regularly scheduled outbound calls to ensure that the patient's home inventory of product is in line with what was prescribed and dispensed.
- Enrollment in live manufacturer-sponsored programs that are often bilingual and presented in conjunction with local hemophilia chapters to encourage learning.
- Provide access to practicing hematologists for review of complex hemophilia cases for recommendations to assist with the most appropriate care for patients. This is provided at no cost to the client.

Hepatitis Navigator™ Patient Care Program

Focus on educating patients and their prescribers about the complexities of triple-therapy regimen recommendations to ensure patient adherence, proper lab collection and appropriate duration of therapy. The program includes:

- Verification of appropriateness of drug-therapy regimen based on genotype, treatment experience, transplant status, if the patient has cirrhosis or is co-infected with HIV or HBV.
- Confirmation of appropriate therapy regimen if all medications are not filled with our pharmacy.
- New patient education - importance of medication, physician and lab appointment adherence, relationship to treatment success and opportunity for shortened therapy, side-effect expectations, and other potential adherence barriers.
- Counseling on appropriate birth control methods for female patients and female partners of male patients due to teratogenic or embryocidal effects of therapy.
- Prophylactic starter kit sent with first dose to include side effect management education and samples of over the counter products to help alleviate symptoms.
- Support group referrals - facilitate enrollment and education regarding manufacturer support programs under HIPAA/HITECH guidelines and non-pharmaceutical organizations (HCV advocate).

- Obtain laboratory values and/or treatment plan in order to tailor therapy according to response-guided therapy (RGT) guidelines.
    - Documentation of viral load (HCV RNA) at baseline and pre-specified time points throughout therapy.
    - Length of therapy is determined by response to therapy (HCV RNA) at baseline and pre-specified time points (futility rules).
    - For those that complete therapy, documentation of SVR (viral load 12 or 24 weeks after completion of therapy) to determine if viral cure was achieved. (Current standard of care is to assess SVR 24 to determine viral cure; however, newer agents may assess SVR 12 or SVR at another pre-specified time point.)
- Partial fill program available for the current protease inhibitor medications and will likely be available for the new high cost agents that will be coming to market over the next few years.
- Depression screening and monitoring using validated survey tools, the PHQs 2 and 9 – prescriber notification of symptomatic patients.
- Monthly proactive patient outreach to schedule refills, assess adherence, side effects, and changes in medication, co-morbidities or allergy profiles.
- Confirm discontinuation date of therapy with prescriber.
- In 2012, Hepatitis C Medication Possession Ratios averaged 95.46%.

Growth Hormone (GH) Navigator™ Patient Care Program

Our clinical staff and support teams are focused and highly educated on the unique needs of growth hormone patients, caregivers and providers. We provide highly specialized care through access to specialty medications, promotion of disease awareness, and being able to provide education and support 24 hours a day, seven days a week.

- Assist our partners with differential diagnosis by performing growth hormone stimulation testing from the corporate location, when possible.
- Coordination with the prescriber's office to determine the need for training and education.
- Promote patient safety by providing an all in one needle dispenser with sharps container upon request to aid in ease of administration, prevention of accidental needle sticks and assistance with medical waste containment.
- Compounding expertise in special medications for endocrine patients.
- Adherence and side effect assessment with each subsequent fill.
- Support product preference through prescriber education.
- In 2012, Growth Hormone Medication Possession Ratios averaged 86.19%.

HIV Navigator™ Patient Care Program

Our goal is to provide a drug therapy management program that functions as a single source of pharmaceutical care, integrating adherence, education and monitoring services with targeted interventions to significantly enhance HIV patient outcomes.

- Patient care coordinator and pharmacist/nurse support:
    - Collection of allergy, medical condition and medication history
    - Medication profile review to ensure appropriate HIV regimen selection at initiation of care and upon fill of each subsequent new prescription
    - Medication profile review to identify potential drug-drug interactions or drug-disease contraindications
    - Disease-state education

    - Drug therapy education which includes, but is not limited to, proper dosage, storage and potential adverse effects.
- Compliance packaging provided at no additional cost to the payor or the patient.
- CD4 Monitoring – labs collected at baseline and every six months thereafter.
    - CD4 counts falling below 200 may require collaboration with the prescriber to prevent the onset of opportunistic infections
- Depression screening and monitoring using validated survey tools—the PHQ 2 and 9; prescribers notified of symptomatic patients.
- In 2012, HIV Medication Possession Ratios averaged 94.47%.

RSV (Respiratory Syncytial Virus) Navigator™ Patient Care Program

RSV is a contagious viral disease that can lead to serious health problems for premature babies or young children with underlying health conditions. Our dedicated team understands the importance of keeping these patients healthy and educated on the importance of adherence to therapy. We work very closely with prescribers to ensure treatment success.

- Detailed patient enrollment form for the collection of all relevant information, including:
    - patient's gestational age and any comorbid conditions,
    - patient's birth weight as well as current weight,
    - date on which most current weight was recorded.
- Coordination of monthly delivery to the prescriber's office based on patient's scheduled appointment for administration or to the patient's home when an approved home nursing agency will be utilized.
- Proactive monthly weight verification.
- Proactive calculation of appropriate medication dose based on most current weight.
- Dose calculation and verification at multiple time points throughout prescription processing (by a care coordinator at order entry and by a pharmacist at the order accuracy verification stage).
- Waste management through monthly dose calculation based on current weight and pre-specified, anticipated weight gain dosing algorithms.
- Prior authorization team collaboration with payors and prescribers.
- Prescriber and patient education about current American Academy of Pediatrics guidelines in regard to RSV.

Transplant Navigator™ Patient Care Program

Our goal is to assist our transplant patients in navigating the complex medication regimens associated with post-transplant care. Our clinical staff and support personnel are dedicated to helping ease the burden of care for these patients.

- Serve both adult and pediatric populations.
- Specialize in addressing frequent dose titrations; especially in children and newly transplanted adults.
- Offer compounding services for children and adults to provide liquid formulations of medication and/or alternate dosage forms /strengths.
- Proactive patient outreach to assess adherence, side effects or any problems associated with therapy and collaborates with transplant clinic or prescriber's office.
- Expert Medicare billing staff.
- For those that qualify, provide access to additional resources to help decrease financial barriers to care (manufacturer patient assistance programs, copay assistance programs, copay cards).

- Consultation with a trained pharmacist or nurse to provide initial patient education or to answer any subsequent questions related to therapy or management of their condition.
- Collaborate with transplant coordinators at treatment clinics and prescriber's offices to become an integral part of the patient's healthcare team.
- In 2012, Transplant Medication Possession Ratios averaged 91.77%.

Cost Management Strategies:
Diplomat manages high cost prescription situations by pursuing cost savings through channel management, utilization management, formulary management, and waste management.

Channel Management: Diplomat is able to identify opportunities and facilitate channel management to provide cost savings to clients. The following is an example illustrating the potential savings for a direct-to-office channel management program:

For a client with more than 500,000 lives and $20 million in annual specialty pharmacy drug spend, Remicade (infliximab) was available through buy and bill in the prescriber office or through specialty pharmacy (optional). Diplomat recommended Remicade be mandated through specialty pharmacy since the prescriber's cost for the drug was more than $100 higher through buy and bill than through Diplomat. The client shifted all Remicade prescriptions from buy and bill to specialty pharmacy resulting in a savings of approximately $100,000 annually with no patient or prescriber disruption.

Utilization Management: Diplomat can customize, administer and manage programs tailored to drive utilization as appropriate to manage drug trend. The following is an example illustrating the potential savings with utilization management (UM) programs in place.

For a client with more than 500,000 lives and $20 million in annual specialty pharmacy drug spend (pharmacy and medical benefit), Tysabri (natalizumab) is a second-line infusion drug for multiple sclerosis after interferons or Copaxone. This drug is also associated with potential severe adverse effects. Tysabri was being prescribed first-line to a significant number of multiple sclerosis patients. The average cost per prescription per month for Tysabri was more than $700 higher per patient than for interferons or Copaxone. Diplomat recommended step therapy edits requiring the use and either failure or intolerance to interferons or Copaxone before Tysabri. This UM effort achieved a 30% decrease in the use of Tysabri over a one-year period with savings of approximately $20,000 annually with minimal prescriber disruption and no patient disruption.

Formulary Management: Diplomat's account management and clinical team review trends with clients and will customize plan designs tailored to drive utilization as appropriate to manage drug trend. The following is an example illustrating the potential savings to formulary programs in place.

Client with more than 200,000 lives and $5 million in annual specialty pharmacy drug spend (pharmacy benefit only) implemented a plan design with all growth hormones on the same formulary tier. Diplomat recommended preferred status for one growth hormone due to enhanced discounts offered by the manufacturer for exclusive status. The average cost per prescription was more than $100 lower for the exclusive growth hormone compared to competitors. This led to more than 50% of the market share shifting to the exclusive growth hormone resulting in a savings of more than $50,000 annually with no patient or provider disruption.

Waste Management: Through our proactive compliance programs, Diplomat is able to reduce costs associated with drug waste. By providing patient-specific therapies, we minimize waste from simple handling problems. In addition, we know that many chronically ill patients have extreme difficulty dosing accurately, so by closely tracking our patients, Diplomat is able to identify patients experiencing challenges and provide consultation to reduce waste and improve adherence. Waste minimization programs including partial-fill strategies ensure patients remain adherent to appropriate therapy.

Partial Fill Strategy: Diplomat's partial-fill strategies are very effective at improving patient compliance while minimizing waste and cost. Diplomat's standard practice for specialty prescriptions is to dispense a 30-day supply, and subsequently address any medication waste and intervene with patients regarding therapy tolerance and adherence.

To address potential waste as well as improve adherence to prescribed therapy, Diplomat supports partial-fill programs for oncology, hepatitis C and other diseases as appropriate. Our patient care coordinators provide guidance and support to patients to ensure that they continue to receive appropriate therapy as long as that therapy can be tolerated.

In this program, Diplomat focused on 25 highly prescribed medications listed below. These specific medications were targeted due to their high discontinuation rate based on poor response, adverse effects and non-compliance. The program consists of a two week supply on the initial fill for any of these medications.

Afinitor®	Incivek®	Stivarga®	Xtandi®
Bosulif®	Inlyta®	Sutent®	Zelboraf®
Cometriq™	Jakafi®	Tarceva®	Zolinza®
Erivedge™	Kalydeco™	Targretin®	Zytiga®
Gleevec®	Nexavar®	Tasigna®	
Iclusig™	Olysio®	Victrelis™	
Imbruvica®	Sprycel®	Votrient®	

Diplomat can dispense a two week supply of each of these medications when prescribed and follow-up with patients on day two of therapy and again on day 10 of therapy to ensure the medication is being tolerated. If the patient is tolerating the medication, we will dispense the remainder of that month's supply to the patient. If the patient reports that they cannot tolerate the prescribed medication, Diplomat will reach out to the prescriber with this information and will seek alternative therapy. We will also report to our clients regarding these interventions down to patient-level detail. We can apply these interventions to any specialty medication that is prescribed on a continuous basis for patients. As a standard, Diplomat has provided the partial-fill program for three months or six total partial fills. We are willing to work collaboratively with clients to extend the total duration based on justifiable clinical rational.

Potential plan savings were calculated at 19% of total annual spend for the drugs included in the partial fill program. These programs can help achieve savings of about 1% of total expenditures and approximately 10-20% of targeted specialty drug expenditures.

1.2.6 Benefit Design and Consultative Support

The Vendor must describe their approach to providing benefit design and support, in particular the ease of implementing and making ongoing programmatic changes to the benefit program. The State is interested in understanding the Vendor's:

- ☐ *Ability to implement, operationalize and manage the Department's complex benefit designs with multiple funding sources and various eligibility requirements*
- ☐ *Flexibility in pharmacy reimbursement structures such as Average Acquisition Cost (AAC), National Drug Acquisition Cost (NADAC),Wholesale Acquisition Cost (WAC), and 340B pricing designs*
- ☐ *Ability to modify benefit plans in a timely and cost-effective manner for the Department*
- ☐ *Ability for the Department staff to make changes to the benefit design and operational features, such as POS messaging*

The Vendor should describe their ongoing approach to enhancing operational, program, and clinical value. It should include the approach to identifying recommendations for program improvements, cost reduction/avoidance strategies, and operational efficiencies. Explain how these will be developed, how the Vendor will work with the State to obtain necessary approvals and buy-in, to implement changes, and measure and report on benefits realization on an ongoing basis.

GHS has been managing various pharmacy programs that consist of complex benefit designs, involve multiple eligibility requirements, and provide the appropriate tracking and allocation of multiple funding sources for over a decade. In all the states we provide PBM services we also provide a high level of support with regard to plan design, as it is often the most complex element of any Medicaid program.

Our Account Managers, Business Analysts, and other PBM support staff have experience with plan design and capturing the related eligibility requirements and funding sources. They work closely with State subject matter experts and GHS' internal technical experts to ensure a clear and universal understanding of each benefit design, the eligibility populations that have access to those benefits and the tracking of necessary data to support the financial funding requirements. Requirements definition meetings are held to discover the data structure and rules that support the existing benefit design and how it aligns with the State's policies and various other provisions. As the details are discovered and captured in requirements and design documentation, data analysis is also performed on the State's historical claims data and supporting reference data to verify the rule findings. This information will be presented to the State for review and ultimately their approval to confirm mutual understanding. These documents are modified to reflect changes over the operational period. The State will always have final authorization regarding the rules and benefit designs that will be implemented.

Benefit Designs and Structures are managed within the PDL and Formulary Applications GHS has implemented. This pair of applications makes up the drug reference data and rules management engine of GOOLD Rx, supporting flexible benefit formulary design and Preferred Drug List (PDL) configuration.

Specific to Vermont's scope of work, PBM support applications provide the following features:

- Support for multiple eligibility programs as well as coordination of benefits for members enrolled in multiple benefits.
- Support for multiple reimbursement structures and pricing methodologies, all configurable within the POS pricing module. This includes AAC and 340b price designs. Our client state of Iowa is one of 6 States using AAC, and GHS is happy to support this pricing for other clients.

- All benefit designs and parameters, including event messaging, are easily configurable within the formulary for each benefit. Qualified and trained State users can be granted access to the PBSA formulary management tool to make these modifications.

The core features of the PDL and Formulary applications also include:

- Drug reference data management, including automated update processes and quality assurance tools for operations staff.
- Supports both MediSpan and First Data Bank drug reference files, including the mapping of therapeutic classifications.
- Formulary development, configuration, and ongoing rules maintenance.
- Develop PDLs and PDL categories. Configure the preferred and non-preferred status, step order, and/or PA criteria for each drug or drug category.
- Provide drug reference data research tools for performing NDC detail and Therapeutic Classification (TCS) queries.
- Export drug reference data, formularies, and PDLs for consumption by other applications and processes, such as ePA, eWEBS, RetroDUR, and Analytics.

GHS is prepared to work with the State of Vermont to discuss, plan, and implement innovative solutions that meet their targets with regard to enhancing operational, program, and clinical value, program improvements, cost reduction/avoidance strategies, and operational efficiencies. If the State had any need or desire to implement any of the types of initiatives indicated in the following paragraphs, and which are above the scope of work outlined in the State's RFP, GHS could accommodate them through the change request process and/or a contract amendment.

Fraud and Abuse Monitoring:
New trends of fraud and abuse tend to be reflected across all of our clients, unless a state has specific initiatives in place to address the specific type of fraud or abuse identified. When instances of fraud or abuse are identified in one State, regardless of whether or not this state is a client of GHS, we seek to identify instances of the same fraud or abuse in our clients' Medicaid pharmacy programs.

When fraud and abuse is identified, GHS will generate reporting to quantify the effects of this abuse, both in terms of costs and patient outcomes. Typically, the level of fraud and abuse is different in each client state. We also seek to identify and document the causes of the fraud and abuse to begin formulating mitigation and resolution strategies. While each State is unique, we prepare this information for each so that they may consider their options and determine the strategy that works best for their particular program(s).

A good example of this type of effort is fraud and abuse related to controlled substances, an area where any State is likely to realize a number of benefits when seeking to mitigate the issue. GHS is active in program integrity efforts for some of our clients, is experienced looking at claims for outliers, and has focused a great deal of attention on some aspects of controlled substance utilization. GHS has developed a comprehensive management program that identifies members at risk for misuse or abuse of controlled substances. This Intensive Benefits Management (IBM) program GHS offers looks at refills, clinical indications and monitoring and has various levers of controls ranging from lock-ins at the drug or therapeutic class level to more broadly applied controls.

One intervention that has been helpful has been ongoing monitoring and analysis to identify Medicaid members paying cash for controlled substances, a common method for diversion of narcotics. GHS can work with the State to tailor criteria for intervening with members and the types of interventions they wish to perform. These efforts can range from educational efforts to more aggressive controls, such as requiring PAs for certain members for certain medications, to more aggressive lock in methods. Again, the difference that GHS brings to the table is the experience of its staff. The doctors, pharmacists and analysts work together daily to ensure that our client states have the most complete set of standard and innovative tools to ensure the members receive the best care possible at the best price possible.

Changes in Federal Regulation:
Since changes in federal regulation would affect all of our PBMS clients, meaning that any changes or enhancements that would need to be implemented for one would need to be implemented for all (barring any possible exceptions). There is clear opportunity for administrative simplification in this scenario, due to the fact that the development for any resulting change or enhancement would only need to be performed once. The testing, deployment, and implementation of these changes and enhancements cannot be share across multiple state, however, since reference data, claims, and drugs covered for each state will invariably be different . Regardless, this saves resources relative to a change that is only developed for a single State. Depending on the specific services provided to each State client, GHS and its client may find other opportunities to coordinate efforts in these types of situations.

Increased Automation in Operational Workflow:
The GHS development teams, in conjunction with the operational groups, have been working on a higher level of automation to streamline daily business processes and messaging, aligned with the MITA 3.0 requirements and CMS seven conditions. This is being accomplished through the development of the web-based applications and portals which have replaced almost all of our desktop applications. Among other benefits, this allows integration of messaging, workflow, rules and better defined business process integration. With the recent acquisition of GHS by Emdeon, our software toolbox has been expanded to include Oracle's suite of products. These products will enhance our future offerings while continuing to meet the expectation of the MITA maturity requirements.

General System Upgrades and Enhancements:
General system upgrades will be the responsibility of GHS and will include all software and hardware installations and upgrades related to the underlying infrastructure used by the PBMS. This would include technology such as operating systems, database systems, commercial off-the-shelf (COTS) software, servers, and data center / network components. Upgrades of this nature will be seamless to the Department and the operation of the DVHA PBM.

System upgrades resulting from new or updated federal or industry standards will, in most cases, affect all of our PBMS services clients. If these changes result in changes that require a significant effort, we establish a formal project for each effected client to coordinate and organize the updates to each client's respective solution. While the majority of component updates will be shared across all systems and applications, each State still has their own instance of each which needs to be tested and validated independently to ensure all shared updates are indeed implemented properly across all clients. Minor and less significant updates will be coordinated and executed as a change request, following the change management plan for each respective client.

1.2.7 Management of Physician-Administered Drugs

The State would like to implement a more rigorous and structured approach to managing physician-administered drugs billed through the medical benefit. This could be achieved by integrating physician administered drugs into all aspects of the Vendor's utilization management programs such as applying quantity limits, step therapy, or clinical prior authorization criteria for such drugs and coordinating with the MMIS vendor to assure consistency in the application of those UM strategies across both benefits. The State is also interested in any innovative management models

The Vendor should explain its utilization management strategies for managing Physician-Administered drugs and indicate the extent to which they can currently, or could in the future, support the State in improving the overall management of these drugs.

GHS understands that the State of Vermont seeks to encourage the most clinically responsible and cost-effective drug regimens possible, regardless of the site of administration. Regarding the management of physician administered drugs, there are a number of strategies GHS supports now and is planning for in the future that the Department should consider:

Each of the above strategies is discussed in more detail in the following paragraphs.

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

1.2.8 Support of Drug Appeals Process

In addition to the PA process, the State seeks support of the appeal process for drugs whose coverage has been denied. The State receives a number of appeals for drugs either denied through the PA process or for non-covered products. Each of these appeals must go through a thorough physician review process.
The Vendor must describe their approach to supporting the State's appeal process, including, but not limited to
☐ *Notifying providers and beneficiaries of their appeals rights in accordance with the Department's policy.*
☐ *Coordinating with State personnel who oversee the grievance and appeals process*
☐ *Preparing the appropriate reports and documents to support the Vendor's actions resulting in the request for an appeal from a beneficiary or provider*
☐ *Providing the services of a registered pharmacist to address an appeal related to pharmacy benefit services*
☐ *Providing resources to address appeals related to claims disputes*
☐ *Complying with the mandates and timelines stipulated by the Department of Vermont Health Access (DVHA)*
The Vendor must describe their approach for supporting the drug appeals process.

While each state's procedure regarding requests for hearings or appeals is different, we escalate all requests to a PA pharmacist or physician, depending on the exact nature of request. GHS has procedures in place tailored to each states hearing / appeals process requirements. GHS provides a member of our clinical pharmacy staff to be present at all appeals if required by the State.

Our PADSS PA determination workflow tool has the ability to produce PA appeals documentation packets at the push of a button. This feature produces all documentation attached to a PA determination record, as well as other details stored in data. This feature allows our clinical staff and state administrators to easily collect all the materials needed for a PA appeal. Additional documentation resulting from the PA appeal hearing is also attached to the PA record in PADSS and is available to clinical staff to aid them in future PA determinations or to research previous determinations for therapeutic trials or appropriate diagnosis. All PA determination documentation is electronically stored and indexed within PADSS.

GHS provides has provided further detail regarding PA appeals and the overall PA determination process in Section G, sub—section 1.2.2 - Prior Authorization Program.

1.2.9 Reporting and Analytics

The Vendor must provide reporting and analytic capabilities / services as described below that will support the reporting and analysis of claims data and PBM operations. The State expects that the Vendor will provide:
☐ *Dashboard capabilities that support various roles of PBM operations and user-defined reporting views / screens based upon different roles, security profiles, etc. of various stakeholders*
☐ *Static or "canned" reports that are generated at pre-defined intervals, or on demand by State users*
☐ *Parameterized reports that allow State users to select from a defined number of parameters that inform a report. Parameters should include, but not be limited to: date or date range, beneficiary, beneficiary eligibility characteristic, program, drug, pharmacy, etc.)*
☐ *Ad hoc querying and reporting capabilities*
☐ *Capabilities to support graphical data (e.g., GIS) with presentation parameters configurable by the end-user; drill down for more detailed information.*
☐ *Capabilities to export reporting data as seen in the report as well as the underlying data used to build the report in a variety of data formats*
☐ *Capabilities to support advanced analysis such as predictive analysis, root cause analysis, identification of statistical outliers, etc.*

☐ *Services to define, create and run, as requested by the State, additional static, parameterized and ad hoc reports in a timely manner, as described in the above descriptions*
Examples of all current reports are included in the Procurement Library. The reports must include, but are not limited to:
☐ *Utilization Reports*
☐ *Financial Reports*
☐ *Auditing Reports*
☐ *Preferred Drug List Reports*
☐ *Claims Processing Reports*
☐ *Coordination of Benefits (COB) Reports*
☐ *Net Cost Reports*

The Vendor must describe their approach to fulfilling the Reporting and Analytics requirements.

Goold Analytics tools allow program administrators to create reports, perform analytics, and look up information within the pharmacy program. GOOLD Analytics is deployed with two products, the GOOLD Decision Support System (DSS) product and a GHS deployment of SAP's Business Objects® server referred to internally as BOBI (Business Objects Business Intelligence).

At the summary level, our Goold Analytics solution supports the following key categories of reports:

- Dashboard Reports – Reports that are available and displayed within PBM support applications, such as the Goold PBM Portal.
- Standardized Reports – Reports automatically produced and distributed on a regular schedule based on pre-defined specifications. These are also referred to as static or 'canned' reports.
- Ad-hoc reports – Reports developed to research or address a specific issue or initiative. These are run one time or for a limited duration. They may also be referred to as 'custom' reports.
- Parameterized Reports – These reports are available to end users and will produce reports or inquiry results based on pre-defined inputs supplied by a user.
- Queries – A query returns a result set based on input provided by the end user. Queries are less rigidly structured in their input/output than parameterized reports and are typically used in operations decision support activities.
- Ongoing, long-term analysis – This can take a number of different forms, but is essentially proactively monitoring a specific subset of reference data to identify trends over time, forecasting results, or monitoring the results of a change.

GHS has a team of experiences healthcare data analysts in house who manage and support the Goold Analytics solution, as well as preparing customized reporting and analysis. They too are a key component of the overall Goold Analytics solution, providing knowledge, guidance, and consultation related to Medicaid pharmacy reference data and the construction of complex ad-hoc reports and long-term analysis. Our analysts are also responsible for constructing new parameterized reports, based on user specifications, within the Goold Analytics tools offered by GHS.

GHS understands that reporting, whether schedule, ad-hoc, or parameterized is a critical element in managing the Pharmacy benefit in an ongoing basis with regard to performance requirements, tracking the results quality of care / cost savings initiatives, and other goals and activities desired by the State. GHS and our team of analysts are limited only by the scope of data made available by the historic data supplied by the State of Vermont and captured during ongoing operations.

GOOLD DSS:
GOOLD DSS provides a quick and easy means to run quick lookups and structured queries against the pharmacy Medicaid datasets such as claims, eligibility, prescribers, pharmacies, PA's, drugs, or any other reference data that is available. GOOLD Decision Support System (DSS) features include:

- Rapid access to commonly needed data.
- Pre-configured queries available with a single click: Query on member, physician, pharmacy, drug, prior authorizations, or claims data
- Fast responses to query requests.
- Queries are fully customizable to a client's needs.
- Extremely user friendly and intuitive interface.
- Query results can be exported into PDF, Excel, or CSV files.

[redacted]

Figure 65: [redacted]

SAP Business Objects® (BOBI):
The SAP Business Objects® (BOBI) offering is a suite of tools that provides GHS and our customers comprehensive reporting and analytics tools:

- Voyager (OLAP cube)
- Webi (Ad-hoc query tool)
- Published Crystal reports (parameterized reports published to an enterprise server)

The BOBI suite of applications provides powerful data tools for pre-programmed and ad hoc queries when aggregate information is needed. Business Objects Business Intelligence (BOBI) provides the following core features:

- Allows for construction of highly customized ad-hoc reports.
- View utilization over time by drug, member, prescriber or any combination of criteria.
- Allows users to drill down to the claim level:
    - Easily add or update filtering criteria once query has run.
    - Advanced functions available with export and graphing capabilities.
    - Aggregate results by any parameter available in data and unique member counts.

- Allows queries that are frequently run to be saved and restored with new or updated parameters.
- Export, sorting, "top twenty", graphic, and other functions available to display results.

[redacted]

Figure 66: [redacted].

[redacted]

Figure 67: [redacted].

FR2.37 The Vendor must provide management reports to the Department, on a schedule to be determined in negotiation with the State, to support PBM analytics. Examples of all current reports are included in the Procurement Library. The reports must include, but are not limited to:

a. Utilization Reports
b. Financial Reports
c. Auditing Reports
d. Preferred Drug List Reports
e. Claims Processing Reports
f. Coordination of Benefits (COB) Reports
g. Net Cost Reporting

Goold Analytics tools allow program administrators to create reports, perform analytics, and look up information within the pharmacy program. GOOLD Analytics is deployed with two products, the GOOLD Decision Support System (DSS) product and a GHS deployment of SAP's Business Objects® server referred to internally as BOBI (Business Objects Business Intelligence) and Microsoft SQL Server Reporting Services (SSRS).

At the summary level, our Goold Analytics solution supports the following key categories of reports:

- Dashboard Reports – Reports that are available and displayed within PBM support applications, such as the Goold PBM Portal.
- Standardized Reports – Reports automatically produced and distributed on a regular schedule based on pre-defined specifications. These are also referred to as static or 'canned' reports.
- Ad-hoc reports – Reports developed to research or address a specific issue or initiative. These are run one time or for a limited duration. They may also be referred to as 'custom' reports.
- Parameterized Reports – These reports are available to end users and will produce reports or inquiry results based on pre-defined inputs supplied by a user.
- Queries – A query returns a result set based on input provided by the end user. Queries are less rigidly structured in their input/output than parameterized reports and are typically used in operations decision support activities.

A. Utilization Reports

Through a combination of monitoring claims data, prior authorizations, utilization trending, market share reports, standards of care, updated professional guidelines, and strategies employed by private sector third parties, GHS constantly monitors for areas where DUR interventions would be appropriate. With our experience as a recovery audit contractor, a DUR vendor, and a program integrity firm, we are familiar with common areas of overuse, misuse, abuse, and fraud within a Medicaid program and other aspects of drug utilization.

Within our suite of regular reports, we offer reviews of the top physicians and pharmacies both in terms of highest dollar amount billed to Medicaid, as well as the highest utilized by Medicaid. Similar reports are prepared looking at high cost NDCs/drug classes, as well as highly utilized NDCs/drug classes. Once outliers are discovered, any one of our desktop analytic tools can be used to pinpoint the source of the problem.

[redacted]

[redacted]

[redacted]

[redacted]

Figure 68: [redacted]

B. Financial Reports

GHS provides a suite of standard financial reports used in the Medicaid Pharmacy PBMS solutions. Reports will be reviewed and updated to meet the Departments requirements.

[redacted]

Figure 69: [redacted]

[redacted]

Figure 70: [redacted]

[redacted]

Figure 71: [redacted]

C. Auditing Reports

GHS provides a suite of standard auditing reports used in the Medicaid Pharmacy PBMS solutions. Reports will be reviewed and updated to meet the Departments requirements.

[redacted]

Figure 72: [redacted]

D. Preferred Drug List Reports

GHS is capable of providing any PDL reporting the Department may require, based on their specifications. GHS has a team of experiences healthcare data analysts in house who manage and support the Goold Analytics reporting solution, as well as preparing customized reporting and analysis. They are a key component of the overall Goold Analytics solution, providing knowledge, guidance, and consultation related to Medicaid pharmacy reference data and the construction of complex ad-hoc reports and long-term analysis.

The following is a sample list of PDL-related reports we produce on a scheduled basis for our current PBMS clients:

This suite of reports can be modified to meet Vermont's needs. During DDI, our clinical and analytic team will work with the State to understand the informational needs of the pharmacy staff so as to develop meaningful reports at time intervals that are most appropriate.

Figure 73: [redacted]

E. Claims Processing Reports

Claim processing reports are available through the PBM Portal, Decision Support System and analytics tools to users by permission.

[redacted]

Figure 74: [redacted]

Figure 75:

F. Coordination of Benefits (COB) Reports

GHS provides a suite of standard Coordination of Benefits reports used in the Medicaid Pharmacy PBMS solutions. Reports will be reviewed and updated to meet the Departments requirements.

G. Net Cost Reporting

GHS provides a suite of standard Net Costing reports used in the Medicaid Pharmacy PBMS solutions. Reports will be reviewed and updated to meet the Departments requirements.

Figure 76:

FR2.38 The Vendor's reporting system shall provide data dashboard capabilities to facilitate real time graphical display of key outcome and performance metrics with drill-down capability aligned with user's role and permissions

The SSRS reporting dashboard can be customized with the reports that meet the Departments need. Report availability is restricted by the user role and permission. Drills down abilities are available as defined by the user's roles and permission.

[redacted]

Figure 77: [redacted]

FR2.39 The Vendor's reporting system shall have the capability to generate and display population, program and client based dashboard reports.

Population and program based dashboard reports may include but not be limited to:

1. Characteristics of a population (e.g., Number and percentage of program participants by program type, Population distribution by eligibility or drug criteria, Participants enrolled in multiple programs / services, etc.)

2. Program information (e.g., PA's received and status / disposition, referrals received, appeals with status, etc.)

3. Solution performance and quality assurance reports (e.g., Solution performance according to agreed upon SLAs, Fraud, waste and abuse detection indicators)

GHS will integrate the desired reports into the dashboard reporting shown in FR2.38. Reports specification and requirements will be reviewed during the DDI phase of the contract.

FR2.40 The Vendor's reporting system shall allow the user to drill down in order to view more detailed information about a specific metric, where available

The reporting tools provide the ability to drill down into the data set using the analytic tools and data cubes.

FR2.41 The Vendor's reporting system shall provide the capability to present data in graphical and/or GIS map format

Microsoft SQL Server Reporting Services provide the ability to present data in graphical and/or GIS map format. These can be integrated into the dashboard upon request. Below is an example of a Geographic Variability Study.

[redacted]

FR2.42 The Vendor's reporting system shall provide the capability for reports to be automatically generated and distributed on a periodic basis

The Goold Analytics reporting solution provides the capability for reports to be automatically generated and distributed on a regular schedule or periodic basis. We presently do this for all of our current clients and will work with the DVHA during requirements definition capture specifications for all reports that are to be automatically generated.

FR2.43 The Vendor's reporting system shall allow the user to configure report preferences

User configuration for reporting preferences is available through Business Objects and Microsoft Reporting Services. In addition, the Decision Support System (DSS) provided in the PBMS solution allows the user to define preferences.

FR2.44 The Vendor's reporting system shall allow users to subscribe to reports so that they will be sent to them electronically upon periodic creation

GHS will work with the DVHA to identify all scheduled and periodic reports, as well as their intended recipients. We can update the recipient list for any report with the approval of an authorized DVHA administrator.

GHS will work with the DVHA to identify all scheduled and periodic reports, as well as their intended recipients. We can update the recipient list for any report with the approval of an authorized DVHA administrator.

FR2.45 The Vendor's reporting system shall allow the user to export information presented and underlying information with a granularity consistent with the user's access rights (jpg, pdf, xls, csv, etc.)

Our reporting solution allows for on demand reports, parameterized reports and query results to be exported in a variety of formats, specifically PDF, XLS, and CSV.

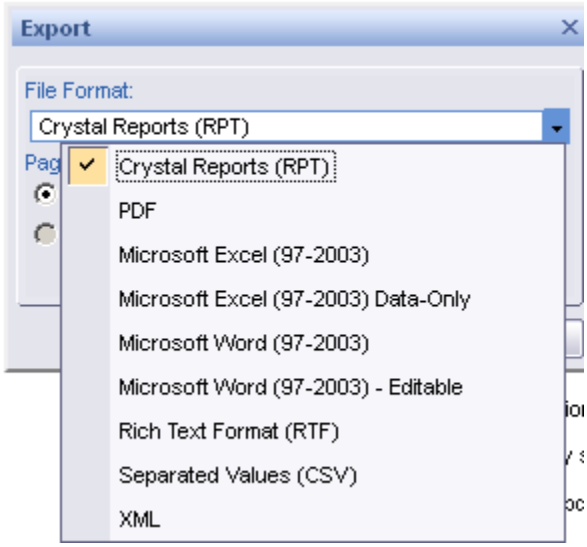


Figure 78: Example of exporting a parameterized report.

FR2.46 The Vendor's reporting system shall provide report formatted for printing on standard paper sizes

Our reporting system allows for parameterized reports to be configured so that they may be printed formatted on standard paper sizes, typically 8 ½ x 11in.

FR2.47 The Vendor's reporting system shall create an auditable list of all users that access reports and which reports they access

The selected reporting tools that are used in the PBMS solution produce audit lists. Business Objects and Reporting Services allow auditing at the user access level.

FR2.48 The Vendor's reporting system shall provide the ability to suppress data sets with a sample size of zero or a sample size that does not meet the threshold for de-identified/anonymous data

Applications with query or load features are designed to provide an appropriate and technically feasible indication of progress to the user. This is done in a number of different ways, depending on the nature of the feature being used, following standard methods such as progress bars or other visual indicators. GHS also has the ability to provide a warning message to users if the query result set is so large that it will not be returned in a reasonable amount of time (i.e., greater than 30 seconds). In this case, they

have the option to continue, or cancel and refine their query criteria. In some cases the criteria entered may cause significant load on servers, effecting performance for other users. If this occurs, systems can time-out (stop) the query operation and provide the user with an appropriate indication of the issue. These notifications can be configured to meet the DVHA's specific requirements.

FR2.49 The Vendor's reporting system shall notify users of the estimated time required to run a report if it exceeds a predefined time limit

Applications with query or load features are designed to provide an appropriate and technically feasible indication of progress to the user. This is done in a number of different ways, depending on the nature of the feature being used, following standard methods such as progress bars or other visual indicators. GHS also has the ability to provide a warning message to users if the query result set is so large that it will not be returned in a reasonable amount of time (i.e., greater than 30 seconds). In this case, they have the option to continue, or cancel and refine their query criteria. In some cases the criteria entered may cause significant load on servers, effecting performance for other users. If this occurs, systems can time-out (stop) the query operation and provide the user with an appropriate indication of the issue. These notifications can be configured to meet the DVHA's specific requirements.

FR2.50 The Vendor's reporting system shall allow queuing of reports

The reporting solution provided by GHS has the explicit purpose of providing queries and reports to authorized users, both at the State and within GHS' own organization.

FR2.51 The Vendor's reporting system shall include version control for all reports

All database and development platforms used by GHS, including the reporting solution, capture all changes with a time/date stamp and user ID. In the event of a record change or update to computer code (logic), the historic value is retained so that we can easily revert to a previous value or code instance. This provides a full record of 'who, what, when, and where' with regard to any change. GHS has experienced through years of software maturity that the best version control software is a solution that natively fits best with the development technology being used.

GHS will maintain documented version control procedures that include the performance of regression tests whenever a code change or new software version is installed, including maintaining an established a baseline of regression test cases, to be executed before and after each update, to identify any differences.

FR2.52 The Vendor's reporting system shall provide a mechanism to archive and remove reports in order to prevent a proliferation of reports

GHS will configure our report archiving capabilities based on State-defined criteria. Generally speaking, non-current reports that are not being used to actively support existing contractual obligations are archived following documented policy and procedure, and in agreement with the client. Procedures exist for archiving both electronic and hard-copy reports. Electronically archived data is stored within our data center infrastructure on space provisioned meeting the size, access, and other requirements of the data being archived.

FR2.53 The Vendor's reporting system shall have the capability to generate and display standard ("canned") reports as defined by the Department that users can view and export, but not customize

The reporting solution offered by GHS has the capability to generate and display standard ("canned") reports as defined by the Department that users can view and export, but not customize or enter parameters for. These types of reports are typically distributed by email but are can also be accessed through the reporting interface.

FR2.54 The Vendor's reporting system shall allow users specify "favorite" reports and will automatically identify frequently used reports

Business Objects currently provides the ability to mark reports with a "favorite" identifier. GHS will investigate based on the requirement other options for automatic identification of frequently used reports.

FR2.55 The Vendor's reporting system shall display a list of standard reports available to the user. The list shall include, but is not limited to:

i. Report title
ii. Last update date
iii. Last run date
iv. Planned run frequency

The reporting system will provide lists of standard reports available to the user. Metadata regarding the reports that will be provided in these lists include, but are not limited to:

- Report title
- Last update / revision date
- Last run date
- Planned run frequency

FR2.56 The Vendor's reporting system shall allow generation of reports with an 'as-of' date that may not be the same as the current date

Parameterized reports can be configured to allow users to enter a date range for results returned in the report, effectively allowing them to produce the report with an 'as-of' date. Most parameterized reports are configured in this way, unless otherwise specified.

FR2.57 The Vendor's reporting system shall display a list of parameter-based reports available to the user. Parameter based standard reports may include:

i. Existing reports that are currently generated and published
ii. Demographics, utilization, and other population based reports.
iii. Beneficiary centric reports

The reporting system provided by GHS has the capability to organize parameter-based reports available to the user in any way specified by the Department. We can configure user access to individual reports or groups of reports to specific users or user groups. We understand the Department wishes to implement the following categories for reports provide through the reporting system:

- Existing reports that are currently generated and published

- Demographics, utilization, and other population based reports.
- Beneficiary centric reports

FR2.58 The Vendor's reporting system shall allow users to specify one or multiple parameters for the report. Parameters may include, but are not limited to:
i. Reporting period (last month, last quarter, customized date range, etc.)
ii. Population characteristics (age range, gender, program participation)
iii. Geography (zip code, region, county, census)
iv. Beneficiary or Provider -based analyses
v. Threshold-based and exception reporting vi. Percent change reporting
vii. Changes over time

The reporting system offered by GHS allows configuration of report parameters based on any data available. Our Data Analysts will configure parameterized reports to meet the specifications of each respective report as approved by the DVHA. GHS understands that the DVHA specifically would like to run parameterized reports based on criteria such as:

- Reporting period (last month, last quarter, customized date range, etc.)
- Population characteristics (age range, gender, program participation)
- Geography (zip code, region, county, census)
- Beneficiary or Provider -based analyses
- Threshold-based and exception reporting
- Percent change reporting
- Changes over time

FR2.59 The Vendor's reporting system shall allow for the user to sort and filter report data

All parameterized reports and query results have sort and filter capabilities which may be accessed by the end-user after their report or query result is displayed.

FR2.60 The Vendor's reporting system shall provide the ability to upload a data set (e.g., list of beneficiary names or UID's) for use as a parameter

This requirement is currently being applied as part of our Wyoming PBMS contract. GHS understand the requirement and will review the specific details during the DDI phase with the Department to assure compliance.

FR2.61 The Vendor's reporting system shall provide the option of saving the report parameters in order to re-run it another time

Reporting solutions allow for the user to save parameters for reuse at a later date.

FR2.62 The Vendor's reporting system shall provide the ability to perform calculations (e.g., unique count, average, etc.)

The reporting system offered by GHS provides the ability to perform calculations (e.g., unique count, average, etc.). These calculations must be part of the specification for the report.

FR2.63 The Vendor's reporting system shall provide the ability to compare the data from one reporting period to another

The reporting system offered by GHS provides the ability to compare the data from one reporting period to another.

FR2.64 The Vendor's reporting system shall provide the ability to identify statistical outliers

The reporting system offered by GHS provides the ability to identify statistical outliers.

FR2.65 The Vendor's reporting system shall provide the ability to build and save reports and report templates. These reports will have filtering capabilities and must be easy to build and modify by the user

Business Objects allows the user the ability to build and save reports and templates. User knowledge is required to understand the data well to assure the outcome is accurate.

FR2.66 The Vendor's reporting system shall allow the user to view and select available data sources for use in a query. Data sources may include, but are not limited to:

a. Any data accessible within the Vendor solution
b. Any data accessible through integration with other data systems
c. Data from other external sources that may be imported for use in the query

Based on the users roles and permissions, data can be made available for selective reporting. Currently other PBMS clients use Business Objects Data Cube and Web Intelligence to meet this requirement.

FR2.66 The Vendor's reporting system shall provide a standards-based interface/integration capability which can be triggered by a user to request that data be obtained from The Vendor's reporting system and imported to other authorized systems (e.g. MMIS solution, integrated eligibility solution, program integrity solution)

Goold systems currently support user-controlled data import and export functions among different system modules, solutions, applications and other authorized systems. Data import from external authorized entities to Goold systems currently takes place in ODBC and JDBC database formats. Goold also can import data utilizing Web Services. Formats like XML can be used for data export from Goold systems to other authorized systems.

Goold can work with the Department during the DDI phase to specify the requirements for user interface and integration for data import and export functions. Goold will also work with the Department to determine the acceptable formats for data exchange between Goold systems and other authorized systems.

FR2.67 The Vendor's reporting system shall allow the user to share the queries with other users

Through Business Objects, users can share queries and saved reports in a public area that requires users' access by permission.

FR2.68 The Vendor's reporting system shall make timely, accurate, and complete decision support information available to authorized users through the application and standardized tools

Decision support information is provided in the PBM Portal and the Pharmacy Decision Support System. Depending on user roles and access privileges, users may access the following types of queries in the PBM portal:

[redacted]

[redacted]

[redacted]

[redacted]

FR2.69 The Vendor's reporting system shall provide for appropriate class of reporting and business intelligence tools for different type of users (e.g. executive, analyst, operations staff)

GHS' reporting system will provide for appropriate reporting and tools for different user types. User types include but are not limited to the following and will be finalized during DDI:

Executives, mangers, program managers, etc:

- Business Object Business Intelligence (BOBI)

Operations staff:

- Pharmacy DSS
- PBM Portal

Analysts:

- MS Sql Servers, Business Objects Web Intelligence and OLAP Cube, SQL Reporting Services, Visual Cut

FR2.70 The Vendor's reporting system shall provide the ability to provide access via multiple formats (Portable Document Format (PDF), Microsoft Excel, Microsoft Access, HTML)

Our reporting solution allows for on demand reports, parameterized reports and query results to be exported in a variety of formats, specifically PDF, XLS, and CSV.

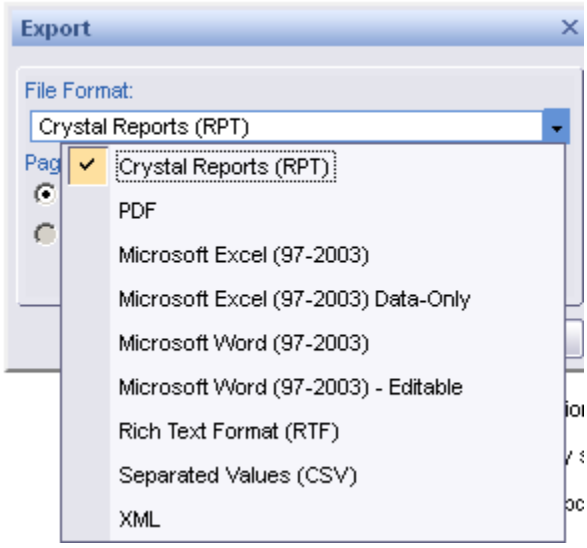


Figure 80: Example of exporting a parameterized report.

1.2.10 Quality Assurance

The Vendor must develop and implement quality management and assurance, using best practices consistent with industry standards, principles, and processes including, but not limited to:
☐ *Implement Quality Improvement Processes for recurring processes*

☐ Continuous performance measurement and improvement through the use of technical reviews, internal audits, and Vendor provider satisfaction surveys, or other assessment tools; (for example)
☐ Ongoing Vendor staff training

The Vendor must describe their approach to providing a quality assurance program.

GHS will Develop a Quality Assurance Control/Quality Management Plan (by business activity and/or functional area) to address the needs and specific opportunities for quality improvement throughout the Contract period. The Quality Assurance Control/ Quality Management Plan will be developed and maintained to reflect GHS's experience and commitment to: Methodology for maintaining quality of the code, workmanship, project schedules, Deliverables, and any subcontractor activities; quality in systems design, testing, and implementation; process design and staff training; performance standards development and measurement; customer satisfaction measurement and analysis.

a. GHS has developed a comprehensive quality management approach that serves as a cornerstone in each of our projects. Quality management begins early in the project, starting as soon as a project is initiated, and continues through operations to the project's close. We follow a set of defined and repeatable processes that enable us to monitor our project management and business projects in a manner that promotes continuous quality improvement at the company level, and within the scope of individual projects

b. The plan shall be delivered to the Department for review and approval during the Initiation and Planning Phase, and may be revised through the duration of the project as needed to address change. GHS is committed to continuous quality improvement. Our goal is to constantly measure our performance, identify opportunities for improvement based on analysis of established metrics, and then implement changes to achieve measurable results.

c. GHS provides ongoing training and education to our employees, allowing them to add value to the project through their knowledge and experience. The training activities will be implemented to ensure that all staff remains is up to date on any changes, and as training for new hires. A schedule for this type of ongoing training will be detailed in the Knowledge Transfer and Training Plan, as well as the methods to request additional training and education as needed.

FR2.71 The Vendor must develop and implement quality assurance processes and adopt best practices learned from other customer deployments, consistent with industry standards, principles, and processes including, but not limited to:
a. Recurring process reengineering evaluation to ensure processes are aligned with best practices and opportunities for process improvement are realized.
b. Continuous performance measurement and improvement through the use of technical reviews, internal audits, and Vendor provider satisfaction surveys, or other assessment tools (e.g. reporting on operational metrics).
c. Ongoing Vendor staff training.
d. Implement Quality Improvement Processes for recurring processes.

All of GHS' Quality Assurance QA processes and procedures are based upon best practices learned through the ongoing operation of the PBM solutions we presently operate as well as industry standards, principals, and practices. Our experience operating multiple PBM solutions allows to continually identify areas for improvement through the sharing of lessons learned and other information.

a. Employees are encouraged and empowered to implement process improvements whenever they see issue, opportunities to be more productive with the same resources, leverage a new tool, and generally do things 'better'. GHS considers this to be a continual, on-going process. Process reviews are also triggered by other influencing factors, such as a change to an up-stream / down-stream process, a new policy, the implementation of a new tool, and a wide variety of other variables.

b. GHS provides performance metrics for all operational and functional areas, which are then used in or procedures and processes for continuous improvement. Performance measurement consists of quantitative or qualitative measures of capacities, processes or outcomes relevant to the assessment of a performance indicator. GHS believes that performance measurement is a central element to any Performance Management System. GHS understands that performance management is the strategic use of performance standards, measures, progress reports and ongoing quality improvement efforts to ensure desired results are achieved.

[redacted]

[redacted]

GHS' performance management process includes financial planning, operational planning, reporting, analyzing, and monitoring of key performance indicators (KPIs) linked to the defined project goals. GHS is committed to performance improvement. We will execute the appropriate performance management activities to monitor, analyze, report and manage acceptable performance to ensure continued compliance with defined DVHA PBM service levels throughout the term of the contract.

c. GHS provides ongoing training and education to our employees, allowing them to add value through their knowledge and experience. The Knowledge Transfer and Training Plan will specifically address ongoing training after the PBMS enters the ongoing operations period. These ongoing training activities will be implemented to ensure that all staff is up to date on changes, as refresher training, and as training for new hires. A schedule for this type of ongoing training will be detailed in the Knowledge Transfer and Training Plan, as well as the methods to request additional, unscheduled training if needed for unexpected events

d. GHS will implement a Quality Improvement Processes for recurring DVHA PBM support processes. This is a standard practice that GHS undertakes and applied to all processes and all functional areas within our enterprise.

   Our approach to continuous quality improvement is further addressed in response to FR2.77, below.

FR2.72 The Vendor must conduct client Satisfaction Surveys at least biannually, or as specified by the Department. The Vendor's surveys must include, but are not limited to:
a. Performance inquiries consistent with the duties and responsibilities of the Vendor and any SubVendor.
b. Performance expectations and measurement criteria for managing the ongoing long-term business relationship with the Vendor and for monitoring performance.
c. Inquiries on technology, quality, responsiveness, delivery, cost and continuous improvement.
The Department, in its sole discretion, may modify these requirements.

GHS will conduct client Satisfaction Surveys at least biannually, or as specified by the Department. GHS presently conducts a variety of surveys is support of current client operations. Therefore we have tools and procedures in place to facilitate:

- Dissemination of surveys;
- Collection and tabulation of survey results;
- Quantification and reporting of results; and
- Identifying the need for changes or enhancements to address specific results.

GHS understands that the intended audience of the satisfaction surveys is Vermont providers (prescribers and pharmacies) and Vermont State / DVHA staff and that the Department may modify survey requirements at its discretion. During the requirements definition phase of the DVHA PBM project, GHS will work with the Department to capture and document the specific details of the satisfaction survey requirement

Regarding the survey process, GHS makes the following certifications:

A. GHS will perform survey inquiries that are consistent with the duties and responsibilities of GHS in the DVHA PBM scope of work and our specialty pharmacy services sub-contractor. For example, we will survey providers regarding the performance of our POS claims adjudication system and prescribers regarding the accuracy and timeliness of our clinical PA determination process. We also have survey processes established to support SMAC administration the Retrospective DUR.
B. GHS will survey regarding specific performance metrics and related criteria, with a focus on items of specific interest to GHS and/or the DVHA.
C. GHS will ensure that inquiries regarding technology, quality, responsiveness, delivery, cost and continuous improvement are included in surveys, tailored to the audience to whom the surveys are submitted.

FR2.73 The Vendor must immediately notify the Department of any system, program, or operational deficiencies or defects identified. The Department will establish the severity level and approve timelines for fixes or resolutions.

GHS will notify the Department immediately upon discovery of any real or potential system, program, or operational deficiencies or defects. The initial notification report will include all information known at

the time of discovery, with follow-up reports provided as more information is discovered and/or confirmed.

In the event that any real or potential issue is identified, GHS will work to identify the root cause, perform an impact assessment, define a solution, and (when necessary) seek Department approval to remediate the issue. The issue, deficiency, defect resolution process follows a similar workflow to the change management process, though defects are typically given a much higher priority and are expedited for completion.

GHS will work with the Department to specify the process for reporting deficiencies or defects, and their related impacts and severity levels, in the Communications Management Plan.

FR2.74 The Vendor must provide corrective action plans to the Department within 3 business days of the discovery of severe defects found through internal quality control reviews and identify options for corrective actions. The Vendor must initiate corrective actions plans, at no additional cost to the Department, only after the written approval of the Department.

GHS will supply the Department with a corrective action plan for every deficiency, defect, or other issue discovered. We will ensure that this corrective action plan is delivered to the Department within 3 business days from discovery, regardless of how the deficiency / defect was discovered. Once the corrective action is approved, GHS will undertake the corrective action and ensure it is completed in a timely manner. All corrective actions are done at no cost to the Department or any other party besides GHS.

FR2.75 The Vendor must provide audit trails to document, identify, and track chronological records and transactions throughout the Vendor's systems including, but not limited to, additions, deletions, and changes to:

a. Master file data related to beneficiaries, providers, drugs, pricing, and other reference data
b. Prior Authorizations
c. Beneficiary Lock-Ins
d. All edits encountered, resolved, or overridden
e. POS transactions, including data submitted by providers and responses sent to the provider

GHS' systems security implementation provides full audit trails such that all system activity can be traced to a specific user or process. Our DVHA PBM solution, including all systems, applications, and databases, store a complete audit trail of all user login access points and all activity the GHS administrators and the State would like to capture. This includes the time and data of any recorded action, providing a complete sequence of events. Specifically, all additions, deletions, and updates are fully recorded and auditable. Many other events and activities are also recorded and are often specific to the system, application, and/or data set.

At a high level, audit trails are tailored for each type of PBMS system components:

- Applications – Capture activities such as: User access, data inquiries, record creation, and workflow configuration.
- Databases – Capture activities such as: User access, process access, data inquiries, record creation, and modification. This would include data such as master file data related to:
    - Beneficiaries;
    - Providers;
    - Drugs;

  - Pricing; and
  - All other reference data
- Systems – Capture activities such as: User access, process updates, rules configuration, and record creation. This would include activities such as:
  - Beneficiary lock-in rule modification
  - All edits encountered, resolved, or overridden
  - All POS transactions and associated data fields
  - PA creation and modification

At a minimum, audit information captured includes the user ID of the person or process accessing, the time/date of access , and a record of the data replaced (for updated records) or activity performed. Additional fields are also available for capture in specific components to support any custom reporting functionality that may be necessary. This allows for detailed reporting and tracking of distinct events or activities for specific auditing requirements. These audit reports are typically made available to authorized users through the standard reporting module, and additional customized reports can be provided through the ad hoc reports module when necessary.

FR2.76 The Vendor must sample and reconcile its claims processing system and files to ensure accurate and timely payments including, but not limited to, the following:

a. Conduct a random sample of a minimum of 500 claims each quarter

b. Stratify the sampling technique by variables, such as the Department's programs, reimbursement methodology, product type (e.g., sole-source, multiple-source, generics, etc.), or as specified by the Department for each reporting quarter

c. Report quarterly review findings to the Department

d. Provide an action plan to address processing errors

GHS' advanced analytical tools and processes enable retrieval, reporting and analysis of claim processing, product, member eligibility and payment data. Currently GHS generates periodic and ad hoc reports for its existing clients to ensure accurate and timely payment for the submitted claims. The queries are built by variables and attributes including but not limited to date of service, time period, member eligibility components, product attributes, payment and reimbursement method, etc.

a. A random sample of a minimum of 500 claims will be conducted each quarter by GHS using agreed-upon criteria for query building and report generation.
b. Queries can be built based on variables and attributes including but not limited to time period, member eligibility, benefit program, product type, and reimbursement method. GHS can build queries and generate reports based on the criteria and time-frame specified by the Department. GHS will work with the Department to capture and document the specific details of sampling and report generation technique for each reporting quarter.
c. Once the quarterly reports have been generated and analyzed, the finding will be reported to the Department within an agreed-upon time period. Any detected processing errors will be properly documented and recorded in GHS' issue tracking system. The action plan to address processing errors will be communicated to the Department. GHS will work with the Department to establish a communication plan, including the preferred method and frequency, between the two entities.

FR2.77 The vendor must implement a continuous process improvement program to reduce administrative burden on the Department, providers, and beneficiaries. This process must be regularly assesses and continue throughout the duration of the contract.

GHS has made strong operational and philosophical commitments to a process of internal and external continuous quality improvement. GHS has rigorous internal quality improvement procedures to continuously improve our systems in a proactive (not reactive) fashion. GHS uses these internal quality improvement processes to assist us in the identification of issues or problems before they become critical in nature or result in negative performance. GHS looks forward to assisting the DVHA in the planning and implementation of these essential continuous improvement practices to ensure provision of a stable and state of the art solution.

GHS prides itself on building proactive improvement into all areas of our operations. We look forward to working with the DVHA and making enhancements to our quality improvement procedures during all phases of the project. With all clients we strive to maintain an internal quality plan that embodies the spirit of continual proactive improvements to our operations. Our goal is to constantly measure our performance, identify opportunities for improvement based on analysis of established metrics, and then implement changes in our activities designed to achieve measurable improvements. This is not a new concept for GHS: It is ingrained in everything we do and part of our organizational culture. This dedication to ongoing monitoring and improvement will be rigorously applied to the work completed for the State of Vermont.

Continuous Improvement begins with the planning and proposal development phase of each project. We follow a set of defined and repeatable processes that enable us to monitor our project management and business projects in a manner that promotes continuous improvement at the company (enterprise) level and personal development and growth for each individual project team member. For every contract GHS maintains, operations and administrative staff have collaborated to develop quality control and assurance strategies to provide monitoring of all operations related to a given contract. This ensures that all contractual obligations are being met to the satisfaction of the contracting entity and that areas of improvement are identified.

Another critical element of continuous improvement is performing a lesions learned at the end of each project, major project phase, and or significant enhancement. The Lessons Learned process involves documenting key areas of success and areas of trouble from all stakeholders at the conclusion of a project or project phase. GHS will then craft strategies for capitalizing on successes and avoiding trouble areas in the future. These strategies are circulated to project stakeholders and other critical staff, and are stored for future reference when a new project is undertaken. Again, this activity may be used throughout the life of the contract for project phases and major enhancements and contributes to the overall goals of continuous improvement.

FR2.78 The Vendor must maintain a log of operational, clinical, programmatic, and claims processing issues which will be reviewed in weekly team meetings with Department staff. Each issue will be analyzed and a resolution determined on a timeline approved by the Department. Issues not resolved on a timely basis will be subject to penalty.

GHS uses an issue change tracking system to facilitate the ongoing maintenance and support of the services we provide. Issue tracking support will be provided by Jama, integrating with Atlassian JIRA.

Together, these applications will serve as the issue management software system for the DVHA PBM project. Our current tool is a web-based request/change/issue tracking system that allows management oversight and reporting on activities related to a given project. Links to issue tickets and their related activities will be created and stored in this system, creating a complete report of the documented solution and status of each issue being worked. Issues will be tracked throughout the contract duration in a central issues log created for this project. Issues will be identified and documented during internal meetings and interactions with the DVHA.

Report is created of all Test Project "Open" issues for issue tracking. A more in-depth report can be created using the drop downs or the advanced feature.

[redacted]

Figure 81: [redacted].

Additional informational columns can be added/removed depending on the information that user needs to be displayed.

[redacted]

Figure 82: [redacted].

FR2.79 Upon the State's decision to proceed with implementation of the State's Dual Eligible Demonstration Program, the Vendor must comply with all federal and state rules, regulations, and CMS requirements related to the implementation of a pharmacy benefit program for Vermont's Dual eligible population. Vendor must also comply with all sections of the Part D Prescription Drug Benefit Manual (PDBM) found at: http://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/PartDManuals.html in the delivery of PBM services in support of the Duals Program.

According to the email notification provided by the DVHA to potential vendors, Vermont has decided not to pursue the Duals Demonstration project. Therefore this requirement has been removed from the RFP response.

FR2.80 . Upon the State's decision to proceed with implementation of the State's Dual Eligible Demonstration Program, the Vendor must meet all Department timelines and tasks related to the design, development, and implementation of the Duals Demonstration Pharmacy Benefit.

According to the email notification provided by the DVHA to potential vendors, Vermont has decided not to pursue the Duals Demonstration project. Therefore this requirement has been removed from the RFP response.

FR2.81 . Upon the State's decision to proceed with implementation of the State's Dual Eligible Demonstration Program, the Vendor must agree to provide adequate staff and systems for ongoing operational, clinical, and programmatic support of the Duals Demonstration Pharmacy benefit program.

According to the email notification provided by the DVHA to potential vendors, Vermont has decided not to pursue the Duals Demonstration project. Therefore this requirement has been removed from the RFP response.

1.2.11 Medication Therapy Management

Medication Therapy Management (MTM) is a partnership of the pharmacist, the beneficiary and other health professionals that promotes the safe and effective use of medications and helps beneficiaries achieve the targeted outcomes from medication therapy.
Vermont believes that any MTM program implemented must include the analytical, consultative, educational and monitoring services provided by pharmacists to help beneficiaries get the best results from medications through enhancing understanding of medication therapy, increasing adherence to medications, controlling costs, and preventing drug complications, conflicts, and interactions.
The State is interested in developing an MTM program that will comply with all Part D requirements for such programs, will be offered to both Medicaid and Medicaid/Medicare eligible populations, and will be integrated into and coordinate with other State initiatives such as the Vermont Chronic Care Initiative. This is envisioned as a utilizing a combination of community pharmacists who currently see beneficiaries on a regular basis and supply their medication needs, and State and/or Vendor clinical pharmacists who will coordinate with the DVHA, community pharmacists, the VCCI program, and other stakeholders to assure continuity and coordination of MTM services. Pharmacists should be reviewing medication regimens for and potential problems such as drug interactions, duplications of therapy, appropriate dosing, dosage forms, and routes of administration, medication adherence and compliance, side effects, cost optimization such as promoting generic utilization, and assuring compliance with the State's PDL
The MTM program goals are:
- ☐ *Strive to reach optimum therapeutic outcomes for targeted beneficiaries through improved medication usage*
- ☐ *Reduce the risk of adverse events*
- ☐ *Be developed in cooperation with licensed and practicing pharmacists and physicians*
- ☐ *Be furnished by pharmacists or other qualified providers*
- ☐ *Distinguish between services in ambulatory and institutional settings*
- ☐ *Be coordinated with any care management plan established for a targeted individual under Vermont's chronic care initiative program (VCCI)*

There are no detailed functional requirements for this capability. The Vendor should provide an overview of their approach to MTM and how they can support the implementation a customized MTM program for the State.

GHS can offer the State of Vermont our Medicaid Therapy Management Program (MTMP), supported by our GOOLD Med-Management MTMP workflow application. MTMP uses analysis of member activity to identify those needing closer clinical review of therapies. In particular, this allows focused management of high-cost members, members with high narcotic utilization, members meeting any other criteria the State may wish manage more closely. MTMP supports interventions, typically in the form communications targeted to specific members and/or providers, based on severity level.

The MTMP uses predictive modeling to analyze members that have at least 12 months of coverage and pharmacy claims data to measure the probability of exceeding set cost parameters or any other criteria that best identifies the claims set program managers wish to manage more closely. Within defined chronic condition disease states, GHS reviews factors (age, gender, and other logics) with members using a regression model that correlates chronic condition with total drug cost. Through our analysis GHS can score individual members based on disease states, where more costly diseases or high-risk therapies are scored higher. GHS can work with the State to define suitable parameters for enrollment

of members into the MTMP, which would include, at a minimum, annual cost, number of disease states, and number of covered drugs, as well as the type, frequency and target of interventions. All of these criteria, and more, are fully configurable.

The proportion of the drug budget that is spent on high cost drugs (>$5,000/month) is growing disproportionately compared with lower cost agents. These high cost medications are emerging as a major cost driver of the overall pharmacy budget. These include specialty products, hemophilia factor products, and drugs approved to treat rare and unique diseases. Just having a couple of patients with a rare genetic mutation taking one of these new expensive specialty products can result in over $1 million additional spent each year in prescription drug use. Prescribers respond to interventions which clarify the specific clinical advantages of high cost medications. Generally speaking, prescribers are often surprised when the cost of the medication they are prescribing is shared (pre-rebate) and tend to work cooperatively to consider alternative treatments, when they are appropriate, which may be more cost effective. Additionally, prescribers are receptive to efforts which curtail waste, including limiting the number of doses provided for the first fill to ensure intolerable side effects do not cause the drug to be discontinued, limiting the duration of prescriptions and splitting doses when possible. This creates an opportunity for proactive engagement with the prescribers and members of GHS clinical staff.

We would propose, after an analysis of Vermont' utilization trends that all drug treatments exceeding a specified dollar threshold lead to a clinical discussion between the prescriber and GHS clinical staff. The goals of the intervention will include:

- Ensuring the use of the medication comports with acceptable standards and guidelines, e.g. FDA approval and/or other evidence based strategies, if relevant;
- Discussing any potential drug-drug interactions and other clinical issues relevant to the prescription;
- Discussing alternative treatments which have demonstrated efficacy and safety and which may be more cost effective in accordance with the Vermont' PDL or net cost;
- Discuss strategies to minimize waste of the high cost product, such as being very specific with regards to refill intervals, weight based dosing and/or package sizes;
- Evaluation of plans for follow up and any needed testing or review of drugs that must be co-administered;
- Follow up as appropriate to ensure the member is receiving the benefit expected and adhering to the medication as prescribed; and
- Advocating for very active intervention if adherence or efficacy are not as expected.

The impact of these interventions will be tracked. Relevant metrics would include metrics such as:

- Number of interventions described above;
- Number of interventions which lead to approval/denial/or deferral as well as any alteration in prescriber behavior such as deciding to change to another treatment, reduce dose, or prescribe smaller quantities, to name several;
- Dollar spend saved by each intervention;
- Pharmacy and medical costs before and after the intervention; and
- For selected interventions, relatively long term follow up of outcomes will help determine longer term cost savings and potentially shape future initiatives.

This strategy is timely now that the cost of individual prescriptions which may reach the $100,000 - $300,000 per month mark which makes individual interventions cost effective.

Goold Med-Management is a web-based tool that provides clinicians with a comprehensive interface that facilitates the operation of complex care management programs, such as those described earlier in this section. This application supports clinical and administrative staff in managing various programs such as Intensive Benefits Management, Medication Therapy Management Program (MTMP), therapy compliance, and other programs requiring case management. The tool is highly configurable and customizable to meet the needs of a variety of programs.

All activities and artifacts pertaining to case management can be organized and sorted for easy access. The tool allows case workers to set reminders, manage communications, and send case documentation. Features:

- Allows clinicians the ability to conduct comprehensive clinical reviews of members medication therapy
- Supports management of multiple management initiatives.
- Facilitates management of documents, such as chart notes, labs, drug profiles, adherence, and other pertinent clinical information
- Ability to generate letters to members and providers for educational or notification purposes.

1.3 FR3-Financial Management

Financial support services are an important component of the PBM services being solicited. The State seeks Vendor services in the administration of all rebate programs, including the Federal OBRA '90 rebates, supplemental rebates and State-only rebates. It will also rely on the Vendor to support the State's participation in the Sovereign States Drug Consortium (SSDC) multi-state supplemental rebate pool.

Goold has been supporting rebate programs across multiple states since 2004. Through these 10 years, the Goold team has expanded their knowledge and expertise. Building on the acquired knowledge in this area, our rebate applications have been developed through the experiences and collaboration of the users. We take pride is being pro-active in our rebate processes. This has resulted in 98% invoicing accuracy which ultimately results in 98% revenue collections within 90 days following the invoicing quarter. GHS has a proven success record and knowledge in administering the Medicaid rebate programs.

Goold has been the SSDC vendor since 2005 and has worked in the best interest of the all of the States participating in this Multi-State pool. We will continue to support this organization and manage the contracts associated with the process. Goold is also responsible for using the final contracted NDCs to build a supplemental pricing file for use during the quarterly invoicing process.

1.3.1 Management of State and CMS Drug Rebate Programs

The Medicaid Drug Rebate Program is a partnership between CMS, State Medicaid Agencies, and participating drug manufacturers that helps to offset the Federal and State costs of most outpatient prescription drugs dispensed to Medicaid patients. Approximately 600 drug manufacturers currently participate in this program which requires a drug manufacturer to enter into a national rebate agreement with the Secretary of the Department of Health and Human Services (HHS) in exchange for State Medicaid coverage of that manufacturer's drugs. Manufacturers are required to pay a quarterly rebate on those drugs each time that they are dispensed to Medicaid patients. These rebates are shared between the States and the Federal government to offset the overall cost of prescription drugs under the Medicaid Program.

In addition, the State administers a state rebate program for state funded pharmacy programs. This program is similar to the federal program, and is based on a pro-rated share of the federal rebate calculation.

The State seeks full support of the Federal and State Rebate program. The Vendor should describe how it manages all aspects of rebate support including, but not limited to:

- ☐ *Producing Drug Rebate Invoices for drug manufacturers*
- ☐ *Processing the CMS Rebate Utilization files*
- ☐ *Providing rebate reporting to the State and partners*
- ☐ *Reconciliation and resolving drug rebate disputes*
- ☐ *Supporting manufacturer inquiries such as claims level detail*

The Vendor must describe their approach for supporting the Agency's Drug Rebate program and maximize the value achieved for the State.

GHS operates a fully compliant drug rebate management program in accordance with current state and federal guidelines, including the Omnibus Budget Reconciliation Act (OBRA) and Health Insurance Portability and Accountability Act provisions. GHS currently processes approximately 28 million claims annually, resulting in 3,250 invoices quarterly for a total of 13,000 invoices annually across for our current state customers. Working with the Department, our solution will be configured to support the specific needs on the DVHA PBMS rebate program.

GHS maintains CMS, supplemental, and other rebates in independent data sets, in a completely transparent manner, for all rebate service contracts we hold. This includes, among other features, independent invoicing, payment tracking, and dispute resolution. GHS manages rebates for many different program types. For example, we provide rebate services for the following types of benefit programs:

- Medicaid (OBRA);
- Medicaid Supplemental (SR);
- J-Code (Physician-administered drugs);
- Managed Care OBRA and J-Code;
- Durable Medical Equipment (DME);
- Aids Drug Assistance Program (ADAP); and
- Pharmacy Drug Assistance Program (PDAP).

GHS manages drug rebate invoicing, payments, reconciliations and dispute resolutions using our GOOLD Electronic Rebate System (eREBS), Rebate Services Portal (RSP), and Rebate Admin products suite.

Upon contract start, GHS will begin the process of receiving historical rebate data from the MMIS and / or the outgoing services vendor. This data must then be scrubbed, loaded, converted and validated. GHS will perform a complete financial reconciliation of the rebate data to ensure that balances tie together and support dollar amounts reported for CMS 64 quarterly reporting.

Electronic Rebate system (eREBS):
GOOLD eREBS, GHS' core drug rebate administration system, is designed to manage the entire spectrum of activities that are required to accurately calculate and invoice all Rebate Programs, including OBRA, Supplemental Rebates (SR), Diabetic Supply Supplemental (DME), Managed Care Organization rebate

claims (as detailed in ACA) and J-Code (Medical Claims) programs. eREBS also has the ability to support to easily add and support new rebate programs.

eREBS is a double entry accounting system that allows the user to process rebate invoices and payments, record dispute and adjustment codes and accommodates all accounting functions necessary to manage and report the status of labeler account(s).The system allows the user to drill down from the invoice summary level to the invoice line level, down to the claim level detail including claims that were included as well as those that were excluded from invoicing.

The system offers a full suite of reports that reflect program-specific rebate activities. The integrated dispute module tracks labeler communication throughout the dispute process and supports adjustments at the claim and NDC level. This multistate application is currently used to provide complete rebate services for Georgia, Iowa and Utah and pharmacy rebate services for Wyoming.

The primary workflow support features of the eREBS Drug Rebate system are to:

- Identify paid claims eligible for rebates and those not eligible for rebate such as 340B provider claims, terminated products, zero paid claims and DME products.
- On a quarterly basis generate invoices for participating drug manufacturers for eligible Medicaid paid claims for the specified rebate program and quarter. Each invoice identifies utilization for the quarter and matches it with the CMS unit rebate amount or negotiated supplemental price for each NDC. GHS downloads Medicaid Drug Rebate pricing from the CMS DDR system or maintains a supplemental rebate pricing file respectively. Non-eligible claims are identified and stored with the corresponding exclusion reason code.
- Generate invoices from medical claims for physician administered drugs. The eREBS system identifies valid NDC/HCPC combinations using the GHS conversion table. The system converts the units billed on the medical claim line to the NDC rebate units (aligning with the CMS defined unit of measure) for accurate rebate invoicing.
- Collect drug rebate funds from manufacturers.
- Receive copies of the checks received and supporting documentation including the Reconciliation of State Invoice (ROSI) and the Prior Quarter Adjustment (PQA) and then posts the information into the eREBS double entry accounting system.
- Provide a complete accounting of rebates due, collected and those that remain outstanding.
- Automatically generate dispute records for NDC's where the paid quantity does not equal the invoiced quantity.
- Allow the user to manage the NDC to HCPCS cross-walk and the unit of measure edits table as well as the list of 340b providers.

Rebate Services Portal (RSP):
RSP is a web enabled application that provides rebate labelers with secure, online access to rebate information. In this portal drug labeler/manufacturers are able to retrieve invoices, claim reports, unit of measure information, dispute summaries and account reviews in an electronic format. Payment detail uploads are accepted with check demographics from the Manufacturers.

The GHS RSP is secure with Manufacturer/Labeler user authentication based on the CMS contacts as established and maintained in the GHS Rebate Administration Portal. A manufacturer/labeler must be known to CMS or under special contract with the State such as DME and Supplemental contracts to be granted access to retrieve invoice data and claims.

Rebate Admin:
Rebate Admin is the Labeler Information and Contact system. Managing multiple contacts for manufacturers and their associated labelers, which change on a regular basis, is a challenging administrative task. Rebate Admin provides tools and records data that facilitates this process and provides a high degree of invoicing accuracy.

The Rebate Admin tool is designed to allow the rebate staff to manage the Labeler contact information from multiple sources such as the CMS quarterly data file, CMS notices, SR contract negotiations, and manufacturer engagement easily. The Rebate Admin tool provides rebate staff with a smart and simple workflow to process and resolve new reference data source feeds, and manage contact information to ensure rebate invoices and documentation are routed to the appropriate parties. This application is designed to allow rebate staff to manage a labeler's CMS optional and mandatory effective dates, termination dates, demographics, contacts and merger/divestiture information. The tool also allows the contract management staff to enter manufacturer corporate information and the associated labelers, which is information necessary to generate Supplemental and Diabetic Supply Agreements with accuracy and according to the manufacturer-defined associations.

FR3.1 The Vendor must manage the Department's manufacturer drug rebates for the following programs:
a. Federal OBRA'90 rebate program
b. State supplemental rebate program
c. State-only rebate program
The requirements in this section apply to all of the Department's rebate programs

GOOLD eREBS has been developed to invoice all rebate programs, both Federal and State specific. Additional rebate programs can be added to accommodate for both Federal and State funded pharmacy programs.

[redacted]

Figure 83: [redacted].

FR3.2 The Vendor must comply with the provisions explained at www.cms.hhs.gov/MedicaidDrugRebateProgram and Section 1927 of the Social Security Act.

Goold Rebate processing and products comply will the CMS Medicaid Drug Rebate Program policies and Section 1927 of the Social Security Act. Changes and additions to CMS procedures and policies along with other Federal initiatives are reviewed by Goold and the client on a regular basis. Upon identification of rebate specific changes, Goold will create a requirements document for review and sign-off by the State prior to development and implementation.

FR3.3 The Vendor must maintain an electronic policies and procedures manual documenting all aspects of the Vendor's administration of the Department's manufacturer drug rebate programs.

Goold maintains an extension library of electronic policies and procedures for each contracted State. Changes and updates will be versioned and filed in the document management system.

FR3.4 The Vendor must not engage in any contracts or agreements during the Contract, and any renewal thereof, to receive direct compensation from pharmaceutical manufacturers (e.g., fees associated with data, rebates, rebate management, compliance, or clinical programs) which pertain to prescription claims data collected from the Department's programs.

Goold does not engage in any contracts or agreements with the claims data of contracted States unless approved by the State. All data belongs to the State and is only used to benefit the State.

FR3.5 The Vendor must conduct a review of rebate contracting and program performance at least quarterly with representatives from the Department.

Goold understands and will comply with rebate contract and performance reviews on a scheduled basis as indicated by the Department.

FR3.6 The Vendor must integrate the following Department claims data to calculate manufacturer rebates owed to the Department including:

a. NDC claims data paid by the Vendor

b. Practitioner and outpatient hospital claims data for physician-administered drugs paid by the Department and forwarded to the Vendor.

Claim feeds to the rebate system are scheduled based on the source data and frequency. Pharmacy POS claims are pulled weekly post adjudication and payment. Medical claims are pulled according to the MMIS payment schedule or monthly. Claims feed into the drug rebate system where the business rules are applied. External feeds when applicable (i.e. Managed Care 3rd party claims) are scheduled and follow the same automated load processes into the drug rebate system. Feed errors or issues are reported and escalated for resolution prior to quarterly invoicing activity. Once all feeds are applied to the Rebate Engine, claim count reports are generated to assure all payment cycles are accounted for.

FR3.7 The Vendor must calculate the total rebate amounts due from each manufacturer based on:

a. The number of units paid per an NDC

b. Unit rebate amounts applicable for the Department's programs, which are (1) distributed by CMS for the Federal Medicaid rebate program; (2) Supplemental unit rebate amounts as negotiated by the multi-state rebate pool; and (3) rebates required for participation in State-funded plans

GHS maintains a quarterly rebate pricing file that updates from the CMS file as provided to all states. The pricing file is loaded and maintained in the data warehouse. All source files are archived in their

original state as received. The GHS pricing file is appended with the current quarterly data supplied by CMS at the National Drug Code 11- digit (NDC 11) level and the associated year quarter for invoicing current, prior quarter claims and updating prior period pricing adjustments. This data is also used to update the State supplemental pricing tables that support contracts with the Manufacturers. GHS follows CMS guidelines referenced for the maintenance and use of all Unit Rebate Amounts.

eREBS invoicing process applies the Rebate Unit Amounts from the GHS maintained pricing files for each program type as indicated by the State business rules and processes. Upon invoice creation, all eligible claim units are rolled up by NDC and Rebate Unit Quarter and the pricing is applied according to the program type. NDC edits and/or J-Code conversions are applied when applicable to convert the rebate units for calculation.

Supplemental rebate and State only programs that require pricing based on agreements and formulas have separate pricing files outside of the CMS pricing file that is used for Federal rebates. The CMS file may be used to calculate supplemental rebates when applicable.

[redacted]

Figure 84: [redacted].

FR3.8 The Vendor must invoice manufacturer rebates quarterly (or by other time periods specified by the Department or CMS) including, but not limited to, the following requirements:

a. Invoice 100% of participating manufacturers for Federal, State supplemental, and State-only rebates no later than 60 days after the end of the quarter, or in compliance with the timelines of the Federal government and the Department for generating manufacturer drug rebate invoices

b. Submit the manufacturer rebate invoice summary for the Department's approval at least three business days prior to invoicing participating manufacturers.

A.

All invoices are processed timely according to CMS required timeline of 60 days past the end of the current quarter. Supporting data sources are updated daily, weekly, monthly or quarterly according to a defined schedule. All paid claims are imported and reconciled prior to the receipt of the quarterly CMS files. Upon receipt of the pricing and manufacturer/labeler data from CMS, the invoice creation process will begin. Once the rebate invoicing is created and completed to the satisfaction of the State, the invoices are prepared for postal mailing and electronic delivery. GHS provides an Operation Manual with steps and guidance to assure timely delivery of all rebate invoices within 60 days after the last day of the quarter. Upon completion of delivery, the CMS utilization file is created for electronic upload to the CMS website, for delivery within the required timeline.

[redacted]

Figure 85: [redacted].

B.

Prior to printing invoices or initiating electronic invoicing to the Manufacturers, Goold will submit and Invoice Summary Report for review and approval by the Department.

[redacted]

Figure 86: [redacted]

FR3.9 The Vendor's rebate invoicing format and reported data elements must comply with CMS standards and with CMS policies and procedures for original invoices, for any needed prior period adjustments for previously invoiced quarters, and for interest on outstanding balances owed by a manufacturer.

Goold eREBS application has pre-defined invoicing reports that follow the CMS standards and policies for current and prior quarter invoices. Invoices are created by program and follow the layout defined by CMS. Electronic copies are available in both PDF format and CMS text file format.

[redacted]

Figure 87: [redacted]

Statement of Overdue Invoices reports is available upon demand to be sent to the Manufacturers on a scheduled basis approved by the State following CMS guidelines and policy. Interest is calculated using the CMS formula.

[redacted]

Figure 88: [redacted]

FR3.10 The Vendor must provide manufacturers with electronic invoices and claims level detail in a format agreed upon with the Department.

After invoices are created, quality assurance approved, finalized and posted to the accounts receivables ledger they become eligible for electronic distribution. GHS's Rebate Services Portal (RSP) is a secure source for Manufacturers' to access electronic copies of their quarterly invoices. This portal provides two formats for export. A PDF file that represents the paper invoice in the CMS format and a .TXT file in the extract format as documented by CMS. The text file format can be imported by the Manufacturer into their third party software such as CARS.

The GHS RSP is secure with Manufacturer/Labeler user authentication based on the CMS contacts as established and maintained in the GHS Rebate Administration Portal. A manufacturer/labeler must be known to CMS or under special contract with the State such as DME and Supplemental contracts to be granted access to retrieve invoice data and claims.

[redacted]

Figure 89: Example – [redacted]

Figure 90: Example –

GOOLD eREBS Rebate Administration System maintains all elements of a claim that are applicable to the invoicing and collections of rebates. Rebate uses the same key logic used on the POS/MMIS to assure claims are unique and associated when voids/adjustments are submitted. All elements that are available on the claim at adjudication can be imported into the drug rebate tables or added to the view for reporting purposes. Claim level information for all NDC's included or excluded from invoicing can be viewed through the claim utilization screen. Goold with work with the State to identify all claim data needed for defending the State rebates.

Table 19:

FR3.11 The Vendor must utilize pre-invoicing quality control edits to proactively reduce manufacturer disputes of invoiced rebate amounts (e.g., quarter-to-quarter percent change in rebate amount invoiced by NDC, rebate amount exceeds reimbursed amount, quantity exceeds expected amounts, etc.). The Vendor must obtain Department approval on all pre-invoicing edits and must provide an audit trail of all pre-invoicing adjustments along with justification recorded into the Vendor's rebate management system. The Vendor must provide the Department a quarterly report of each adjustment and related justification by NDC.

GHS's eREBS drug rebates administration system currently processes approximately 28 million claims annually resulting in 3,250 invoices quarterly for a total of 13,000 invoices annually across for our current state customers.

GOOLD eREBS, GHS' core drug rebate administration system is designed to manage the entire spectrum of activities that are required to accurately calculate and invoice all Rebate Programs such as OBRA, Supplemental Rebates (SR), Diabetic Supply Supplemental (DME), J-Code (Medical Claims) and Managed Care (MCO) when applicable. State and Federal specific business rules (see sample list) are applied to claims data upon import to determine the rebate program and include/exclude status based on rebate eligibility by each defined rule such as 340B claims, terminated NDC's or excluded GPI categories. Edits are applied to claim utilization NDCs based on data stored in the NDC Edits and J-Code Conversion tables. Once the claims are grouped and all rebate quantity conversions are applied, QA processes are run to view outliers. Corrective actions (such as claim selection edits or 340 provider additions) can be applied, and then the update status process is run again on all claims to apply changes and updates. Once this process is completed, invoices are created and finalized for presentation to the Manufacturers/Labelers.

The process for invoicing is defined in the eREBS Operation Manual that identifies a timeline, processes and steps taken to assure invoices are created prior to the CMS required timeline of 60 after the end of the quarter. This documentation has been developed by GHS throughout their years of rebate administration experience using CMS best practices and guidance.

[redacted]

Figure 91 : [redacted].

FR3.12 The Vendor must provide a pre-invoicing capability to convert unit types, when mismatches occur between the pharmacy claim unit types paid and the CMS unit rebate types.

Goold eREBS invoicing process applies the Rebate Unit Amounts from the GHS maintained pricing files for each program type as indicated by the State business rules and processes. Upon invoice creation, all eligible claim units are rolled up by NDC and Rebate Unit Quantity and the pricing is applied according to the program type. NDC edits are applied when applicable to convert the rebate units for calculation.

Within the eREBS application, the users have the ability to manage unit of measure discrepancies by creating NDC edits and business rules as shown in the screen-shots below.

The figures below show the NDC Unit of Measure Maintenance Screen and the claim detail screen showing a unit of measure applied to the invoiced quantity resulting in the higher rebate quantity.

[redacted]

Figure 92: [redacted]

[redacted]

Figure 93: [redacted].

GHS eREBS maintains a J-Code crosswalk table that includes over 18, 000 unique HCPCS/ NDC combinations. On a quarterly basis GHS reviews every new combination that is received on State claims that are not currently listed in the J-Code crosswalk table. A clinical review is performed to ensure that

the HCPCS drug description matches the NDC drug dispensed. Once the clinical evaluation is performed the HCPCS billing unit to the rebate unit of measure comparison is completed and the conversion factor calculated. The new combinations are uploaded into the GHS eREBS J-Code crosswalk table. Upon invoice creation, all eligible claim units are rolled up by NDC and Rebate Unit Quarter and the pricing is applied according to the program type. J-Code conversions are applied when applicable. eREBS business rules for Medical claims capture and report invalid combinations and the associated claims for research post invoicing by rebate staff.

[redacted]

Figure 94: [redacted]

FR3.13 The Vendor must track and process prior period adjustments including, but not limited to, the following:
a. Maintain all quarters of manufacturer drug rebate invoices and other information to accommodate prior period adjustment processing including a minimum of 12 quarters (available online)
b. Identify and process, at NDC level, any corrections to rebate information received from CMS or from a manufacturer
c. Provide capabilities to manually enter and report corrections at the NDC level on manufacturer drug rebate invoices.

A.

GOOLD eREBS Rebate Administration System retains all invoicing detail from 1991 Q1 (upon migration) when available to the current quarter. Invoicing includes the current quarter, prior quarter units changes (PQAs) and prior quarter pricing changes (PPAs). Supporting tables are maintained with historical decisions based on effective start and end dates. All data is stored in the data warehouse and replicated for off-site storage. PDF copies of rebate invoices will be added to the GHS document management database and indexed for retrieval. Supporting dataset such as 340B providers and J-Code NDC crosswalks and NDC edit are maintained historically with effective dates and historical view of changes for review by HFS staff in support of dispute resolution for historical timeframes.

[redacted]

Figure 95: [redacted]

B.

The Goold Health Systems Rebate Administration Web Portal manages manufacturers and their associated labelers. This portal is designed to allow the rebate staff to manage the labeler contact information from multiple sources such as the CMS quarterly data file, CMS notices, Supplemental Rebate (SR) contract negotiations, and State only rebate eligible manufacturer engagement easily. The portal provides rebate staff with a smart and simple workflow to process and resolve new reference data source feeds, and manage contact information to ensure rebate invoices and documentation are routed to the appropriate parties. This application is designed to allow rebate staff to manage a labeler's Web Portal credentials, eligible rebate program participation and dates of participation, CMS optional and mandatory effective dates, termination dates, demographics, contacts and merger/divestiture information. The tool also allows the contract management staff to enter manufacturer corporate information and the associated labelers which is information necessary to generate the Supplemental and Diabetic Supply Agreements with accuracy and according to the manufacturer defined associations.

[redacted]

[redacted]

Figure 96: Example – [redacted]

C.

Manual claim adjustments and invoice line item adjustments are available in the eREBS application.

A. Manual claim adjustments are used when a claim is no longer eligible to be reversed and resubmitted on the POS or with the Medical claims system. When the claim adjustment is completed, the invoiced units are updated in the next quarterly invoicing cycle and included on a Prior Quarter Adjustment (PQA) for the Labeler. This process then updated the accounts receivable record and payments can be applied upon receipt.

[redacted]

Figure 97: [redacted]

B. Invoice line item adjustments are used when there are no supporting claims available for manual adjustment. This process is typically used for older quarters when there is an agreement/settlement of a dispute between the State and the Manufacturer.

[redacted]

Figure 98: [redacted]

NOTE: Adjusted rebate units are included in the quarterly CMS utilization feed.

FR3.14 The Vendor must process prior period adjustments, calculate interest-due amounts, and work to resolve outstanding rebate disputes including those originating prior to the Contract.

Within eREBS the invoice creation process applies Rebate Price per Unit (RPU) on the claim from the GHS pricing file. This pricing is updated quarterly with the CMS pricing provided and maintained historically back to Q1 1991 when available. During invoice creation, the Prior Period Pricing (PPA) is also applied to the applicable programs. This process is run for all program types used by the State.

Updated invoices are created containing appropriate correction flags, as necessary. Our system is able to trace the NDC, quarter invoiced, payment history and account balances by labeler, by invoice, or by quarter. Details of any activity are tracked in an audit trail that allows complete transparency regarding the way in which balances, disputes, prior quarter adjustments, and any other activity have been reconciled.

Invoices and prior quarter unit adjustments are generated and stored in the accounts receivable subsidiary at the NDC detail level; NDC detail is supported by claim-level detail and manufacturer pricing as per CMS. All payments and accompanying details on Reconciliation of State Invoice statements (ROSIs) and Prior Quarter Adjustment Statements (PQAS), and disputes are also recorded and stored at the NDC detail level. GHS' rebate system enables the authorized user to post payments, apply disputes, and apply unit or price adjustments at the claim level or at the invoice line level.

[redacted]

Figure 99: [redacted]

FR3.15 The Vendor must provide a rebate dispute resolution process that complies with CMS Best Practices for Dispute Resolution and must meet all State and Federal requirements for pursuing recoveries in a timely manner.

GHS complies with the CMS Best Practices for dispute resolution in conjunction with State requirements to meet all State and Federal requirements when pursing recoveries. Collections of rebate receivables follow the CMS guidelines with late payment reporting and dispute management.

FR3.16 The Vendor must provide a method to extract claims and other documentation for NDCs that are in dispute.

eREBS Rebate Accounting solution tracks all activity when a dispute is entered by either the Manufacturer/Labeler through the Rebate Services Portal or the HFS designated staff. Upon entry of the dispute into the eREBS system, a ticket is generated and the process is started. All associated

documentation including but not limited to: copies of checks and supporting documentation, such as ROSIs and PQA detail (both paper and electronic), dispute resolution documents and research artifacts, emails, past due notices and labeler or pharmacy correspondence are maintained in accordance with the audit retention requirements of the State of Vermont. This information is made available in its original state for retrieval by Manufacturers/Labelers and rebate staff within the restrictions of their roles and permissions.

Dispute reporting is available in the Rebate Standard Reporting Suite in accordance with the assigned roles and permissions of the user. This includes dispute tracking reports used to monitor number of disputes, details of the dispute including unpaid units and dollars in dispute, history of activity and progress, dispute disposition and resolution details. The reports allow for better management of resources and assist in the prioritization of resolution activities. The reports can also be filtered to identify historical patterns of dispute activity by NDC or labeler level.

Claim level detail reports and extracts are available to the Manufacturer through the Rebate Services Portal along with invoices.

FR3.17 The Vendor must compare invoices to the Reconciliation of State Invoice (ROSI) returned by a manufacturer to determine which NDC and rebate amounts are in dispute.

eREBS payment posting process has an auto apply feature that applies payments to the invoice at the Program/Labeler/NDC/Quarter. The auto-apply feature mirrors the invoiced attributes. Changes made on the ROSI or PQA for disputes or pricing changes are applied by the user to balance the payment to zero. This process calculates in a grid based on invoiced units and rebate unit amounts that are unpaid. eREBS reporting module provides open balance reports that are on demand. Dispute tickets are open when the payment detail is posted.

When payments are posted at the summary level within eREBS, the Labeler balances are updated for quick reference within the application. This feature also supports the open balances summary total based on the selection criteria.

[redacted]

Figure 100: [redacted]

[redacted]

Figure 101: [redacted]

FR3.18 The Vendor will provide documentation, upon Department request, of its repeated efforts to resolve aged disputes.

GHS maintains documentation and artifacts of all dispute activities. Documentation will be made available for the Department upon request.

FR3.19 The Vendor must correct invoice records at the quarter and NDC level to support the dispute resolution process and log the updated amounts into its rebate management system.

eREBS generates invoices and prior quarter adjustments on a quarterly basis. The claims import logic looks at each claim and based on it status and the paid date, the claim is marked with an RPU Date which represents the quarter that the original claim was first paid. The first invoice receives an RPU Quarter cycle. Adjustment to the original claim in subsequent quarters are assigned the original RPU Quarter with an Invoice Quarter cycle that represents the actual quarter that the transactions were processed and sent to the Labeler for payment. The example below shows an Invoice Quarter of 20131 with RPU Quarters in the past for Prior Quarter Adjustments (PQAs) corrections. All of these processes are generated within the eREBS application. Accounting balances are automatically updated when the invoicing cycle is posted to the General Ledger.

[redacted]

FR3.20 The Vendor must maintain an automated drug rebate dispute tracking system. This system must track by labeler and NDC: the manufacturer name, manufacturer code, invoiced amount, invoiced quantity, manufacturer's paid quantity for the NDC, unpaid quantity (positive or negative), rebate amount per unit, unpaid rebate amount, dispute reason, interest owed, and quarter.

eREBS Rebate Accounting solution tracks all activity when a dispute is entered by either the Manufacturer/Labeler through the Rebate Services Portal or the HFS designated staff. Upon entry of the dispute into the eREBS system, a ticket is generated and the process is started. All documents, artifacts to include but not limited to: copies of checks and supporting documents, ROSIs and PQA detail both paper and electronic, dispute documents and research artifacts, emails, past due notices and dispute resolution documents and artifacts are maintained in accordance with the audit retention requirements of HFS. This information is made available in its original state for retrieval by Manufacturers/Labelers and rebate staff within the restrictions of their roles and permissions.

[redacted]

Figure 102: [redacted]

FR3.21 The Vendor must automatically recalculate the utilization for each disputed NDC for all manufacturers after all adjustments have been recorded and log the updated amounts into its online rebate management system.

The Goold eREBS application recalculates the utilization automatically when changing events are presented to the system through claim feeds, manual claim adjustments or invoice line adjustments. When quarterly invoices are generated and posted to the General Ledger, these changes automatically update the accounts receivable balances at the NDC quarter and generate Prior Quarter adjustment invoices to the Labeler for reconciliation.

FR3.22 The Vendor must, at least annually or as directed by the Department, attend and actively participate in CMS-sponsored dispute resolution meetings on behalf of, or in addition to, the Department's staff. Costs associated with Vendor staff attending such meetings will be the Vendor's responsibility.

Goold will attend and actively participate in a CMS sponsored dispute resolution meeting on behalf of, or in addition to, the Department's staff. Goold recognizes that associated costs to attend such meetings will be at their cost.

FR3.23 The Vendor must reconcile payments received from manufacturers with the amount invoiced by program, category code, quarter, and National Drug Code (NDC).

eREBS is a double-entry rebate accounting system. Upon posting of entries, records are posted to the appropriate Journal and General Ledger account.

[redacted]

[redacted]

[redacted]

Figure 103: [redacted]

- Final payment distribution is applied at the Program/NDC/Quarter and dispute and adjustment codes are applied.

[redacted]

Figure 104: [redacted]

FR3.24 The Vendor must maintain the original and corrected invoice information at the NDC level.

Invoices are presented in eREBS at both the Invoice summary level and NDC level by Invoice/RPU Quarter. Once the invoice is posted to the general ledger it becomes a permanent record and no changes can be made.

[redacted]

Figure 105: [redacted]

[redacted]

Figure 106: [redacted]

FR3.25 The Vendor must identify discrepancies between the rebate amount due and total amount paid to pharmacy (e.g., rebate amount exceeds amount paid). The Vendor must determine reasons for any discrepancy (e.g., pharmacy billing errors, CMS imposed manufacturer penalty) and resolve the discrepancy. The Vendor must log such resolutions in its online rebate management system.

[redacted]

[redacted]

Figure 107: [redacted]

FR3.26 The Vendor must calculate and invoice interest on unpaid quarterly manufacturer rebate amounts in accordance with Federal notifications. The Vendor must report interest invoicing separately from rebates.

Interest is calculated within the eREBS application based on the CMS formula. An on-demand report is available to send to Manufacturers/Labelers of all overdue rebates by Labeler and Quarter and Program. Interest is calculated as of the day the report is run.

[redacted]

Figure 108: [redacted]

Within the application interest is calculated based on the current date. Total interest paid to date is also available. This screen shows disputes and status on the unpaid NDCS.

Figure 109:

Reporting interest paid is reported on monthly cash reconciliation reports.

Figure 110:

FR3.27 The Vendor's manufacturer drug rebate management system must house and maintain data by program, category codes, quarter, NDC, and claim including, but not limited to:

a. Listings of manufacturers participating in the Federal manufacturer drug rebate program
b. Federal unit rebate amounts for the Department's Medicaid program
c. Supplemental rebate amounts
d. State-only rebate amounts
e. Rebate invoiced claims data including physician and outpatient hospital administered drugs paid by the Department and pharmacy prescriptions paid by the Vendor's POS claims processing system
f. Rebates received

g. Pre-invoicing adjustments to unit rebate amounts and utilization
h. Recalculated invoice amounts based on data submitted from manufacturers
i. Manufacturer invoices
j. Prior period adjustments
k. Manufacturer disputes
l. Dispute resolutions and utilization adjustments supporting dispute resolution

A.
The Goold Rebate Administration application is used to manage all Manufacturer/Labeler demographics that support the Rebate processes.

[redacted]

Figure 111: [redacted]

B.
The Federal unit rebate amounts (RPUs) are received quarterly by GHS through the approved CMS Portal. These pricing files are then imported into the GHS rebate pricing file. Pricing includes current and updates to prior quarter pricing when applicable. Quarterly invoicing uses the GHS pricing file for current invoices and prior period adjustments. Upon completion of the invoicing process, these prices become part of the permanent record for the quarter and are stored in eREBS for reference.

Figure 112:

C.

D.

E.

All claims are import into the Rebate system and sorted based on the business rules. Claims are maintained to support the invoicing process. Claims are available for export through eREBS and the Manufacturer Portal through roles and permission. Claim import include all sources, Pharmacy, Medical Jcode, MCO or any other third party claims that the State receives rebates for through Federal and State-only programs.

Figure 113:

F.

Rebate payments received are processed in eREBS and stored as data linked to the NDC/Program/Quarter. Paper documents are scanned and index along with electronic copies delivered by the Manufacturer or third party when applicable.

G.
Pre-invoicing adjustments are store in eREBS and used to calculate invoices. Artifacts used to determine edits are stored for audit purposes and backup for invoicing decisions. Adjusted claims are maintained in eREBS and linked to the invoiced NDC/Program/Quarter.

H.
Updated information provided by a Manufacturer is stored in Rebate Admin and eREBS for use in the invoicing process. Updates are applied to the next quarters invoicing cycle once a current quarter has been delivered and closed. Artifacts are stored for audit purposes and backup for invoicing decisions.

I.
eREBS maintains the full data set used to calculate and create quarterly invoices. PDFs are created for each quarterly invoicing cycle for all programs and stored for easy retrieval and review. The Rebate Services Portal (Manufacturer Portal) makes invoice available for the Labeler to download in both PDF and CMS .TXT formats.

J.
Prior Period Adjustments (PPAs) from CMS pricing updates to prior quarters are applied during the invoicing cycle that the price is provided. PPAs are used to update the price of a prior quarter when the invoices are created. In accordance with CMS guidance, the PPA is not included on the quarterly invoice. PPAs post to the account receivable and reconcile when payment is made by the Labeler (note: adjustment code of A is used on the PQA at the time of payment). Data is stored in eREBS as part of the invoicing line items.

In the example below a PPA is marked with an Adjustment Reason Code – P:

[redacted]

Figure 114 [redacted].

K.
Manufacturer disputes are sent with payment documents and identified at the Program/NDC/Quarter. Upon posting the payment the dispute is added and a ticket is generated using the code provided by the Manufacturer. All dispute documents, communication and artifacts are maintained for research and audit purposes.

[redacted]

Figure 115: [redacted].

L.

Manufacturer dispute resolution documents upon sign-off by the State are scanned and index for storage and available for retrieval upon request. Upon resolution, the adjustment is made in eREBS with a posting journal comment that indicates the agreement. Once adjustments are completed a PQA is created in the next quarterly invoicing cycle and posted to the Accounts Receivable Journal. Payment or refund is then reconciled within eREBS to close the dispute.

FR3.28 The Vendor's manufacturer drug rebate management system must have functionality to maintain complete records of all rebate data and transactions.

[redacted]

Figure 116: [redacted]

- eRebs double entry rebate accounting application

[redacted]

Figure 117: [redacted]

[redacted]

- Rebate Services Portal (RSP) Manufacturer Portal
  - Electronic invoice retrieval
  - Claim level detail retrieval
  - Post payment detail and upload ROSI and PQA payment documents

[redacted]

FR3.29 The Vendor's manufacturer drug rebate management system must provide online access for Department-designated staff.

Goold Portals are designed to allow access through roles and permissions. State access can be granted to the applications with read only rights as defined during the JAD sessions.

FR3.30 The Vendor's manufacturer drug rebate management system must retain rebate records conforming to Federal regulations and notifications or as otherwise specified by the Department.

The rebate data is collected and maintained in accordance with Federal regulations and notifications. GHS maintains a library of documentation supporting the Rebate system with State approvals and documented Standard Operating Procedure and user manuals.

FR3.31 The Vendor's manufacturer drug rebate management system must have functionality to age the accounts.

The rebate system is data driven with posting and deposit dates recorded allowing for aging reports.

GHS notifies manufacturers that invoices are overdue by the 38th calendar day from the postmark date. eREBS maintains an accounts receivable system to track all paid and unpaid invoices and adjustments. The system generates a report of labelers who have not paid their invoice within 37 days of the postmark date. Late notices are generated and sent to the Labelers who are not in compliance with CMS payment timelines.

[redacted]

Figure 118: [redacted]

[redacted]

Figure 119: [redacted]

FR3.32 The Vendor's manufacturer drug rebate management system must have functionality to apply adjustments for any given time period.

[redacted]

[redacted]

FR3.33 The Vendor's manufacturer drug rebate management system must have functionality to allow multiple select keys and sort preferences including, but not limited to *a. by manufacturer* *b. by year/quarter* *c. by type of rebate* *d. by program or category code* *e. claim level*

The eREBS application provides filters and selection and sort preferences functionality. Additional search criteria can be applied with the Filter tool allowing the user granular detailed searches. Search results can be extracted to Excel.

[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

FR3.34 The Vendor must provide automated audit trails to document, identify, and track chronological records and transactions throughout the Vendor's systems including, but not limited to, additions, deletions, and changes to:

a. Original rebate invoices
b. Rebate interest billing
c. Pre-invoicing adjustments
d. Rebate write-offs
e. Prior period adjustments
f. Rebate accounts receivable and balances
g. Dispute resolution

The rebate applications provide automated audit trails. Each record is marked with date and time stamps, user credentials and recorded in General Ledger posting journal. Other auditing reports are available upon request and will be further reviewed during the DDI phase of the contract.

[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

[redacted]

Figure 120: [redacted]

[redacted]

Figure 121: [redacted]

[redacted]

Figure 122: [redacted]

[redacted]

Figure 123: [redacted]

FR3.25 The Vendor must import into its manufacturer drug rebate management system all historical quarterly rebate data available from the Department's current rebate Vendors.

[redacted]

[redacted]

FR3.26 The Vendor must assume all administrative and management tasks associated with rebates for historical quarters as well as future quarters occurring during the Contract.

GHS understands the responsibilities involved with the post migration administration of the Drug Rebate program. Currently the GHS rebate support team manages these functions for Georgia, Wyoming, Iowa and Mississippi Supplemental Rebates.

Upon completion of the data migration and receipt of electronic and paper copies is applicable, GHS will review open disputes. A standard operating procedure will be written for the Vermont dispute resolution process and presented to the Department to review and approve. GHS follows the CMS and State policies in collecting rebates.

FR3.27 The Vendor must generate and transmit to CMS a file of all manufacturer rebate invoices quarterly as required by CMS. This will include, but not be limited to, original invoices, interest amounts, prior period adjustments, and adjustments resulting from resolved disputes.

eREBS invoice processing steps provides the ability to create the quarterly CMS utilization data extract file. This process creates a utilization file for all NDCs and units for the quarter in the required CMS format. Data included in the extract are records for OBRA, JCODE and Managed Care (MCO when applicable). After the file is created, it is ready for upload to Gentran, the current CMS ftp site, by the State or contracted agent to CMS. If the State does not have a Gentran ID, the file will be sent to a 3rd party to convert and store on a media type that is accepted by CMS.

[redacted]

Figure 124: [redacted]

FR3.28 The Vendor must provide quarterly drug rebate information in a form compatible for the Department's submission of the Quarterly Expense Report of the Medicaid Budget and Expenditure System (CMS-64) reporting requirements on or before 15 days following the close of a quarter's end.

eREBS Reporting Module standard reporting provides drug rebate collection reports including the detailed used for the 64.9R report generation. Reports are generated on-demand. The internal rebate accounting team will prepare the 64.9R reports for the Department with backup documentation and present it on or before the 15th day following the close of a quarter.

[redacted]

Figure 125: [redacted]

FR3.29 The Vendor must deliver operational rebate reports to the Department within two business days after the reporting period or as otherwise specified by the Department. The Vendor must provide reports online for the Department-designated staff in downloadable versions of Microsoft® Excel or other Department-specified format.

General Ledger posting in the eREBS system provides up to date invoicing, cash and adjustments for all reporting needs. Reporting is transaction and date specific which allows for accurate reporting after a month/quarter/year closes. Reports are exportable to standard formats to include Microsoft Excel, Work, PDF, XML and CSV.

GHS will work with the Department to document reports and delivery dates needed to designated staff online.

FR3.30 The Vendor's online manufacturer drug rebate management system and operational rebate reporting functionality must separately report manufacturer rebate payments by:

a. Quarter
b. Program
c. Rebate type (e.g., Federal, State, Supplemental)
d. Drugs crossed-walk from Healthcare Common Procedure System (HCPCS) codes to NDCs by the Vendor (i.e., practitioner and outpatient hospital claims for physician-administered drugs
e. Prescription claim level
f. f. Funding Source

Search screens provide the ability to search based on Rebate Type (Program), Invoice Quarter, Rebate Quarter (RPU QTR), Labeler, NDC, Dispute Code, Dispute Status or Dispute System ID.

[redacted]

Figure 126: [redacted]

GHS maintains an extensive drug crosswalk for HCPCS (JCODE) to NDC combinations and conversion factors when applicable. Reports are run prior to invoicing to identify potential combinations to research and add prior to invoicing.

[redacted]

Figure 127: [redacted]

[redacted]

Figure 128: [redacted].

Parameter driven reports are available through eREBS Reporting module. Reports are on-demand with the ability to limit or expand the selection criteria based on report needs.

[redacted]

Figure 129: [redacted]

Funding source reports will be included in the eREBS reporting suite. GHS will work with the Department to identify specific funding source criteria for reporting.

[redacted]

Figure 130: [redacted]

FR3.31 The Vendor must provide pre-invoicing quality control, operational reports to the Department prior to invoicing manufacturers quarterly. Reports will include, but are not limited to, NDCs for which:

a. Rebate amounts exceed total reimbursement plus payment from other insurers
b. Rebate amounts exceed quarter-over-quarter variability thresholds (e.g., +/- 15%)
c. Pre-invoicing adjustment amounts have been made by the Vendor
d. Zero rebate amounts are listed on the CMS file
e. Reimbursement has been made by the Vendor but the NDC is not found on CMS rebate file

GHS has an extensive pre-invoicing quality control process.

Partial list of quarterly staff assignments:

[redacted]

[redacted]

Figure 131 [redacted]

[redacted]

Figure 132: [redacted]

[redacted]

Figure 133: [redacted]

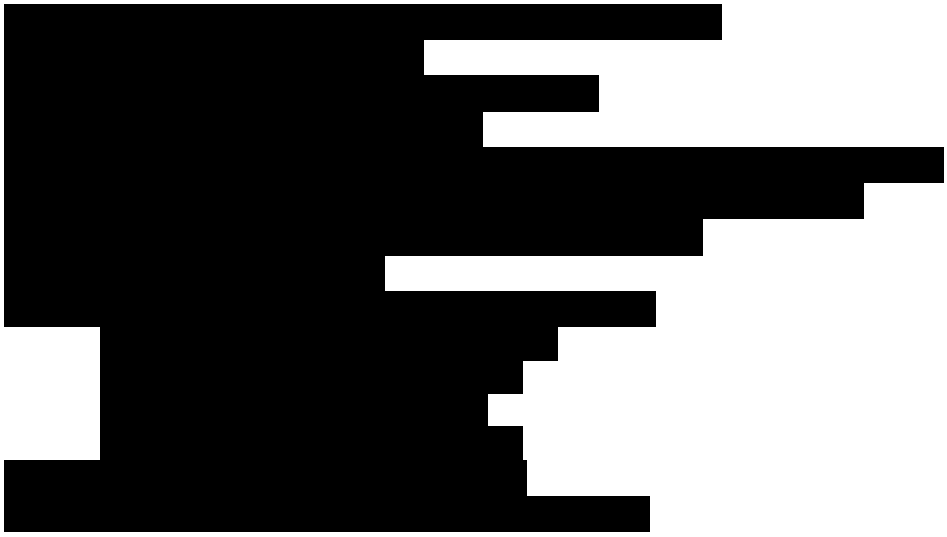
[redacted]

Figure 134: [redacted]

Detailed reports are also provided for all claims that are excluded for review. These reports are available for export to Excel or CSV.

FR3.32 The Vendor must reconcile drug rebate data with the Department's fiscal records monthly, quarterly, and annually. Such efforts must include detailed reports that identify adjustments, unit amount rebate changes, write-offs, and other accounting transactions that impact the Department rebate reporting.

GHS performs monthly, quarterly and annually reports for all rebate contracts. Standards reports are included in the eREBS application. During the DDI phase of the contract Department specific reports will be identified and reviewed for addition to the current reporting suite.



FR3.33 The Vendor must provide operational rebate reports, in a format and schedule agreed upon and approved by the Department, which track:

a. Rebate recoveries
b. Current reporting period disputes by manufacturers with aged disputes for previous quarters
c. Adjustments and recoveries resulting from dispute resolution activities
d. Pre-invoicing adjustments, unit rebate amount changes, write-offs, and other accounting transactions
e. Current and past accounts receivable by manufacturer
f. Interest billed and collected
g. Feasibility determinations of rebate write-offs
h. Amount rebated compared to amount paid by quarter, manufacturer, and NDC

GHS will provide operation rebate reports in a format and schedule agreed upon and approved by the Department. The eREBS reporting suite provides a variety of reports that cover all aspects of Rebate. Reports not covered by the current suite will be identified during the DDI phase and added to the suite of reports.

[redacted]

Figure 135: [redacted]

FR3.34 The Sovereign States Drug Consortium (SSDC) is a Medicaid supplemental drug rebate program that allows participating states to pool their prescription utilization numbers to obtain supplemental rebates from pharmaceutical manufacturers. The Vendor must administer the Supplemental Rebate program on behalf of the State, including participating in all required activities with the SSDC and its designees, and identifying and implementing opportunities with the SSDC to maximize the supplemental rebate amounts returned to the State.

GHS has served as the SSDC's supplemental rebate negotiator since 2006. In this role, GHS negotiates manufacturer supplemental rebate offers on behalf of the pool and its member states. Additionally, GHS provides administrative functions, including compilation and reporting of member states' drug utilization data, solicitation of supplemental rebate offers, analysis and reporting of offers to states, and communication to drug manufacturers.

GHS is committed to serving these States and Vermont to maximize the supplemental rebates for the States.

GHS has a longstanding relationship with the State of Vermont. Vermont was one of the founding SSDC states, along with Iowa and Maine. GHS has served as the SSDC vendor since this relationship began. The Department has come to know GHS' approach to negotiating supplemental rebate agreements with manufacturers on the state's behalf and presenting the Department with multiple options for consideration for their PDL. As the clinical vendor, GHS will continue to provide this level of support, while at the same time, expanding our role to provide clinical guidance, as well as pharmacoeconomic guidance, when considering supplemental rebate agreements and PDL placement of drugs. GHS will

provide a clinical pharmacist to support the Department staff and its designees during the rebate negotiation process and the annual SSDC meeting. These combined resources will help Vermont in making well informed decisions regarding rebate offers and PDL placement of drugs.

As the current administrative vendor for the SSDC, GHS is uniquely positioned to provide ultimate coordination between the pool and the State. GHS, in its role as SSDC administrator, strives to provide all participating states with a high level of service and information during the annual negotiation period, the annual SSDC meeting, post-meeting follow-up and throughout the year (including soliciting, negotiating, analyzing and communicating recommendations on new drug offers). There are additional, significant synergies, however, in having GHS also serve as the State's PBM vendor.

GHS' SSDC contract negotiation team is directly involved (in fact, a part of) the GHS Clinical Team. While all SSDC member states benefit from the integration of the financial and clinical evaluations provided by GHS, the coordination of these evaluations with the State's P&T and DUR strategy and activities ensures that the State realizes the full value of these services. Additionally, having GHS serve as the State's PBM enables real time monitoring of utilization and identification of issues and opportunities that might be addressed, or impacted by, SSDC negotiations and contracting.

FR3.35 The Vendor must support the State in its engagement with the SSDC and its PBM Vendor as the SSDC negotiates supplemental rebates with manufacturers. This support includes, but is not limited to:

a. Provide utilization and rebate modeling analytic capabilities

b. Provide the necessary utilization, URA, and other data files on a timely basis as required by the SSDC

c. Make recommendations and submit all potential rebate arrangements to the Department for approval prior to acceptance

d. Perform modeling that incorporates rebate data and determined net cost to the Department associated with individual PDL decisions for a drug

d. Participate along with State staff and/or represent the Department in all SSDC meetings, conference calls, and other venues during which rebate business is conducted

Provide utilization and rebate modeling analytic capabilities

Prior to the annual SSDC meeting, GHS provides member states with net cost models for classes that include supplemental rebate offers. In addition to supplemental rebates, the models incorporate state-specific utilization with Federal rebates, allowable maximum cost (SMAC, FUL), pricing and actual and calculated state reimbursement to provide the average net cost per prescription (or course of treatment) for drugs within a therapeutic group. These models also facilitate the estimation of the impact of PDL decisions on market share, gross pharmacy reimbursement, rebates and, by extension, net expenditures.

As a full PBM client of GHS, Vermont would receive these cost models (including for classes with no supplemental rebates) not only prior to the SSDC meeting, but throughout the year in preparation for, and presentation at, its DUR Board meetings. With real time access to state utilization and reimbursement data, GHS will be able to provide timely state-specific analysis of therapeutic drug classes, enabling us to work with the state to more readily identify cost saving opportunities beyond that provided by supplemental rebates.

Provide the necessary utilization, URA, and other data files on a timely basis as required by the SSDC

As the full PBM for the State of Vermont, GHS will establish regular data feeds with the State so that up-to-date utilization, URA and other pertinent data are available in the GHS data ware house. Many of these data exchanges are already in place for the existing scope of work provided by GHS to the State of Vermont and the SSDC. These data will allow the GHS analysts to prepare a full suite of reports for the State of Vermont in preparation of the annual SSDC meeting as well as anytime interim offers are submitted by drug manufacturers. As the current SSDC vendor, GHS is aware of the reporting schedule required by the member states of the SSDC to aid in their SR offer decisions.

Make recommendations and submit all potential rebate arrangements to the Department for approval prior to acceptance

GHS will provide state-specific analysis for all offered drugs submitted during the annual session as well as offers received throughout the year. GHS will ensure that the recommendation clearly outlines any conditions attached to the offer. GHS will work closely with manufacturers to convey and negotiate State specific PDL conditions on behalf of Vermont. GHS will track and report the contact name and date and outcome of those negotiations to ensure that the State has the information available in the event that a dispute arise at a later date. At the end of each offer session GHS will send Vermont a customized report that includes NDC level offer details for each offer previously accepted by Vermont for final approval prior to processing Supplemental Agreements. Typically, new offers that fall outside the annual review process are presented to the state on a weekly basis. In addition to the terms and conditions of the contract and the formula used to calculate the supplemental rebate amount, as the full PBM, Goold will also provide a recommendation to the Department as to whether to accept or reject the offer based on the clinical and financial merits of the drug(s). Part of the recommendation will include State-specific PDL market basket change impact analysis.

Perform modeling that incorporates rebate data and determined net cost to the Department associated with individual PDL decisions for a drug

GHS will provide complete financial modeling scenarios for the therapeutic categories identified for discussion. The models will include separately, identified CMS and supplemental rebates and the resultant net drug costs. The model will demonstrate the financial impact to the class and allow for changes in drug mix, pricing assumptions and market share shifts. We will provide recommendations to the Department that were derived from the financial modeling results.

GHS will provide supplemental rebate negotiations and savings analyses of specific drugs/drug categories on a mutually acceptable schedule. We will present estimated savings in a manner agreeable to the Department. This will involve estimations based on both current and projected utilization. We can also apply estimated costs to anticipated prior authorizations in each class so that the Department can consider the net return on investment of its PDL design. Depending on the Department's preference, we can present a simple summary version of estimated savings within each class, reflecting shifts in market share utilization, average blended net cost per unit, and supplemental rebates. These summaries can accompany the more complex analysis that incorporates all the utilization, including that of minor drugs.

It is important for the model to emphasize that the sum of SR dollars or the percent of the drug budget that they represent are not necessarily the best indicators of success. The best indicator is net cost. The Department should judge the success of the PDL design and strategies by how well its net cost trends are controlled over time. Accepting big SRs on very expensive drugs may give an extremely misleading impression of how well the negotiator has done. Overpriced drugs need to give oversized rebates just to

reach price parity with best-priced drugs in many classes. The financial models will try to highlight these situations to the drug review committees.

GHS will review equally effective and therapeutically valuable drugs on a net cost basis in order to formulate recommendations to the Department. In cases where there is no historical rebate data that will allow net cost computations, we will use estimations based on our understanding of WAC and its relationship to AMP, especially for brand drugs.

Of course, pharmacoeconomic information is not the only factor that must be considered when making PDL decisions. As the full PBM vendor, in addition to pharmacoeconomic data, GHS will also act as a trusted partner to also bring to light the relevant clinical ramifications that must be considered as well. In some cases, medical claims data and clinical information will be presented and reviewed prior to making recommendations on the PDL placement of a drug. It does little good to make a recommendation that saves money in one category but increases expenditures in another. That is why GHS takes a holistic approach to guiding clients through new SR offers and PDL changes. GHS will take into account the big picture of the Medicaid program when making recommendations to the Department.

Participate along with State staff and/or represent the Department in all SSDC meetings, conference calls, and other venues during which rebate business is conducted

GHS' Vermont staff will participate with State staff or, at the state's discretion, represent the Department in all SSDC-related meetings and calls. While there are clearly synergies in having GHS, the SSDC rebate negotiation vendor, serve also as the State's PBM, participation/representation by GHS' Vermont staff at SSDC-related meetings will be solely on behalf of the state; GHS' rebate negotiations team will separately represent GHS at SSDC meetings. This provides additional assurance to the state that it's best interest are being fairly represented by staff members with detailed knowledge of the Department's procedures and initiatives. At the same time, GHS' SSDC team will work closely with GHS' Vermont team to facilitate and optimize all activities related to supplemental rebates.

FR3.36 The Vendor must work with the SSDC and its PBM Vendor to support the State in administration of the supplemental rebate program. This support includes, but is not limited to

1) *Calculate, prepare and issue manufacturer invoices*
2) *Work with manufacturers to obtain fully executed supplemental rebate agreements (SRA)*
3) *Work with the Department on any needed revisions to the SRA annually*
4) *Track, reconcile, resolve all collections, disputes, adjustments*
5) *Provide all required reporting and analysis*
6) *Perform other administrative duties as defined by the State*

Calculate, prepare and issue manufacturer invoices

Goold eREBS application will be used for all quarterly invoicing including Supplemental (SR) and Special Rebates such as Durable Medical Equipment (DME). The application allows the user to establish invoicing business rules specific to SR and DME and creates invoices that reflect the contracted supplemental terms on the invoice.

[redacted]

[redacted]

Work with manufacturers to obtain fully executed supplemental rebate agreements (SRA)

[redacted]

Rebate Admin facilitates the generation of Supplemental Rebate and DME rebate Agreements by allowing contract management staff to enter manufacturer corporate information and the associated labelers, which is critical information to ensuring accuracy according to the manufacturer defined associations.

Rebate Admin Key Features include:

[redacted]

GHS recognizes the importance of having fully executed supplemental rebate agreements in place in a timely manner. Our relationships with drug manufacturers and workflow processes help ensure that SRAs are signed and fully executed at the same time or before PDL changes become effective. The contract/negotiations team will work directly with the manufacturers for all aspects of the supplemental rebate agreements, including outreach to manufacturer on a weekly basis for any overdue SRA returns. GHS will provide VT with a weekly contract status update to identify where each SRA is in the signature process until all SRAS are fully executed. As the full PBM, GHS will have additional leverage in ensuring SRAs are fully executed. For example, if a manufacturer holds up the signature of a contract, or balks at the established terms and conditions, GHS can quickly and easily move that manufacturer's drug(s) from preferred status to non-preferred status on the published PDL and in the claims processor until the SRA is fully executed. We try to avoid these situations as much as possible; however, manufacturers tend to

respond very quickly to outstanding SRAs when their drugs are moved to a non-preferred position on the PDL.

Work with the Department on any needed revisions to the SRA annually

GHS will use its experience and knowledge of Medicaid supplemental rebate programs, the Medicaid Drug Rebate Program and rebate contracting to advise the Department on any modifications to the SRA that may be warranted by changes in the Department's initiatives, the law or the marketplace. In addition, GHS will work with the Department on writing and reviewing the specific SRA changes as well as in the submission of the revision to CMS and response to those agencies inquiries.

Track, reconcile, resolve all collections, disputes, adjustments

The GHS eREBS tool is a double entry accounting system used for rebate collections, reporting, dispute tracking, progress and resolution. Adjustments and disputes are captured and recorded when ROSI or PQA payments are posted by GHS staff into the electronic rebate system (eREBS).

When the labeler disputes the quantity, the Rebate Specialist generates an internal claim level detail (CLD) report, reviews the claims to identify outliers that might be responsible for a unit discrepancy using State approved business rules and works with the labeler until the dispute is resolved.

eREBS allows users to make any necessary adjustments to both current and historical utilization balances once the dispute resolution is reached and generates a PQA invoice to the manufacturer for account reconciliation.

All supplemental rebate contract related disputes will be researched and the State will be provided with a recommendation for resolution. In conjunction with our pricing file, eREBS will accommodate retroactive SR and DME rebate prior quarter pricing and/or utilization adjustments.

Provide all required reporting and analysis

As stated previously, as the current SSDC vendor, GHS has a good understanding as to the depth and breadth of reporting and analysis the State of Vermont desires when considering SRAs and PDL decisions. GHS will work with the State upon contract award to develop any other reports the Department views as necessary to make decisions related to SR offers and PDL placement of drugs.

Perform other administrative duties as defined by the State

GHS is prepared to perform any additional administrative duties that are required by the State to ensure an effective and well run supplemental rebate program.

FR3.37 The Vendor will maintain those data systems used to calculate the Supplemental Rebates. In the event material discrepancies are discovered, the Vendor will promptly make an appropriate adjustment, which may include a credit as to the amount of the Supplemental Rebates or a refund to Manufacturer.

Goold maintains all data in its original state with effective dates and audit trails. Upon discovery of material discrepancies corrective actions will be taken and updates will be applied to the rebate process. Invoices will be generating in the next cycle to correct the Supplemental Rebates due to the State or Manufacturer.

FR3.38 The Vendor shall maintain electronic claims records for the most recent four quarters that will permit the Manufacturer to verify through an audit process the supplemental rebate summaries.

Goold maintains all claims in the eREBs application for all invoices quarters to include the most recent four quarters. Supplemental claims are available for Manufacturers to export through the Rebate Services Manufacturer Portal (RSP).

1.3.2 Support of Multistate Supplemental Rebate Consortium

It is the intent of the State to receive supplemental rebates, in addition to the CMS Rebates received under the Medicaid Drug Rebate Agreement, pursuant to Section 1927 of the Social Security Act (42 U.S.C. § 1396r-8), for the manufacturer's supplemental covered product(s) quarterly utilization in the State's Medicaid programs in which there is Medicaid federal financial participation.

The State participates in the Sovereign States Drug Consortium (SSDC) a multi-state purchasing pool. The SSDC uses a multi-state administered collaboration to create a pharmaceutical purchasing pool. The pool focuses on negotiating and acquiring rebates supplemental to federal Medicaid rebates from drug manufacturers. At the same time, the SSDC preserves each State's ability to manage its pharmacy benefit by customizing its own Preferred Drug List and Prior Approval programs. The SSDC has procured a vendor who provides the following drug rebate procurement related services:

- ☐ *Compile drug utilization data as part of the annual bid procurement.*
- ☐ *Rebate bid solicitation from drug manufacturers for annual review*
- ☐ *Bid compilation and presentation to the SSDC members.*
- ☐ *Rebate bid negotiation annually and as needed: Negotiation that may occur at the request of a Member State or States after bid review.*
- ☐ *Bid selection notification to manufacturers*
- ☐ *General administrative functions in support of the rebate solicitation*

In general, States belonging to the SSDC leverage their collective lives and utilize Preferred Drug Lists for select high use, high cost drug classes. State members promote clinically appropriate alternatives that are the most cost-effective in the individual classes, and prefer products that have a low net cost to the State (e.g. generics and low net cost brands)

As part of the contract, the Vendor must support the State in managing the Supplemental Rebate program. The scope of Vendor responsibilities includes, but is not limited to:

- ☐ *Working with the SSDC vendor in conjunction with the State as necessary to administer the program*
- ☐ *Bid review and selection, determining the value proposition and advising the State on rebate acceptance*
- ☐ *Contract finalization with manufacturers*
- ☐ *Rebate invoicing, collections, dispute resolution, and reporting*
- ☐ *Clinical management*
- ☐ *development of clinical criteria in support of its PDL*
- ☐ *managing changes to the PDL as a result of negotiations*
- ☐ *Representing the State at all meetings where rebate business is conducted*

The Vendor must describe their approach to managing the State Supplemental Rebate program and maximizing the benefit to the State from participation in the SSDC.

As the current negotiating vendor for the SSDC, GHS currently provides administrative support to 4 SSDC member states. Administrative support includes clinical and financial recommendations, reporting, financial modeling and contract management. GHS is well prepared to provide administrative support to Vermont for any SSDC related activities in addition to what is currently being provided in the capacity of the SSDC vendor.

Working with the SSDC vendor in conjunction with the State as necessary to administer the program

Many synergies will be realized by having GHS serve as both the SSDC vendor and the full PBM. For one, the Department will be presented with a much wider holistic view of implications of submitted SR offers. Secondly, GHS will be able to take the decisions from the Department and run the full process of executing the contracts and programming the claims processor so that the claims pay according to the contracts. Not only will control over all these aspects of the PMB create synergies, they will also create a level of quality assurance that will ensure that the claims processor, the PDL and the terms and conditions of the contracts are all in unison.

Bid review and selection, determining the value proposition and advising the State on rebate acceptance

GHS will provide state-specific analysis for all offered drugs submitted during the annual session as well as offers received throughout the year. GHS will ensure that the recommendation clearly outlines any conditions attached to the offer. GHS will work closely with manufacturers to convey and negotiate State specific PDL conditions on behalf of Vermont. GHS will track and report the contact name and date and outcome of those negotiations to ensure that the State has the information available in the event that a dispute arises at a later date. At the end of each offer session GHS will send Vermont a customized report that includes NDC level offer details for each offer previously accepted by Vermont for final approval prior to processing Supplemental Agreements. Typically, new offers that fall outside the annual review process are presented to the state on a weekly basis. In addition to the terms and conditions of the contract and the formula used to calculate the supplemental rebate amount, as the full PBM, Goold will also provide a recommendation to the Department as to whether to accept or reject the offer based on the clinical and financial merits of the drug(s). Part of the recommendation will include State-specific PDL market basket change impact analysis.

Contract finalization with manufacturers

[redacted]

Rebate Admin facilitates the generation of Supplemental Rebate and DME rebate Agreements by allowing contract management staff to enter manufacturer corporate information and the associated labelers, which is critical information to ensuring accuracy according to the manufacturer defined associations.

Rebate Admin Key Features include:

[redacted]

[redacted]

[redacted]

Figure 136: [redacted].

[redacted]

Figure 137: [redacted].

GHS recognizes the importance of having fully executed supplemental rebate agreements in place in a timely manner. Our relationships with drug manufacturers and workflow processes help ensure that SRAs are signed and fully executed at the same time or before PDL changes become effective. The contract/negotiations team will work directly with the manufacturers for all aspects of the supplemental rebate agreements, including outreach to manufacturer on a weekly basis for any overdue SRA returns. GHS will provide VT with a weekly contract status update to identify where each SRA is in the signature process until all SRAS are fully executed. As the full PBM, GHS will have additional leverage in ensuring SRAs are fully executed. For example, if a manufacturer holds up the signature of a contract, or balks at the established terms and conditions, GHS can quickly and easily move that manufacturer's drug(s) from preferred status to non-preferred status on the published PDL and in the claims processor until the SRA is fully executed. We try to avoid these situations as much as possible; however, manufacturers tend to

respond very quickly to outstanding SRAs when their drugs are moved to a non-preferred position on the PDL.

Rebate invoicing, collections, dispute resolution, and reporting

GHS operates a fully compliant drug rebate management program in accordance with current state and federal guidelines, including the Omnibus Budget Reconciliation Act (OBRA) and *Health Insurance Portability and Accountability Act provisions. GHS provides transparent, full disclosure of all information involved in negotiation.*

GHS maintains CMS, supplemental, and other rebates in independent data sets, in a completely transparent manner, for all rebate service contracts we hold. This includes, among other features, independent invoicing, payment tracking, and dispute resolution. GHS manages rebates for many different program types. For example, we provide rebate services for the following types of benefit programs:

- Medicaid (OBRA);
- Medicaid Supplemental (SR);
- J-Code (Physician-administered drugs);
- Managed Care OBRA and J-Code;
- Durable Medical Equipment (DME);
- Aids Drug Assistance Program (ADAP); and
- Pharmacy Drug Assistance Program (PDAP).

Clinical management

GHS' staff of physicians and clinical pharmacists play an important role in the supplemental rebate program. The lead supplemental rebate negotiator, a clinical pharmacist, will work closely with the pharmacy account manager assigned to Vermont. This will ensure that relevant clinical information, as well as pharmacoeconomic information, is communicated to the Department when considering PDL changes and supplemental rebate offers. Throughout this process, GHS' physicians are made available to the client to answer questions and bolster the clinical considerations that should go into PDL decisions. For example, a hot topic lately has been the growth of new treatments for hepatitis C. All of these drugs are extremely expensive and can be budget busters for any state's program. GHS' staff of clinical pharmacists, along with our medical director, who is an infectious disease physician, have closely watched the emerging data and guidelines on these new treatments so as to effectively guide our clients in making sound PDL decisions. The result has been that Medicaid recipients have been able to have access to these expensive new treatments while at the same time, the States have been able to capitalize on supplemental rebates offered in addition to implementing clinical prior authorization criteria to ensure that those who use these new drugs are using them appropriately to maximize their benefits.

Another important area is mental health and substance abuse. Over the years, mental health drugs have dominated state budgets, and drugs of abuse have been easy targets for RetroDUR educational interventions. Our associate medical director, who is a board certified psychiatrist, have helped our clients adjust their PDLs in a way that states can take advantage of supplemental rebate offers submitted while also creating barriers to access to those who are substance abusers or who are using mental health drugs inappropriately.

Development of clinical criteria in support of its PDL

GHS has extensive experience in Preferred Drug List development and management. A key component of PDL development and management is the creating of clinical criteria to support it. GHS keeps this in mind throughout the PDL maintenance process. When developing supplemental rebate agreements, GHS often recommends clinical criteria and if approved by the Department, will build the criteria into the contract so as to get the manufacturer's buy in and prevent any kind of rebate dispute down the road. GHS also makes recommendations to our clients on PA criteria anytime new drugs are added to the PDL or when a class or drug is identified as being overused/misused. Most recently, GHS has recommended to clients PA criteria for the new hepatitis C drug, Sovaldi ahead of many commercial plans and the VA. This will help states reserve its use for those cases where use of other, less expensive drugs would not be beneficial at this time.

The GHS approach to PDL management is based on relative drug value (financial and clinical), knowledge-based forecasting, provider/patient disruption and transparency. GHS will utilize the extensive experience of its staff, along with its unique blend of clinical and analytical evaluation to identify which drugs should be recommended for placement on the PDL. These recommendations, along with the supporting clinical and financial information, will be presented to the DUR Board and the Department in a clear, concise, transparent fashion to ensure that optimal PDL decisions are made.

GHS is capable of providing any PDL reporting the Department may require, based on their specifications. GHS has a team of experiences healthcare data analysts in house who manage and support the Goold Analytics reporting solution, as well as preparing customized reporting and analysis. They are a key component of the overall Goold Analytics solution, providing knowledge, guidance, and consultation related to Medicaid pharmacy reference data and the construction of complex ad-hoc reports and long-term analysis.

The following is a sample list of PDL-related reports we produce on a scheduled basis for our current PBMS clients:

This suite of reports can be modified to meet the Department’s needs. During DDI, our clinical and analytic team will work with the State to understand the informational needs of the pharmacy staff so as to develop meaningful reports at time intervals that are most appropriate.

GHS has the tools, procedures, and staff in place to make all changes necessary to support criteria for PDL processing at the direction of the Department. GHS uses an internally developed and maintained software application to handle programming changes in the POS system. With each week's new drug reference file, new NDCs will be assigned a PDL status based on existing rules. These new NDCs with assigned status will be reviewed for accuracy by a GHS account manager and will then be loaded into the POS for claims processing. Anytime a drug changes status on the PDL, this same software application is used by GHS account managers to modify existing rules and PDL indicators. These updates are then communicated with the POS system so that claims are processed according to their PDL indicator. The process of applying system changes necessary to support the criteria for PDL processing is fully integrated with our suite of software services resulting in changes being applied quickly and efficiently.

Managing changes to the PDL as a result of negotiations

As the full PBM for the State of Vermont, GHS is in a terrific position to quickly make PDL changes as a result of SR negotiations. Any time an SR agreement affects the PDL position of a drug, the GHS pharmacy account manager can access our Goold PBSA application and make the necessary adjustments as to how a claim for that particular drug should be processed. Within the same business day, that change in status will be communicated with the Goold Rx 6.0 POS system so that claims will be paid appropriately. This change does not require a programmer or analyst; it can be done quickly and efficiently by the pharmacy account manager upon being notified of such a change from the Department.

It is common practice for the GHS pharmacy account manager to make PDL changes following SR negotiations and DUR meetings. Once final PDL decisions are made and approved by the Department, GHS will make all necessary changes to posted PDL documents and web lists to reflect the changes as a result of SR negotiations. Additionally, all programming changes will be made in the POS system as described above. By having GHS serve as both the SSDC vendor and the PBM vendor, there are multiple layers of quality assurance and checks to ensure that the PDL, the POS programming and the SR offers are all in sync.

Representing the State at all meetings where rebate business is conducted

GHS will provide the clinical pharmacy manager and other necessary resources (SR negotiating pharmacist, physicians, rebate manager etc.) at all meetings where rebate business is conducted.

1.3.3 340B Program Management

Vermont has participated in the federal 340B program since 2005, and has made substantial progress in expansion of the program. In 2010, the State encouraged enrollment of 340B covered entities made newly eligible by the Affordable Care Act and as a result of the Challenges for Change legislation passed in Vermont that year. Twelve of Vermont's fourteen hospitals are eligible for participation in the 340B program in addition to other covered entities in the state such as federally-qualified health plans. The State expanded its 340B program to encourage enrollment of both existing and newly eligible entities within Vermont and to encourage covered entities to "carve-in" Medicaid (e.g. to include Medicaid eligible in their 340B programs). There is no state requirement for covered entities to carve-in Medicaid, but if they do, the 340b acquisition cost of the drugs must be passed on to Medicaid. The 340B acquisition cost is defined as the price at which the covered entity has paid the wholesaler or manufacturer for the drug, including any and all discounts that may have resulted in the sub-ceiling prices.

The State established a shared savings program with participating covered entities that provides for the pass through of acquisition cost to the State. Entities who carve-in Medicaid receive a 340B dispensing fee, and based on a retrospective true-up process, share in the overall savings attributable to the program. The Vendor must comply with all federal 340B rules and regulations, and must implement a process by which 340B claims are excluded from rebate invoices processed for manufacturers. In addition, the State seeks support of the 340B program including tracking, invoicing, and financial reconciliation of the shared savings model, in addition to covered entity provider relations and support.

The Vendor must describe their approach to supporting the State in operating the program including, but not limited to administrative support, financial analysis, interacting with covered entities, invoicing, cost analysis, and other tasks as directed by the State.

GHS has experience with the retrospective true-up process. In the recent past, two Maine hospitals, Eastern Maine Healthcare and St. Mary's Hospital contracted with GHS for 340B process management. Currently the PBMS contract with Utah supports another 340B program. The State of Utah has contracted with the University of Utah to provide 340B services at the regular price and then rebates the State the difference allowing the State to end at 340B pricing through the retrospective true-up process.

The Wyoming PBM contract that GHS currently handles requires a Provider Management process. This process is used to assure that State Providers are licensed and that the demographics are up to date to include a 340B indicator based on the Provider NPI that is used to support claim payment on the Point-of-sale. This same model can be used as a template to support the Vermont 340B program. The preferred method for 340B management is at the claim level using the NCPDP Submission Clarification Code (420-DK) field in the claim segment of the billed claims. This indicates at the claim level that the pharmacy has determined that the product has been purchased under Section 340B if the Public Health Act of 1992.

In regards to the Rebate process for 340B claims, GHS uses a 340B table that identifies the NPI of the Pharmacies that claims are to be excluded for. If the State chooses to use the NCPCP Submission Clarification Code field at the claim level, the rebate rules would be updated to exclude at the claim first.

The GHS analysts support 340B reporting and analysis for all State contracts based on the Business processes and requirements. Cost analysis will be provided upon request along with other tasks as directed by the State.

1.3.4 Financial Management

As requested by the State, the Vendor must process financial gross adjustments to pharmacy payments, such as corrective actions identified from post-payment audit findings and other adjustments. The Vendor must describe their approach to managing financial adjustments and reversals.

The Goold Rx pharmacy POS claims adjudication system complies with the NCPDP standards for processing pharmacy claims submissions, using B1, B2 and B3 transactions. We are also capable of supporting the current standard for NCPDP batch transactions (version 1.1), which would be used to facilitate gross adjustments for multiple claims. Goold Rx offers the ability to run custom batches to conduct mass reversals and resubmissions with distinct criteria, such as only engaging the pricing module to correct payments or adjust dispensing fees. These batches will generate transactions that

include submissions for claim payment, claim reversal, and (when appropriate) claim resubmission which would include any changes or adjustments. This process provides a complete audit trail.

FR3.39 The Vendor must, as requested by the Department, process post-payment claim reversals for pharmacy claims, such as TPL adjustments and other adjustments.

GHS' pharmacy POS solution, Goold Rx, can perform individual and gross adjustments for pharmacies and/or the Department, as directed and within the timelines approved by the Department. GHS can also provide data extracts and reporting to facilitate the identification and remediation of gross adjustments.

FR3.40 The Vendor must, as requested by the Department, process financial gross adjustments to pharmacy payments, such as corrective actions identified from post-payment audit findings and other adjustments.

GHS will provide the ability, at the claim level, to reverse and resubmit claims for recoupment, upon receipt from the Fiscal Agent. GHS will update the paid amount of the claim through an agreed upon process. Financial gross adjustments will be processed upon receipt of data identifying claims to be adjusted and approval from the Department.

It is the understanding of GHS that the DVHA PBM RFP does not include the Fiscal Agent duties involving physical check issuance, bank reconciliation, and EFTs. GHS, as the PBM vendor, would responsible for pharmacy Point-of-Sale transactions and updates as received from the MMIS or the Department.

FR3.41 The Vendor and any SubVendors must cooperate with financial audits by Department staff, other State departments, the United States Department of Health and Human Services, State or Federal designees, or others authorized to perform audits relating to the work and deliverables rendered by the Vendor and any SubVendors. Vendor and SubVendor audit support must include, but is not limited to:

a. Enable read and copy access to files, documentation, and personnel including inventory control files, beneficiary eligibility files, preferred drug list , diagnosis files, provider master files, all pricing files, adjudicated claims file, all software and operating manuals, all documentation along with rules, regulations, memos, internal reports, training manuals, and detail design documentation

b. Enable access to computer resources including, but not limited to, all application programs and libraries, all system programs and libraries, the operating system along with job accounting and software

c. Notify audit staff within 24 hours of any changes made to computer programs and edit logic between processing runs related to audit activities

d. Provide the ability to retrieve and print claims

e. Provide the personnel and resources necessary for automated or manual sampling of claims and reference file data including the retrieval of historical data.

During the course of a formal audit, GHS will provide the following support to authorized auditors:

- Read and copy access to files, documentation, and personnel including inventory control files, beneficiary eligibility files, preferred drug list , diagnosis files, provider master files, all pricing files, adjudicated claims file, all software and operating manuals, all documentation along with rules, regulations, memos, internal reports, training manuals, and detail design documentation;
- Access to computer resources including, but not limited to, all application programs and libraries, all system programs and libraries, the operating system along with job accounting and software;
- Notifying audit staff within 24 hours of any changes made to computer programs and edit logic between processing runs related to audit activities;

- Providing the ability to retrieve and print claims; and
- Providing the personnel and resources necessary for automated or manual sampling of claims and reference file data including the retrieval of historical data.

Our business model is based on complete program and fiscal transparency. This includes communicating fully and openly with Department staff (and other public officials as directed). GHS maintains accounting records to properly reflect all direct and indirect costs and expenses for which payment is made under the contracts we hold. All GHS accounting records are maintained by project, by cost center (direct/indirect), and by account (category, e.g., travel). All accounting records are maintained in accordance with Generally Accepted Accounting Principles (GAAP). This allows GHS to readily meet any requirements regarding the maintenance of records for each contract, all of which are maintained separately and independently of other GHS accounting records. All accounting records are maintained in accordance with legal and regulatory guidelines and timeframes.

GHS hires a major accounting firm to conduct a financial audit of the company every year, as well as a SSAE 16 audit every other year. In recent years we've contracted with the firm Baker, Newman and Noyes as well as Lattimore Black Morgan & Cain (LBMC) to conduct our audits. GHS can provide a complete copy of any new audit, including the management letter, to the State after it is produced, if desired. GHS can also provide other financial documents, like balance sheets and income statements, to authorized Department staff on an annual and semi-annual basis.

1.3.5 Duel Eligible Demonstration

According to the email notification provided by the DVHA to potential vendors, Vermont has decided not to pursue the Duals Demonstration project. Therefore this requirement has been removed from the RFP response.

1.4 Additional Services

Additional Services are optional and should not be included in Template L: Cost Worksheets. Attachment G contains no detailed functional requirements detailing these services.

In the following subsection GHS describes our approach to successfully meeting all Functional Requirements of the DVHA Pharmacy Benefit Management Project specifically related to the planned single payer project. GHS understands that services related to single payer are optional, but we are prepared to work with the State on the single payer project to ensure the project's success.

1.4.1 Single Payer

The Vermont legislature passed Act 48 in May, 2011. The law recognizes the fiscal and economic imperative for Vermont to undertake fundamental reform of its health care system. Act 48 puts Vermont on a path to a single payer system. The State still needs to take additional steps to reach that goal. These include development of a financing plan that assures a single payer will cost less than the current system. There are a number of other initiatives that could become part of the State's single payer system, including a single state-wide formulary. The Vendor will be required to support Vermont's health reform plans to transition to a Statewide single payer health care system by 2017.

The Vendor must describe how they are positioned to support Vermont's health reform plans to transition to a Statewide single payer health care system by 2017. Vermont's ACT 48 can be found at: www.leg.state.vt.us/docs/2012/Acts/ACT048.pdf

GHS is well suited to assisting the state in its transition to a single payer system. Green Mountain Care, which is projected to be implemented in 2017 (pending approval of the appropriate waivers), has as its goal improving the health of the population, reducing the rate of growth in health care expenditures, enhancing the health care experience for both patients and providers and simplifying administration of health care. Green Mountain Care will assume responsibility for benefits and services paid for by federal programs, including Medicare and Medicaid.

GHS and its staff have experience in designing and managing single, consolidated Preferred Drug Lists for disparate patient populations, such as Medicaid FFS with stand-alone SCHIPs and Medicaid FFS with Medicaid managed care. These consolidated PDLs are designed to be comprehensive and clinically sound and to optimize expenditures for pharmaceuticals. In addition, they simplify the administrative burden on health care providers (by consolidating multiple PDLs into one) and patients (by reducing variability in drug access among different plans).

GHS' cost modeling and analytics enable us to project the financial impact of various PDL decisions on all aspects of the transaction:

- Initial payment by Medicaid, SCHIP, private insurance, etc.;
- Rebates, including the Medicaid national rebate and state supplemental rebates;
- Standard and line extension rebate offsets.

These models enable us to design PDLs that optimize the net cost of pharmaceuticals in a manner that is workable for the initial payer. This often requires extensive modeling due to the conflict, in many cases, of low reimbursement with low net cost, the result of the significant rebates available through the Medicaid Drug Rebate Program.

Our experience in managing single PDL programs such as these includes developing mechanisms to contract with pharmaceutical manufacturers across the programs affected by the PDL. This requires familiarity with the nuances of the Medicaid Drug Rebate Program, expertise in the negotiation and contracting of rebates (state supplemental, SCHIP, etc.) and a high quality rebate invoicing and collection process. GHS has significant experience in each of these areas.

Of course, a consolidated, financially-optimized PDL must also be clinically sound and designed to provide appropriate pharmacotherapy for the affected patient populations. Due to variations in the medical needs of patient groups, a Medicaid-SCHIP consolidated PDL may look quite different from a Medicaid FFS-managed care PDL or, as discussed in the previous response, a Medicaid non-dual/dual eligible PDL. Our clinical drug evaluation process, experience in working with these patient groups and understanding of appropriate drug utilization enable us to design consolidated PDLs that are clinically sound.

Another advantage sought by consolidating PDLs, such as we would propose for Green Mountain Care, is that a reduction in administrative burden – on providers, patients and the state. Having only one, instead of multiple, PDLs makes it easier for providers to prescribe drugs in a manner consistent with that PDL, reducing the number of prior authorization calls and the number of prescriptions that must be rewritten. The single PDL also facilitates a consistent pharmacy benefit for all patients and eliminates the need for changes in drug therapy resulting from patients moving across plans. It also enables pharmacy providers to more effectively manage purchasing and inventory by having one set of preferred drugs.

GHS' experience in developing and managing single PDLs consolidating different programs will further the Green Mountain Care project by meeting specific goals of that project – reducing the rate of growth of expenditures, improving the health care experience for providers and patients, simplifying administration and improving the quality of health care.

GHS has extensive experience in working with Part D plans and multiple formularies, including experience integrating with managed care formularies, which can be leveraged to allow us to uniquely support VT's plan to transition to a Statewide single payor system. Our ability to quickly develop complex models, account for all rebates and utilization shifts, will allow for modeling of different scenarios when designing the formulary. This will lead to a single formulary health care system that will have clinically effective DPL that is also cost effective. These models can take into account balancing the need for the State to be cost effective based on the net price of the drug against the need for other entities to be able to make value purchases.

GHS has automated tools to look at the impact of CMS and supplemental rebate and identifies the best options for the State. Our expert analysis and reports weigh various scenarios and models to look at the impact of many changes. GHS is familiar with potential impact of moving drugs back to a program where federal; rebates are collectable and can model the impact of that movement using financial models. GHS clinical staff are continually looking at the net cost of drugs, factoring in federal rebates, state supplemental rebates, rebate offset amounts and line extension considerations. GHS is a leader in researching routinely producing evidence based reports comparing the value of similar drugs, allowing consideration of the drug's clinical benefit relative to its cost.

2.0 Functional Requirements Approach Assumptions

Item #	Reference	Description	Rationale
1	1.1 Claims Processing	GHS is assuming that the Vermont current claims processing is compliant with all applicable state and federal laws, regulations prior to migration	Non-complaint processes will need deep evaluation prior to migration delaying the process
2	1.1.3 Provider Network Support	GHS is assuming that the Vermont Providers have access to the Internet for use of the GHS eWEBS Provider Portal	Providers that do not have Internet access will not be able to use the eWEBS portal for support functionality
3	1.2.3 Drug Utilization Review	GHS is assuming that the State will provide the requirements in adequate timeframe to develop processes to support implementing a PA process through the	New technology requires a scope of work, project plan and DDI to be successful

Item #	Reference	Description	Rationale
		EMR of PPM systems when available.	
4	1.2.5 Specialty Pharmacy	GHS is assuming that the needs of the Department will be met with the selection of Diplomat Specialty Pharmacy based on the research and requirements as identified in the RFP	Specialty pharmacies are growing in demand and GHS has done their due diligence in the selection process for the Department
5	1.2.9 Reporting and Analysis	GHS is assuming that the majority of the reporting needs for Vermont are standard to the industry	State and Federal laws and policies are common across the Medicaid industry
6	1.2.10 Quality Assurance	GHS is assuming that using the best practices in the industry will support the QA measure for the Vermont PBMS deployment	Best practices are acquired for use in the industry and documented for as a guideline for success
7	1.2.11 Medication Therapy Management	GHS is assuming that the Pharmacists and Members will participate in the MTM program to assure success	Participation of all parties is paramount to success of the program
8	1.3.1 Management of State and CMS Drug Rebate Programs	GHS is assuming that the prior vendor's system has a data structure that allows all data to be extracted to include dispute details	Historically rebate data from older systems is not complete from invoicing through the dispute process and reconciliation
9	1.3.3 340B Management	GHS is assuming that the State has adequate controls and documentation on the 340B Providers to assure accurate claims adjudication and rebates	Historically 340B programs have struggled with up to date provider information for claims adjudication and rebates

Section H – Non-Functional Requirements

The Non-Functional Requirements Matrix begins on the following page.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
General System Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A1.1	The System will be in compliance with the Health Insurance Portability and Accountability Act (HIPAA) privacy and beneficiary consent for release requirements, where applicable	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.2	The System will accommodate diverse populations of users including those with visual and hearing impairments, persons with low and moderate educational levels, and the elderly (Section 508 compliant) http://www.section508.gov/ and all similar State of Vermont policies	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.3	The System will accommodate diverse populations of users including those with disabilities and limited English proficiency as defined in section 504 of the Rehabilitation Act of 1973	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.4	The System will be designed and developed to support a 24/7 production environment and reporting system	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.5	The System will uniquely identify each beneficiary using both SS# and Unique ID number assigned by SoV Enrollment System	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.6	The System will uniquely identify each provider using both NPI and a system generated Unique ID	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.7	The System will have the capability to interact with other systems as needed to collect and report services and benefits provided to a beneficiary	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.8	The System will provide a mechanism to limit access to view/update information, based on user role, access rights and program rules	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.9	The System will have the capability to save and print all forms, reports, documents, screens, based on user role and program rule	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
General System Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A1.10	The System will automatically save information as users enter it.	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.11	The System will validate that all mandatory data fields have been completed when a user attempts to submit information	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.12	The System will inform the user of errors based on the validations performed	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.13	The System will allow the user to review and update information if there are correctable errors	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.14	The System will contain a "help" function on each screen as needed to provide users with instructions on how to perform functions, descriptions of data elements and/or other information	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.15	The System may provide access to "rules/regulations documentation" via the System for look up and reference in the relevant context of the screen/process.	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.16	The System will send alerts/notifications to users who (1) have subscribed to these types of notifications, (2) have consent to view the beneficiary 's data (3) have the correct access rights and (4) have a valid reason for viewing this data	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.17	The System will send notifications based on the preferences a beneficiary or user has indicated in their profile unless a specific delivery method is specified by policy (e.g., certain notifications must be sent via US postal mail, ADA compliant communication). Where possible, electronic delivery methods (email, SMS) will be selected.	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.18	The System will have role based access control at the data field level	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
General System Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A1.19	The System will have rules based access control and display information	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.20	The System will have a user interface written in English (including warnings, notifications and user prompts) free of grammatical errors and typos	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.21	The System will contain written language targeted to the average adult reading level (e.g., 6th grade level) Note: This applies to all languages	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.22	The System may provide the capability to check an individual's language indicator to include language specific text on notices, correspondence and other materials.	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.23	The System will maintain a record (e.g. audit trail) of all changes made to data in the System - system initiated changes or user initiated changes. This should be readily searchable by user ID, system ID or beneficiary ID. This must include but is not limited to: i. The user ID of the person who made the change or system ID if the change was system generated ii. The date and time of the change iii. The information that was changed iv. The data before and after it was changed v. The data source if the change was system generated	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.24	The System will record the date, time, and name of users viewing beneficiary information	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.25	The System will use industry standard taxonomy (ies) if relevant	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.26	The System will provide web pages with general information about Pharmacy Benefit programs to the general public without requiring a login	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
General System Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A1.27	The System will authenticate users before allowing access to functionality requiring a login	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.28	Provide Optical Character Recognition to convert appropriate paper documentation received through PBM System Operations into indexed, content searchable electronic format (e.g., claims and attachments, correspondence, provider information).	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements
A1.29	The State will have the final authority to hire/fire any contract staff working in state facilities	Y	A detailed response to this requirement is provided in RFP response section 1.0 A1-General System Requirements

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Interoperability-Integration Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A2.1	The System's interfaces will secure and protect the data and the associated infrastructure from a confidentiality, integrity and availability perspective.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.2	The System will be able to support Application to Application (A2A) synchronous and asynchronous messaging using web services. The messaging capabilities will be able to support a wide variety of A2A patterns including, but not limited to, the following: - Data look-up and retrieval - Data look-up with services provided by other applications - Simple bulk data transfer to/from other Systems.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.3	The System's interface infrastructure will continue to operate despite failure or unavailability of individual technology components such as a server platform or network connection.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.4	The System's interfaces must be scalable to accommodate changes in scale including changes in user population, transaction volume, throughput and geographical distribution. The System will be capable of making any changes to the interface data elements/layouts easily, and to test those changes.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.5	The System will implement, at a minimum, interfaces (both real-time or batch) with the systems requiring integration and data sources listed in Table 5 of Section 2.3.3: (ACCESS / Integrated Eligibility, HSE Platform and the Existing and replacement MMIS) of the RFP. These interfaces will be implemented using point-to-point methods and secure file transfer for the legacy systems and Vermont's Health Services Enterprise integration middleware, Oracle SOA Suite and Service Bus for the replacement systems.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.6	The System will implement, at a minimum, interfaces (both real-time or batch) with the applications and data sources listed in section 2.1.2 of the RFP - Systems requiring integration. These interfaces will be implemented using Vermont's Health Services Enterprise integration middleware, Oracle SOA Suite and Service Bus.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Interoperability-Integration Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A2.7	The System will provide the capability to perform source to destination file integrity checks for exchange of data and alert appropriate parties with issues	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.8	Systems components will be committed to an advanced approach to interoperability using web services and Service Oriented Architecture (SOA) aligned with State standards and vision for interoperability.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.9	Systems will integrate with VT HSE using a Service Oriented Architecture by using an Enterprise Service Bus, responsible to monitor and control routing of message exchange between services, resolve contention between communicating service components, control deployment and versioning of services and marshal use of redundant services.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.10	Systems will support creation and extension of service interfaces through the use of Web Services Description Language (WSDL)	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.11	Systems will develop/integrate services using standardized Web Services formats.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.12	Systems will provide the ability to publish services and related data to be used by different types and classes of service consumers.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.13	Systems will provide the capabilities for a Real-Time (or near real-time) Integrated Enterprise where common data elements about the customers served and services rendered are easily shared across organizational units with appropriate adherence to security and privacy restrictions.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.14	Systems will have the capability to implement synchronous and asynchronous program-to-program communication, moving messages between SOA service consumer modules and service provider modules at runtime. The ESB component may also move files, database rows and other data.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.15	Message and data formats should be based on logical representations of business objects rather than native application data structures	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Interoperability-Integration Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A2.16	Data transformations will be to and from normalized formats. Normalized data formats facilitate composition and reduce the number of transformations that must be created and maintained. A canonical data representation that spans the enterprise can be used but is not required. A federated approach to data normalization is also possible	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.17	Point-to-point integrations are to be avoided. Application integration, both internal and external, will go through the central ESB.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.18	All System services will be classified with one of the following values: Presentation, Process, Business, Data, Access, or Utility	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.19	All services will be reviewed, classified, and cataloged prior to use. The Documentation Artifacts will be modeled per ISO/IEC/IEEE 42010Architecture Description s part of the Vermont Enterprise Architecture Program Requirements. Duplicate services will be rationaled and retired appropriately.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.20	All services will have key stakeholder/owners identified following the ADM Architecture Model. Role Matrix should include s/w developers, integrationists, technologists, Enterprise Architects, Business Leads, Testing teams, UAT Teams.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.21	All WSDLs developed for Vermont will conform to the WSDL Development Standards	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.22	All SOA-related messages will be formally defined with XSD (preferable) or DTDs. A SOA Architecture Repository will be required.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.23	SOA-related services hosted should be implemented in Java.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.24	Implemented services will rely on WS-Policy configurations for message reliability (WS-Reliable Messaging)	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Interoperability-Integration Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A2.25	The following metadata attributes will be tracked for all services in the services catalog: {name, lifecycle status, class, description, owner, version, revision history, release frequency, versioning policy, deprecation policy, message exchange patterns, compensating transaction support, availability requirements, volume, max message size, security attributes, sla, logging requirements}	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.26	SOA services will be attributed with one of the following SOA Lifecycle Status values: Candidate, Justified, Defined, Designed, Implemented, Operational, or Retired. A SOA Architecture Repository will be required and opened to Vermont EA Program.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.27	The System will be designed, built and deployed with enterprise architecture best practices including substantial reliance on highly configurable SOA components. The System will undergo, at a minimum, 2 iterations integrated with HSEP development environment. Each iteration will be have a maximum period of 10 days. The Systems will have an alpha deployment on HSEP staging Environment and also will have, at a minimum, three weeks of UAT Testing by Business SMEs on the HSEP Staging Environment	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.28	Systems will provide reliable, once-only delivery of messages (guarantee of reliable and non-repetitive delivery).	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.29	Systems will have the capability to integrate with the VT ESB technology to perform syntactic and semantic hub-based transformation of messages, including: ' Support of taxonomy ' Support of ontology ' Reusable transformation maps ' Built-in transformation functions ' Extending the transformation function with custom-coded logic ' Support B2B project translation including Electronic Data Interchange (EDI), RosettaNet, HL7, etc.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.30	Systems will provide the functionality that provides reliability for applications, services or message flows: ' Load balancing ' High availability ' Fault tolerance ' Failover ' In-order delivery ' Transaction support ' Execution prioritization ' Message prioritization. Tests for High Availability and Failover must be completed prior to the release to UAT.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Interoperability-Integration Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A2.31	Systems will provide the technology that manages the metadata and provides the features needed to support the reliable operation of services. Examples include: ' Online catalog of services and associated artifacts such as WSDL files, XSDs, BPEL files ' A single point of controlled access for cataloging, promoting, publishing and searching for information about managed assets ' Metadata that enables an Enterprise Service Bus (ESB) to find, bind to and invoke the execution of a service implementation ' Support for extending existing asset types and defining and populating custom asset types	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.32	Systems will provide support for integrating with applications with SOA and event-driven architectures in a manner that supports the following implementation strategies: ' Web Services: Web Services Interoperability (WS-I) Organization-compliant implementation of basic Web services standards, including SOAP, WSDL and Universal Description, Discovery and Integration (UDDI), as well as higher-level Web services standards, such as WS-Security. ' Representational State Transfer (REST): Support for XML-based messages, processing and HTTP, and XHTML.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.33	Systems will have the ability to track a message from its origin to its destination (inside a firewall), inquire on the status of that message and address exceptions (for example, resend the message if a target times out). Usually implemented via a warehouse for archiving messages together with the associated tracking and logging data.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.34	The Systems will have the ability to use standards-based communication protocols, such as TCP/IP, HTTP, HTTP/S and SMTP. ' Protocol bridging: The ability to convert between the protocol native to the messaging platform and other protocols, such as Remote Method Invocation (RMI), IIOP and .NET remoting.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.35	The System will seamlessly work with the technology and programs that act as glue, transforming among protocols, connecting to databases and linking pre-SOA Application Programming Interfaces (APIs) to the SOA backplane.	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.
A2.36	The System will have the capability to work with a Service Registry that serves as an integration point for runtime tooling	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Interoperability-Integration Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A2.37	The System will have the capability to work with security policy manager for Web services that allows for centrally defined security policies that govern Web services operations (such as access policy, logging policy, and load balancing)	Y	A detailed response to this requirement is provided in RFP response section 2.0 A2-Interoperability and Integration.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Regulatory and Security Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A3.1	The System will, at a minimum, provide a mechanism to comply with security requirements and safeguard requirements of the following Federal agencies / entities: - Health & Human Services (HHS) Center for Medicare & Medicaid Services (CMS) - Administration for Children & Families (ACF) - NIST 800-53 and DOD 8500.2 - Federal Information Security Management Act (FISMA) of 2002 - Health Insurance Portability and Accountability Act (HIPAA) of 1996 - Health Information Technology for Economic and Clinical Health Act (HITECH) of 2009 - Privacy Act of 1974 - e-Government Act of 2002 - Patient Protection and Affordable Care Act of 2010, Section 1561 Recommendations - Vermont Statute 9 V.S.A. § 2440. Social security number protection (http://www.leg.state.vt.us/statutes/fullsection.cfm?Title=09&Chapter=062&Section=02440) - Vermont Statute 9 V.S.A. § 2435. Notice of security breaches (http://www.leg.state.vt.us/statutes/fullsection.cfm?Title=09&Chapter=062&Section=02435)	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.2	The System will conform with the sub-parts of Section 508 of the Americans with Disabilities Act (ADA), and any other appropriate State or Federal disability legislation.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.3	The System will comply with all applicable State security policies and adhere to all legal, statutory, and regulatory requirements, as determined by Vermont leadership.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.

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Template H - RFP Non-Functional Requirements Response
Regulatory and Security Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A3.4	The System will implement security controls in accordance with all Federal and State security policy and regulations.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.5	The System will comply with accessibility requirements described in 45 CFR 85 and with State of Vermont accessibility requirements located at http://cio.vermont.gov/policy_procedures.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.6	The System will comply with Vermont branding standards as defined by the state.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.7	The Vendor will adhere to the principle of “Fail Safe” to ensure that a system in a failed state does not reveal any sensitive information or leave any access controls open for attacks	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.8	The System will allow for controlled access to beneficiary records. Users will be able to view beneficiary data within the System at the State-defined levels of access based on user security privileges.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.9	The System will maintain a level of security that is commensurate with the risk and magnitude of the harm that could result from the loss, misuse, disclosure, or modification of information.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.10	The System will provide the ability for concurrent users to simultaneously view the same record, documentation and/or template.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.11	The System will provide protection to maintain the integrity of data during concurrent access.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.

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Template H - RFP Non-Functional Requirements Response
Regulatory and Security Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A3.12	The System will be configurable to prevent corruption or loss of data already accepted into the System in the event of a System failure (e.g. integrating with a UPS, etc.).	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.13	The System will support protection of confidentiality of all Protected Health Information (PHI) delivered over the Internet or other known open networks via encryption using triple-DES (3DES) or the Advanced Encryption Standard (AES) and an open protocol such as Transport Layer Security (TLS), Secure Sockets Layer (SSL), Internet Protocol Security (IPsec), XML encryptions, or Secure/Multipurpose Internet Mail Extensions(S/MIME) or their successors. This System will be subject to external Audit checks.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.14	The System, when storing PHI on any device intended to be portable/removable (e.g. smart phones, portable computers, portable storage devices), will support use of a standards based encrypted format using 3DES, AES or their successors.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.15	The System, prior to access to any PHI, will display a configurable warning or login banner (e.g. "The System should only be accessed by authorized users"). In the event that a System does not support pre-login capabilities, the System will display the banner immediately following authorization.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.16	The Vendor must have written policies and procedures addressing the use of any protected health data and information that falls under the Health Insurance Portability and Accountability Act (HIPAA) requirements. The policies and procedures must meet all applicable federal and State requirements including HIPAA requirements. These policies and procedures must include restricted access to the protected health data and information by the Vendor's employees.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.17	The System will have obtained Medicaid Management Information System (MMIS) certification by CMS, including compliance with all MITA 3.0 standards where applicable	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.

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Template H - RFP Non-Functional Requirements Response
Regulatory and Security Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A3.18	The Vendor must immediately notify the State of Vermont upon learning of any suspected or actual unauthorized use or disclosure of protected health data and information that falls under the HIPAA requirements. Vendor must work with the State of Vermont to mitigate any breach and provide assurances to the State of Vermont on corrective actions to prevent future unauthorized uses or disclosures.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.19	In accordance with HIPAA requirements, the Vendor is liable for any claim, loss or damage relating to unauthorized use or disclosure of protected health data received from the State of Vermont or any other source.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.20	The Vendor must immediately notify the State of Vermont upon learning of any breach of system or data security. Subject to the approval of the State of Vermont, the Vendor must undertake such additional safeguards or changes as recommended by a subsequent independent security audit at the Vendor's expense.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.21	In the delivery and provision of information technology hardware, software, systems, and services through the Contract, the Vendor must prevent unauthorized access to the “Identity Information” of any individual. “Identity Information” includes, but is not limited to, an individual’s first name or initial and last name, in combination with any of the following: a. Social Security Number; b. Driver’s license number; c. System access identification number and associated passwords; d. Account information such as account number(s), credit/debit/Medicaid card number(s), and/or passwords or security codes.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
A3.22	For even a single known violation of the identity theft prevention and reporting requirements, the State may terminate for default its Contract(s) and may withhold payment(s) owed to the Vendor in an amount sufficient to pay the cost of notifying individuals of unauthorized access or security breaches.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.1 General.
Identity and Access Management			

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Regulatory and Security Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A3.23	The System will support a form of user authentication.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.24	The System upon detection of inactivity of an interactive session will prevent further viewing and access to the System by that session by terminating the session, or by initiating a session lock that remains in effect until the user reestablishes access using appropriate identification and authentication procedures. The inactivity timeout will be configurable.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.25	The System will enforce a limit of (configurable) consecutive invalid access attempts by a user. The System will protect against further, possibly malicious, user authentication attempts using an appropriate mechanism (e.g. locks the account/node until released by an administrator, locks the account/node for a configurable time period, or delays the next login prompt according to a configurable delay algorithm).	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.26	The System will provide the capability to prevent database administrators from seeing the data in databases they maintain.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.27	The System will support grouping users by functional departments or other organization to simplify security maintenance.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.28	The System will provide the ability to maintain a directory of all personnel who currently use or access the system/IVR/SQL database.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.29	The System will provide the ability to create and maintain a directory of external providers to facilitate communication and information exchange.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.

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Template H - RFP Non-Functional Requirements Response
Regulatory and Security Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A3.30	The System will provide the ability to identify certain information as confidential (e.g. PII, PHI, etc.) and only make that accessible by appropriately authorized users.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.31	The System will restrict access to summarized information according to organizational policy, scope of practice, and jurisdictional law.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.32	The System must be able to associate permissions with a user using one or more of the following access controls: 1) user-based (access rights assigned to each user) 2) Role-Based Access Controls (RBAC; users are grouped by role and access rights assigned to these groups) 3) context-based (role-based with additional access rights assigned or restricted based on the context of the transaction such as time-of-day, workstation-location, emergency-mode, etc.)	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.33	The System will provide the ability to prevent specified user(s) or groups from accessing confidential information such as a beneficiary's SSN, medication information and other confidential data	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.34	The System will provide the ability to limit access to certain confidential information such as a beneficiary's SSN and other confidential data to providers directly involved in service of the patient, or providers involved in review of the service.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.35	When access to a user's account is restricted, the System will provide a means for appropriately authorized users to "break the glass" and obtain access for emergency situations, as defined by Vermont policy.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Regulatory and Security Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A3.36	When access to Beneficiary's confidential data is restricted but still the "break the glass" has occurred, the System will provide the ability to notify specified users and provide an audit trail for this access.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.37	The System will enforce the most restrictive set of rights/privileges or accesses needed by users/groups or processes acting on behalf of users, for the performance of specified tasks.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.38	The System will provide the ability for authorized administrators to assign restrictions or privileges to users/groups.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.39	The System will support removal of a user's privileges without deleting the user from the System to ensure history of user's identity and actions.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.40	The System will be able to support RBAC in compliance with the HL7 Permissions Catalog.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.41	The System will be capable of operating within an RBAC infrastructure conforming to ANSI INCITS 359-2004, American National Standard for Information Technology – Role Based Access Control.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.42	The System will provide more-advanced session management abilities such as prevention of duplicate logins, remote logout and location-specific session timeouts.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Regulatory and Security Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A3.43	The System will provide the ability to perform System administration functions such as reference table maintenance and adding / removing users from the system.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.44	The System will allow users access based on their roles irrespective of their geographical location.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.45	The System will provide the capability to integrate with existing authentication and authorization mechanisms	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.46	The System will provide the capability to create temporary and emergency accounts and terminate those accounts automatically after a user defined period of time.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.47	The System will provide the capability to override a role and restrict access to information by users or groups of users.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.48	The System will provide the capability to monitor events on the information system, detect attacks, and provide identification of unauthorized use of the system.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.
A3.49	The System will provide the capability to identify and report on inappropriate access to information in the system, based on user defined criteria.	Y	A detailed response to this requirement is provided in RFP response section 3.0 A3-Regulatory and Security, subsection 3.2 Identity and Access Management.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
User Interface Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A4.1	The System will provide an unlimited free-form text note within the PBM System for various functions such as provider enrollment process, prior authorizations, and case management, accessible by authorized PBM System users that includes, for example: • Provides the ability to display the narrative sorted by user and business unit. • Provides the ability to display free form narrative in chronological or reverse chronological sequence. • Provides basic word processing functionality such as sentence case, spell check, auto text, bold, underline, italics, color font, bulleted lists, tabs, indents, wrap-text, tables, printable.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.
A4.2	System will provide a graphical user interface for authorized PBM System users to define plans, benefits, and pricing.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.
A4.3	System will provide the ability for authorized users and its designees to view, search, and query by Department defined fields as well as pull reports and documentation associated with these fields.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.
A4.4	System will provide the ability to view the results of filtered searches based on multiple or single criteria, the capability to search on multiple criteria at the same time, and the ability to perform secondary and tertiary searches within the primary search results.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.
A4.5	System will provide the ability to save and name multiple user-defined search and sort parameters so that users can repeat the same search/ sort queries at a later time.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.
A4.6	System will provide the ability to view the results of wild card searches (including both single character and string wildcard search) for all searchable fields, including searches with partial ID numbers.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.
A4.7	Accept digital signatures from providers where applicable as defined in the functional requirements	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
User Interface Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A4.8	Propose, develop, produce, publish and deliver all applicable PBM System User Guide/ Help updates.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.
A4.9	Propose, develop, produce, and maintain frequently asked questions (FAQs) on PBM System screens and functionality.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.
A4.10	The PBM System may provide the following: 1) Provide a forum for authorized PBM System users to post inquiries, and to respond to other posters and create topical "threads" on problems. 2) Allow Department staff and other designated users to access the forum and to participate and moderate the posts and threads, based upon user roles. 3)Provide a search capability to find posts and threads by date or relevance.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.
A4.11	Ensure that all codes and abbreviations used in the PBM System have corresponding and easy-to-view narrative descriptions.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.
A4.12	The System will limit the amount of information displayed, while also enabling the user to immediately expand the scope of the information visible.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.
A4.13	The System will speak the users' language, with words, phrases and concepts familiar to the user, rather than system-oriented terms.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.
A4.14	The users will be able to easily navigate to a variety of functions available to them without having to move sequentially through excessive menus and screens.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.
A4.15	The System will follow standardized conventions. Users should not have to wonder whether different words, situations, or actions mean the same thing.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.
A4.16	The System will eliminate error-prone conditions or check for them and present users with a confirmation option before they commit to the action.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
User Interface Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A4.17	The System's User Interface will be simple, consistent, and use familiar terminology.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.
A4.18	The System's navigation will be familiar and consistent, and all user actions will be predictable and reversible.	Y	A detailed response to this requirement is provided in RFP response section 4.0 A4-User Interface.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Business Intelligence and Reporting Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A5.1	The Vendor will make available a state approved reporting tool, all state specified pharmacy data elements, including but not limited to elements in the drug file, the claim file, recipient information, provider information, and the prior authorization file. SoV DII EA will work with State business lead and vendor will ensure reporting components confirm to Enterprise Platform	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.2	The Vendor will maintain a training program for State staff and Vendors to ensure maximum use and understanding of the functionality of state approved reporting tool	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.3	The Vendor will create reports based on the following, including but not limited to, a combination of pharmacy claim data elements; beneficiary characteristics; provider characteristics; prior authorization characteristics; and drug reference file elements including drug pricing, drug rebate status elements, lock-in characteristics, pharmacy claim errors, and net cost. This is a small sampling to show the types of reports expected of the System. A comprehensive list of all reports will be determined in collaboration with the State both during the contract negotiation phase as well as the System Implementation phase	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.4	The Vendor will establish and maintain a methodology for the development and maintenance of the data analytic capabilities the PBM System provides and ensure that it is well documented.	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.5	The Vendor will establish, maintain, implement and manage analytic capabilities to include but not be limited to data summarization, data comparison, data correlation, forecasting, trending, and statistical analysis	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.6	The Vendor will establish and maintain a methodology for the development and maintenance of production and system reports. Vendor will work with SoV agencies to determine what reports are needed such as system performance reports and user access reports by the various departments	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.7	The Vendor will establish and maintain a methodology for the development and maintenance of ad hoc reports	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Business Intelligence and Reporting Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A5.8	The Vendor will establish, maintain, implement and manage a schedule for reporting that includes prioritization	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.9	The Vendor will track and report the status of each data and reporting request	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.10	The Vendor will produce, distribute and manage production reports in accordance with Business area, State, and Federal specifications	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.11	Produce, distribute and manage ad hoc reports in accordance with Business area, State, and Federal specifications	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.12	The Vendor will notify the report requester when report timeliness cannot be met. In addition, the PBM Vendor will provide a summary level report to the State, at a predetermined frequency, on quality and timeliness of all reports generated within that period.	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.13	The Vendor will ensure that all existing Federal, State, and Business area measures and reports continue to meet Business area, State, and Federal standards	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.14	Maintain report distribution lists to ensure accurate report distribution at all times	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.15	The Vendor will maintain detailed procedures documenting how reports are prepared and detailing the procedures used to validate the accuracy of the report information	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.16	The Vendor will store historic reports in accordance with Business area, State, and Federal retention schedules	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Business Intelligence and Reporting Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A5.17	The Vendor will provide data and information for federal and state reporting in accordance with business area, state, and federal specifications	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.18	The Vendor will provide data to the State in support of the PBM's function of analyzing and reporting pharmacy program status to the State	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.19	The Vendor will provide ad hoc reporting and data analysis as agreed to through negotiation with the State. Such reporting and analysis will be in an agreed upon format and in accordance with a schedule agreed to by the Vendor and the State.	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.20	The Vendor will provide the ability to regularly and accurately produce operational reports using PBM System data.	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.21	The Vendor will ensure that the data in reports are current, accurate, and accessible and that the report is produced in a timely fashion to meet the report's delivery deadline.	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.22	The Vendor will ensure that any reporting functionality supports the ability to pull and use the narrative descriptions of codes and abbreviations in addition to the codes and abbreviations themselves.	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.23	The Vendor will develop the HIPAA attachment transaction for claims and Prior Authorization Requests in the PBM System (e.g., HL7/ 275).	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.24	The Vendor will provide capacity to capture, store, update, report on system operational metrics from a decision support system that offers digital dashboards, online reporting and print capacity with ability to download to common media.	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.25	The Vendor will provide routine, adhoc, and complex (consolidation, drill-down, slicing and dicing) analytical reporting	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Business Intelligence and Reporting Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
A5.26	The Vendor will provide drilldown capabilities and tabbed daily, weekly, monthly, quarterly, yearly, prior year, etc.	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.27	The Vendor will provide an user friendly interface and ability to customize dashboards by user and because of changing needs.	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.28	The Vendor will provide archivable reports (unalterable) with ability to retain original report template for future use.	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.
A5.29	The Vendor will provide graphical presentation with gauges and other representations to highlight important events and alerts.	Y	A detailed response to this requirement is provided in RFP response section 5.0 A5-BI and Reporting.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Project Management Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I1.1	The Vendor will employ, maintain, and execute a project management methodology that complies with the Project Management Institute (PMI) standards or equivalent.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.
I1.2	The Vendor will describe the project management approach and methodology to be used for all System project life cycles.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.
I1.3	The Vendor will develop a Project Management Plan (PMP) conforming to the Project Management Body of Knowledge (PMBOK). The PMP will incorporate the following PMBOK knowledge areas: - Project Integration Management - Project Scope Management - Project Time Management - Project Cost Management - Project Quality Management - Project Human Resource Management - Project Communications Management - Project Risk Management - Project Procurement Management	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.
I1.4	The Vendor will develop a Project Charter.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.
I1.5	The Vendor will develop a Project Governance Plan. The project governance plan will take into account and leverage the existing AHS governance structure.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Project Management Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I1.6	In collaboration with the State, the Vendor will develop a Business Process Change Management Plan. The State envisions significant process change during the development and implementation of the System. The Vendor will provide plans for a change readiness assessment, gap analysis, and recommendations for organizational and process changes. The Change Control Board will be managed by the State.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.
I1.7	The Vendor will document the business process management activities and outcomes described in the Business Process Change Management Plan. Additionally, the Vendor will document Operational and System Changes in the Technical Change Management Plan.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.
I1.8	Where available and agreed between the Vendor and the State, the Vendor will use State templates for project management deliverables. State templates listed in EPMO templates from the link: http://dii.vermont.gov/pm/pmtemplates	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.
I1.9	The Vendor will develop a PMI compliant Communications Management Plan. The Communications Management Plan must describe participant's roles and responsibilities, internal communications, external communications, other communications and information management including communications protocols.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Project Management Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I1.10	The Vendor will leverage DII EPMO Project Log template as applicable to establish an issues and action items process and tracking document that must ensure that unanticipated issues, action items and tasks are assigned to a specific person for action and are tracked to resolution. DII EPMO Project Log Template can be found in http://dii.vermont.gov/sites/dii/files/pdfs/EPMO-Project-Log-Template.pdf The issue and action item tracking document must include the following: - Issue description. - Issue priority - Issue status - Plan for resolution. - Individual responsible for resolution. - Targeted resolution date. - Actual resolution dates. - resolution action.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.
I1.11	The Vendor must electronically provide project management documents (e.g., Project Management Plan, Project Schedule, Work Breakdown Structure, etc.) using Microsoft software products and/or pdf. The software version must be no less than a version still available on the common market and that is still supported by the manufacturer. The State will work with the Vendor in approving specific versions to assure that the application is synchronized with the State's plans.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.
I1.12	The Vendor will advise the State and Vendor management of progress in meeting goals and schedules contained in the work plans as well as any risks and issues during weekly progress meetings attended by the Vendor and the State. These may include walkthroughs of selected deliverables as requested by State staff.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Project Management Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I1.13	The Vendor will develop weekly progress reports. Weekly written progress reports will be provided by the Vendor to the State one working day before each weekly meeting, and containing items to be discussed at the meeting, including: - Progress of each task/activity. - Action items and decisions from the previous meeting. - Problems encountered, proposed resolutions, and projected completion dates for problem resolution. - Planned activities for the next two reporting periods. - Status of contractually defined deliverables, milestones, and walkthroughs scheduled in the project schedule. - Updating of information on a weekly basis in the State project and portfolio management tool. - Other information as needed (per Vendor or the State). Frequency of periodic reports" can be adjusted during the course of project as agreed by the State and Vendor.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.
I1.14	The Vendor will develop monthly progress reports. The progress report will include deliverables, milestones, walkthroughs, the State approvals, and lessons learned and will be used by the Vendor and the State in measuring the Vendor 's progress and performance. The report will also contain: - Issues, problems, and corrective actions, steps, and assignments. - Risks and mitigations. - Total budget and cost variance reporting - Lessons learned - Percentage complete - Resources and time required to completion During the application development phase of the project, Business Lead, PM, and EA to sit in on weekly SCRUMs as needed. As the project nears completion, Business Lead, PM, and EA will host mtgs for daily status updates.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.
I1.15	If the Vendor must substitute key staff during the project, the Vendor will submit to the State, in writing, the reason for the change and provide a completed staff experience reference form and resume for the substitute personnel. The State will either approve or reject the substitution.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Project Management Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I1.16	The Vendor will provide contract close-out plans and manage project close-out activities in accordance with the plan.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.
I1.17	As part of the proposal, the Vendor will describe the staffing approach and methodology used for the project, which will include: - Estimated number of Vendor 's resources needed per each phase of the project. - The number of staff resources within the following categories: Management, Business, and Technical. - The number of staff resource onsite vs. remote per the phase of the project - A description of the methodology used for releasing and adding staff to the project and managing staff PTOs - Outsourcing staff if applicable - Types and number of resources that State needs to provide per the phase of the project and expected hours from those resources - Providing a project organization chart.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.
I1.18	The Vendor will describe issue escalation process to settle matters of dispute as it relates to roles, responsibilities, or unmatchable level of service (i.e. what is their escalation chain) and this will be aligned with the State's escalation plan.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.
I1.19	The Vendor will describe their approach to remediate and realign the project and project plan in the event that the Vendor or the State decides that any aspect necessitates immediate attention and/ or State/Vendor management intervention.	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.
I1.20	The Vendor will provide a minimum of one full time assigned PMI Certified project manager	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Project Management Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I1.21	The Vendor will describe their approach regarding the project documentation repository. The Vendor is recommended to align with the State's document repository. In case the Vendor cannot, they must provide justification as to why their proposed repository works well in the best interests of the State	Y	A detailed response to this requirement is provided in RFP response section 6.0 I1-Project Management, subsection 6.1 Program and Project Management.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Knowledge Transfer and Training Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I2.1	The Vendor will develop (in cooperation with the State) and execute a Knowledge Transfer and Training Plan that describes roles and responsibilities of the State and Vendor and the approach for bringing managers, end users, and technical personnel to an appropriate level of understanding with the System.	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.2	The Knowledge Transfer and Training Plan will address and describe, at a minimum: - Training goals/standards and the specific plan for training technical personnel and end users. - Size of population and types of roles that need training - Strategy for providing training early in the project to allow the training goals to be implemented throughout the project life Phase. - Tasks, deliverables and resources necessary to complete the training effort and identify tools and documentation that will be necessary to support proposed effort. - Types of training, the specific courses and course materials, the training approach for both technical personnel and end users, and how training effectiveness will be measured and addressed. - Deliverables to support initial and ongoing training including user manuals, System manuals, and on-line help and training materials for technical/non-technical personnel. - Knowledge Transfer to enable the State personnel to operate, maintain, configure and modify the System including operation of the testing tools, supporting infrastructure, and security as agreed between the State and Vendor. - Metrics for tracking progress in achieving training and knowledge transfer objectives. - Reporting progress of training and knowledge transfer activities. - Additional training for technical staff on development, reporting and maintenance including processes and tools as needed - The training must include all aspects of the use of the New System - both Technical and Operational All Training Materials are due at the time of Staging and before the 3rd iteration	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Knowledge Transfer and Training Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
	of any application development		
I2.3	The Vendor will provide end user training documentation (including user manuals, online content, reference cards, etc.). Vendor is to supply full provisioning to all primary, secondary, and third level support personnel identified by the Business Lead. Provisioning for these users to be completed on the staging platform prior to SoV UAT	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.4	The Vendor will provide the State a training course outline for review and acceptance at least thirty (30) calendar days prior to the beginning of scheduled training.	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.5	The Vendor will submit all training packages to the State for review and acceptance at least twenty-one (21) calendar days prior to the beginning of scheduled training.	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.6	The Vendor will provide (customized as required) training manuals for all classroom as well as any online training they provide. Softcopies of all training manuals will be provided by the Vendor for both modes of training (classroom or online). Additionally, Hard copies of training manuals will be provided for class room training.	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.7	The Vendor will provide all training materials developed for the system to the State. Those materials will become the property of the State and may be modified and duplicated by the State.	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.8	The Vendor will provide electronic copies of all training materials (end-user, technical, trainee and instructor) in a format that can be easily accessed, updated and printed by State staff using software for which the State owns licenses. This includes but not limited to CDs/DVDs, and online. All training materials must conform to the applications and components interfacing with the Enterprise Staging Platform prior to release into production	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.9	The Vendor will provide updated training documentation as necessary to incorporate new processes or functionality due to system releases, upgrades, or changes throughout the contract term.	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.10	The Vendor will schedule all training during regular work hours as approved by the State, unless the Vendor receives advance approval from the State for specific training at other times.	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Knowledge Transfer and Training Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I2.11	The Vendor will provide all training within the State of Vermont at locations convenient to the attendees of the training, unless the Vendor receives advance approval from the State for specific training at other locations.	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.12	The Vendor will schedule staff training in a manner that is least disruptive to the normal business operations.	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.13	The Vendor will provide instructions to the State on Vendor tools and procedures used to support the training.	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.14	The Vendor will ensure that Vendor staff members are not assigned to train State staff and work on critical path development tasks concurrently.	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.15	The Vendor will assist the State in developing end-user training on the System business functionality.	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.16	The Vendor will provide end-user classroom training sessions and on-line training as agreed with the State for all end-users.	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.17	The Vendor will identify the number of staff necessary for maintenance and operations of the System as well as the skill sets necessary, with the State's agreement.	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.18	The Vendor will develop and provide training for the technical support staff including State staff and contractors.	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.19	For the duration of the contract, the Vendor will continue to provide training to the technical staff if system upgrades have been installed and there is a change in System components functionality.	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.
I2.20	The Vendor will create a training approach and needs analysis early in each project Phase which will determine the training requirements	Y	A detailed response to this requirement is provided in RFP response section 7.0 I2-Knowledge Transfer and Training.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Testing and Validation Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I3.1	The Vendor will describe the overall testing approach and methodology used for the System deployment. The Vendor will work with the State's Business Units in fine tuning the testing approach and get the State's approval before starting the testing phase	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.
I3.2	The Vendor will incorporate the testing approach into a comprehensive Test Plan. The Test Plan will include the procedures for documenting the completion of each test phase, test scripts, test conditions, test cases, and test reports. Detailed test plans will be created for the following testing areas: - Integration Testing - Security Testing - Performance Testing - User Acceptance Testing - Operations Acceptance Testing All Integrated System Testing will be performed on the Enterprise Testing platform while the UAT will be performed on the Staging platform. No testing may be conducted on the production platform and all testing must be completed prior to deployment.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Testing and Validation Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I3.3	The Test Plan must, at a minimum, include the following areas: - Test philosophy (including objectives, required levels or types of testing, and basic strategy (developing, testing and release of major subsystems/components). - Procedures and approach to ensure the testing will satisfy specific objectives and demonstrate that the requirements are met. - Procedures and approach to ensure that each phase of the testing is complete, and how formal reports/debriefings will be conducted for each phase of testing. - Approach to define tested workload types (performance testing) and test data - Overview of testing facilities, environment and specific testing tools to be used. - Overview of processes and procedures that will be used by the Vendor for releasing testing results and review of test results. - Process and procedures for tracking and reporting for results/variances/defects will be tracked and reported. - State resources required for testing during the development life cycle for each testing area. - Method for review of test cases and procedures - Configuration management of the test environment - Describe User Acceptance Testing and User Sign-Off - Plan and deliverables for each testing area described above - Vendor is responsible for providing detailed instructions in modifying any desktop configuration settings prior to the commencement of System testing.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.
I3.4	The Test Plan will provide a detailed description of each test required to ensure that all of the System components, interfaces, and components comply with the requirements and specifications.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.
I3.5	Testing and Development will have their own environments, separate from Production. Testing or development will not be performed in the production environment.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.
I3.6	The Vendor will repeat the test life cycle when a failure occurs at any stage of testing.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Testing and Validation Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I3.7	The Vendor will be responsible for building test plans, executing test plans, and creating reports. The State will evaluate the Vendor test plans, and Vendor test results, and may validate the testing done by augmenting it with State testing.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.
I3.8	The Vendor will document the testing tools, test configurations and related documentation. The Vendor will provide all necessary performance testing scripts with input from the State's Business Units. The State will have the final say on what is an acceptable performance. Performance testing to be completed by the Vendor with input from the EA Office and the Business Lead. The Staging Platform to be used for all performance testing. Benchmark reports to be issued to Business Lead and EA Office.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.
I3.9	The Vendor will provide the State with the test scripts, test results and quality reports.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.
I3.10	The Vendor will provide staff to the State to answer questions and address any problems that may arise during testing conducted by the State.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.
I3.11	The Vendor will refine the test documents, procedures, and scripts throughout development and through full System acceptance to reflect the as-built design and current requirements.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.
I3.12	The Vendor will allow the State to run validation and testing software against externally facing Internet applications to help identify potential security issues, and must agree to repair any deficiencies found during this testing.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.
I3.13	As System events contain date and time-sensitive elements, the testing infrastructure must provide a method of altering and synchronizing the System date throughout each test phase. This requires the ability to change the System date and time in some scenarios.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.
I3.14	The Vendor must develop a comprehensive Defect resolution Management Plan that describes the approach to be taken in managing all problems discovered during any testing phase and in production.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Testing and Validation Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I3.15	The Vendor will install and test a single Defect resolution Tracking System that the Vendor and the State will use collaboratively for the tracking of System defects, security, and System issues.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.
I3.16	The Defect resolution Tracking System must, at a minimum, include: - All defects in the System identified during any testing phase must be recorded, prioritized, tracked, and resolved in a timely manner. Each must be assigned a "Defect Level" based on the following definitions: 1. Critical - Results in a complete System outage and/or is detrimental to the majority of the development and/or testing efforts. There is no workaround. 2. Serious - System functionality is degraded with severe adverse impact to the user and there is not an effective workaround. 3. Moderate - System functionality is degraded with a moderate adverse impact to the user but there is an effective workaround. 4. Minor - No immediate adverse impact to the user. - The Vendor will allow the State full access to the Defect resolution Tracking System. - The Defect resolution Tracking System will be designed in a manner to allow for the transfer of ownership to the State following contract completion. - The processes and management of the Defect resolution Tracking System will be addressed as part of the Quality Management Plan. - The Vendor will address defect as such: Critical and serious defects will require remediation and retesting before the System enters production. Moderate and Minor defects will be fixed and tested to the State' satisfaction prior to System acceptance.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.
I3.17	All components of the System will accommodate leap year processing and daylight savings time start/end dates.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.
I3.18	The Vendor will compare and contrast the design of System components to CMS architectural standard. The Vendor will apply a documented and structured Architecture Development Methodology (ADM) for the design of System components. The Vendor will provide all necessary performance testing scripts with input from the State's Business Units. The State will have the final say on what is an acceptable performance.	Y	A detailed response to this requirement is provided in RFP response section 8.0 I3-Testing and Validation.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Data Conversion and Migration Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I4.1	The Vendor will describe the migration approach and methodology used for the PBM project as per the Migration phase approach outlined in the ADM	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.
I4.2	The Vendor will incorporate a detailed Migration approach into a comprehensive Migration Plan which will be added to other PM plans as part of the PMO. The State anticipates considerable collaboration with the Vendor in the plan's construction, with particular attention to high complexity components of the existing the State systems as well as the proposed System.	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.
I4.3	Disaster recovery requirements relative to the physical System components and planning for recovery from operational failures are the responsibility of the Vendor. The Vendor will develop an Operational Recovery Plan that addresses the following: - Areas of the most susceptible to failure or disaster that would result in downtime. - Recommendations for System recovery processes, or steps to take in the event of a downtime event. - Recommendations for the State on how to comprehensively and effectively mitigate the risk of a downtime event. - Recommendations for securing the System components during a period of emergency operation. - Testing Failover and DR while on Staging Platform after testing has concluded and prior to deployment on Production Platform. - DR requirements must include networking DR for Datacenter access.	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.
I4.4	The Vendor will describe the interface management approach and methodology used for the PBM Project.	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Data Conversion and Migration Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I4.5	The Vendor will incorporate the interface management approach into a comprehensive Interface Management Plan for all interface mechanisms used for System (e.g. batch, ESB/web services). The Interface Management Plan will be used by the State to document the plan for integrating the PBM System with all systems internal and external to the State. The Interface Management Plan will, at a minimum, document the following areas: - The approach to developing and managing internal and external System interfaces. - Technical tools that will be used for data transformation, transport and error recovery. - A description of how the Vendor's development standards will be reconciled, to reflect use of ESB and web services as wrappers to legacy systems. The Vendor should produce example scenarios for integration reflecting their infrastructure components and toolset. - Tasks, deliverables and resources necessary to complete interface development and Migration. - Description of how the System development and test systems will work with the external interfaces. - References to applicable sections in the relevant design documents that describe how the System will be synchronized with the specific internal and external interfaces. - References to applicable sections in the detailed design that describe the mappings between internal and external System data and the System data. - Descriptions of the process for managing changes to the interfaces, both in the production and non-production environments - Interface(s) needed for maintaining data synchronization between an interim production System and the final production Migration. - System interfaces, data format, frequency of updates and expected data volume. - Process for interfacing and collaborating with interface partners, including roles, responsibilities, deliverables and timelines. - How the State development and test systems will work with the external non-production interfaces. - Interface tools	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Data Conversion and Migration Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I4.6	The Vendor will validate that each interface is working correctly. The Vendor will repair all interface-related problems caused by Vendor-developed interfaces.	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.
I4.7	The Vendor will assist the State in identifying root causes for all System interface related problems.	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.
I4.8	When functionality is ready to be delivered to the State for User Acceptance Testing (UAT), it will be delivered in the form of a pre-production release (defined as ready for production in every respect but just not yet in production). Since the State will approve all releases into production, a pre-production release is equivalent to a production release and requires the rigor associated with a production release. Upon successful completion of UAT, the State will schedule a release to be moved to the production environment. Each pre-production release will include the following: - Release-specific hardware and software System components. - Release description including architecture or design updates, new functionality introduced, defects fixed, modifications to interfaces with other systems, other changes to existing code, and any software and hardware configuration changes. - Release contents including a description of the release structure and contents and instructions for assembling and/or configuring the components of the release. - Test Plan and test execution results. - Detailed hardware and software configuration information including any software and hardware dependencies and instructions at a level of detail that will enable administration staff to rebuild and configure the hardware environment without outside assistance. - Database documentation conforming to industry standards. - Detailed configuration information for any 3rd party hardware and software. The Vendor will provide updated documentation when System upgrades to software or equipment occurs through the life of the contract.	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Data Conversion and Migration Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I4.9	Deployment will be iterative from both a business process and applied technology perspective and will be accepted by the State through application of the acceptance criteria in testing plans.	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.
I4.10	The Vendor will deliver to the State a requirements traceability matrix for all delivered functionality, showing all testing activities tracing to delivered functionality, and all delivered functionality tracing to requirements in the requirements repository.	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.
I4.11	The Vendor will assist the State with testing and release preparation in the pre-production environment.	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.
I4.12	The Vendor must produce and execute an Migration Support Plan.	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.
I4.13	The Vendor must provide support staffing information such as the proposed number, ratios, duration, and roles/responsibilities for on-going support (as identified in previously submitted Migration approach and plan).	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.
I4.14	The Vendor must assess the pre-Migration readiness of each part of the organization and will document the status in a pre-Migration readiness assessment. The Vendor will conduct an Migration readiness review ten days prior to cutover at each part of the organization.	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.
I4.15	Upon successful completion of the pre-production testing, the Vendor will, in coordination with the State, create a Release Plan that will consist of an updated Pre-Production Release notification to assist the State in successfully releasing and maintaining the System for production business use.	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.
I4.16	The Vendor will describe the approach to pilot the System, including a high-level draft Pilot Plan.	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Data Conversion and Migration Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I4.17	The Pilot plan will be executed on the Staging platform and, at a minimum, will address the following: - Pilot locations, users, durations, sequencing and timing - Pilot support model including roles and responsibilities of the Vendor and the State; number of staff on-site and off-site; and staffing hours - How the pilot will be representative of staff from each broad category of work reflected in the State and represent the diversity in size of the various offices - Strategy for testing of all production functionality of the System components including interfaces to external systems - Reporting in the dual environment - Training of users and technical staff - Help desk procedures, functionality and incident reporting - Problem management procedures - Help related documentation - Functionality and operations of interfaces - Approach for validating worker productivity and efficiency - Approach for testing and validating mobility - Readiness planning - Plan and approach for resolving data corruption issues as a result of conversion - Change management processes - Approach for communication and coordination of pilot activities and issues - Approach and procedures for evaluating user experience and feedback - Approach and process for evaluation of the pilot against defined pilot success criteria - Detail process to validate the Migration process and tools and certify the State application, technical environment, and users as ready to move to full production Migration - Roll-back plan	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Data Conversion and Migration Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I4.18	The pilot(s) will test all System components including at a minimum: - Training - Help desk - Production Support - Documentation - Interfaces - All Functionality - Reporting - Security - Problem escalation - Change process	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.
I4.19	The Vendor will produce a lessons learned document after conducting the System component pilots and provide recommendations for changes to the Migration process.	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.
I4.20	The Vendor will ensure smooth flow of data between the various systems interfacing with the PBM System including the MMIS system and others.	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.
I4.21	The Vendor will provide data coversion from legacy system to new system	Y	A detailed response to this requirement is provided in RFP response section 9.0 I4-Data Conversion and Migration.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Quality Management Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I5.1	The Vendor will describe the quality management approach and methodology used for the System with input from the Business Units	Y	A detailed response to this requirement is provided in RFP response section 10.0 I5-Quality Management.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Quality Management Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I5.2	The Vendor will develop a Quality Management Plan to describe the approach they will use to ensure the quality of the Service and the work it performs. The Plan will include at least the following items: • The State's management of the requirements. This includes the identification of inconsistencies between the requirements, and the project's plans and work products. • The State's requirements traceability matrix that will be used for requirements management, and will map where in the software a given requirement is implemented. • The practices and procedures that will be followed for reporting, tracking, and resolving problems or issues identified in System Testing, System Migration, and System Operations. • The business process changes resulting from the System. • The quality of work products developed and delivered by Vendor's sub-Vendors/partners, if applicable. • A metrics process that describes how measurements will be identified, collected, and analyzed to ensure that quality goals, including management and the System goals, are being met. It should also describe the types of project metrics used. • The Vendor's organizational structure, and the roles and responsibilities of Vendor staff as they relate to quality management. • Description of the processes and management of the Defect and Issue Tracking System for System of items and, if applicable, how corrective action plans will be developed to address more significant issues.	Y	A detailed response to this requirement is provided in RFP response section 10.0 I5-Quality Management.
I5.3	The Vendor must, subject to review by the Department as needed, implement and document quality assurance processes and procedures to ensure integrity of services and of the processing and storage of the Vendor's data including, but not limited to, the following:	Y	A detailed response to this requirement is provided in RFP response section 10.0 I5-Quality Management.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Quality Management Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
I5.4	a. Maintain separate testing environments, emulating the production environment, where users can test systems changes, edits, and pricing without affecting the production systems	Y	A detailed response to this requirement is provided in RFP response section 10.0 I5-Quality Management.
I5.5	b. Allow online update and inquiry of all data repositories in the test environment(s) to simulate the production environment	Y	A detailed response to this requirement is provided in RFP response section 10.0 I5-Quality Management.
I5.6	c. Generate test results to evaluate the fiscal impact of changed edits or other test conditions	Y	A detailed response to this requirement is provided in RFP response section 10.0 I5-Quality Management.
I5.7	d. Validate and document internal systems by balancing input and output data execute batch jobs appropriately, and generate outputs appropriate for the executed cycle	Y	A detailed response to this requirement is provided in RFP response section 10.0 I5-Quality Management.
I5.8	e. Comply with the requirements of the Payment Error Rate Measurement (PERM) program and other quality assurance programs as specified by CMS, the State, and the Department	Y	A detailed response to this requirement is provided in RFP response section 10.0 I5-Quality Management.
I5.9	f. Maintain internal quality control procedures for functionality and data integrity	Y	A detailed response to this requirement is provided in RFP response section 10.0 I5-Quality Management.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Operations Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
O1.1	The PBM Vendor will have recovery plans in place for the non-production environments of the PBM System enterprise (Development, Testing, Staging, Model Office and Business to Business environments.)	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.
O1.2	The PBM Vendor will have a Disaster Recovery Plan in place for the production PBM System environment in the event of a catastrophic disaster at either the primary or secondary sites.	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.
O1.3	The PBM Vendor will be required to supply hot failover and fail back capability for the production PBM System. This capability will be invoked during system maintenance of the PBM System at the primary production site and during any production outage at the primary site and/or Secondary Network back up to primary Data Center should primary circuit fail but Data Center is Ok. At a minimum, this failover functionality will be tested each quarter of the year for the duration of the contract. If no system maintenance or outages have occurred during a quarter to exercise this capability, then the PBM Vendor will schedule a test failover and fail back to occur within the month following the end of such quarter.	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.
O1.4	The PBM Vendor will be required to supply a PBM System Help Desk that is available during regular business hours (Monday – Friday, 8:00 a.m. – 7:00 p.m. Eastern Time and Saturdays from 8:00 am – 5:00 pm Eastern Time) to assist with usability questions, problem analysis and for reporting technical issues	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.
O1.5	The PBM Vendor must have a defined escalation plan for technical problems that cannot be addressed by the PBM System Help Desk. The escalation plan must include a definition of severity levels and specific escalation procedures based upon the severity of the technical problem.	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Operations Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
O1.6	The System will have the ability to generate administrative alerts and warnings when statistics indicate an impact or potential limits on system performance and availability. These alerts will need to be communicated through various mechanisms including SMS, Phone and Email	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.
O1.7	The System will provide SLA monitoring and reporting capabilities.	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.
O1.8	The System will provide event management and monitoring functionality according to ITIL best practices.	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.
O1.9	The System will provide Data archiving capabilities based on State defined criteria.	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.
O1.10	The System will provide version control capabilities to ensure the integrity of all software releases.	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.
O1.11	The System will provide logging, reporting for accessing errors and exceptions.	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Operations Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
O1.12	The System will monitor and provide reports on any unauthorized access.	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.
O1.13	The System will track unusual or out of normal system operations usage or user access.	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.
O1.14	All system communications will be protected by at least 128-bit encryption.	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.
O1.15	The System will maintain the privacy and participant consent requirements of the participants.	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.
O1.16	The System will protect the integrity of the data across all interfaces. Data will be accurate and timely.	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.
O1.17	The System will provide role-based user and identity management.	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Operations Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
O1.18	The System will maintain a level of security that is commensurate with the risk and magnitude of the harm that could result from the loss, misuse, disclosure, or modification of information.	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.
O1.19	The System will implement security controls in accordance with Federal and State security policy and regulations.	Y	A detailed response to this requirement is provided in RFP response section 11.0 O1-System Administration and Disaster Recovery.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Service Level and Performance Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
System Availability and Response Times			
P1.1	The PBM System will be operational every calendar day of the year and 24 hours every day. The Vendor will meet a 99.90% PBM System availability requirement. This includes end-to-end System availability of all software, hardware and communications interfaces between the PBM System and all ancillary systems. The Contractor must measure and report its performance on this SLA monthly.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.1 System Availability and Response Times.
P1.2	The Vendor's PBM System response time be no greater than 8 seconds and must average 3 seconds or less for all interactive system transactions other than the reporting-related system interactions covered by the next 4 SLRs. The response time is measured as the time from when the users presses enter until the screen refresh in response is complete.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.1 System Availability and Response Times.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Service Level and Performance Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
P1.3	The maximum response time for search and lookup performance is 3 seconds for 95 percent of the time. Maximum response time shall not exceed 15 seconds except for specified and agreed to exclusions.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.1 System Availability and Response Times.
P1.4	The maximum response time for a Dashboard report is 5 seconds, 95% of the time.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.1 System Availability and Response Times.
P1.5	The maximum response time for a Static Standard report is 5 seconds, 95% of the time.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.1 System Availability and Response Times.
P1.6	The maximum response time for a parameter-based report is 20 seconds.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.1 System Availability and Response Times.
P1.7	The PBM Vendor must take immediate action to ensure that the System downtime does not exceed 15 minutes per occurrence and take necessary action to meet End-to-End System Availability and Response times as agreed to in the contracted service level agreements.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.1 System Availability and Response Times.
P1.8	Unscheduled System down time per occurrence- The amount of time that the PBM Service has an unscheduled downtime will not exceed 2 hours per occurrence, and no more than 2 incidents per year	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.1 System Availability and Response Times.
System Disaster Recovery Performance Measures			
P1.9	Recovery Time Objective (RTO) will be within 4 hours. In case of a disaster that effects the PBM operations, the entire service shall be restored within 4 hours	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.2 System Disaster Recovery Performance Measures .

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Service Level and Performance Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
P1.10	Recovery Point Objective (RPO) will be no more than 1 hour of data loss. In case of a disaster that effects the PBM operations, 1 hour of data inputs to the system (but no more) may be lost and need to be re-entered.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.2 System Disaster Recovery Performance Measures .
Call Center Performance Measures			
P1.11	First Call resolution Rate will be 95% or greater. First contact completion applies when the first person the customer reaches either answers the question, resolves the problem, or dispatches service where appropriate.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.3 Call Center Performance Measures.
P1.12	Call Answering Time - 95% of all calls entering the hold queue will be answered within 30 seconds by an agent with 90% of those answered within 20 seconds and the remaining answered within 40 sec.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.3 Call Center Performance Measures.
P1.13	Call abandonment Rate will be 3% or less. This is the % of calls that are disconnected/abandoned after entering the hold queue.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.3 Call Center Performance Measures.
POS System SLRs			
P1.14	The POS system provided to the Pharmacies will operate with 24x7x365 availability no less than 99.9% of the time – except for Vendor scheduled downtime approved by the State of Vermont	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.4 POS System SLRs.
P1.15	Average POS response time of three seconds or less on all transactions. (Response time means the time from when the claim is received by the Vendor's processor to the time the results are transmitted from the Vendor's processor and includes all procedures required to complete claim adjudication.)	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.4 POS System SLRs.
P1.16	The Vendor must notify staff designated by the State of Vermont of performance issues impacting POS adjudication within 15 minutes of the Vendor's knowledge of the system problems. The State of Vermont will provide procedures for after-hours contact during the Design, Development, and Implementation phase of	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.4 POS System SLRs.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Service Level and Performance Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
	the Contract.		
P1.17	99% of enrollment eligibility data and provider enrollment data is updated within _____ of receipt of the eligibility and provider information, including electronic file transfers and manual updates.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.4 POS System SLRs.
P1.18	99.9% of all prescription claims will be processed accurately.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.4 POS System SLRs.
P1.19	99.9% of all prescription claims will be processed accurately.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.4 POS System SLRs.
Other SLRs			
P1.17	The PBM Vendor will notify the State according to HIPAA requirement of any security or data breach including PHI or PII data breach and will follow and be responsible for the incident response procedures and activation.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.5 Other SLRs.
P1.18	The PBM Vendor will be required to correct any Federal or State audit findings specific to the PBM System environment in the time frame specified in the audit report.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.5 Other SLRs.
P1.19	The PBM Vendor will provide a detailed approach to Operational Management in line with the State's strategy. Additionally, the Vendor will provide detailed Operational information on automated and manual tools as well as details on processes that will be performed by the PBM Vendor to ensure effective system control, reliability, documentation, and recovery.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.5 Other SLRs.
P1.20	Provide the capability to track, monitor, and report on all activities as defined within SLAs.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.5 Other SLRs.

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Service Level and Performance Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
P1.21	Provide an automated real-time capability to track and monitor performance of all system components (End-to-End).	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.5 Other SLRs.
P1.22	The PBM Vendor will meet all HIPAA standards for the protection of PHI and PII data and will be held responsible to remediate any system breach that results in identify theft. The Vendor will be responsible for all fines and damages related to any breach of PHI or PII data security.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.5 Other SLRs.
P1.23	The PBM Vendor will meet all federal mandates and deadlines for compliancy as defined the Regulatory and Security tab. All Security efforts, to bring the PBM System under compliance, will not be considered as separately payable under the PBM System Application Support arrangement but should be factored into the overall cost for providing the system to State.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.5 Other SLRs.
P1.24	Facilitate the continued improvement of performance and process efficiency by providing reporting that includes both current values and historical data with sampling frequencies and timeframes.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.5 Other SLRs.
P1.25	Provide an automated performance monitoring system to measure operational performance against defined Service Level Agreements and report results using a Scorecard.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.5 Other SLRs.
P1.26	The System will have the ability to generate administrative alerts and warnings when statistics indicate an impact or potential limits on system performance and availability. This includes alerts from every System component including the Database.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.5 Other SLRs.
P1.27	The Vendor must notify staff designated by the Department of performance issues impacting PA processing within 30 minutes of the Vendor's knowledge of system problems.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.5 Other SLRs.
P1.28	100% of the monthly and quarterly standard management reports shall be available and delivered to the Department within 30 days after the end of each qurter.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.5 Other SLRs.
Account Management			

State of Vermont - Medicaid Operations - Pharmacy Benefits Management
Template H - RFP Non-Functional Requirements Response
Service Level and Performance Requirements

RFP Req #	Requirement Description	Response Code (Y or N)	Vendor Response Comment(s)
P1.29	85% of all calls are resolved within two business days of receipt	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.6 Account Management.
P1.30	All written inquiries will be responded to within two business days	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.6 Account Management.
P1.31	Ongoing change requests including programming changes requested the Department, are completed within 20 business days or 30 calendar days of receipt of the request, unless other time parameters are agreed to by the Department.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.6 Account Management.
P1.32	The Vendor guarantees a satisfaction rating of at least 100 for satisfied or very satisfied. The Vendor will survey Department staff and report results back to DVHA.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.6 Account Management.
Legal/ Contracting			
P1.33	The Vendor guarantees the timing of response to the Department comments of the contract draft within 10 business days of the receipt of the contract requested changes.	Y	A detailed response to this requirement is provided in RFP response section 12.0 P1-Performance, subsection 12.7 Legal/ Contracting.

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Section I – Non-Functional Requirements

Introduction and Instructions

Please use these response sections to provide specific details of the proposed approach to meeting Vermont PBM requirements in each area. Responses should, when necessary, reference requirements using the appropriate RFP Requirement Numbers from Template H - RFP Non-Functional Requirements.

Also, include one or more diagrams where necessary that detail the proposed design, approach and the relationships between key components.

Responses in this document must be highly-focused on the specific requirements and must not simply provide generic or marketing descriptions of the Vendor's capabilities.

In the following subsection GHS describes our approach to successfully meeting all Functional Requirements of the DVHA Pharmacy Benefit Management Project. Reviewers will find that GHS has a comprehensive, reliable, and fully operational solution for each area of the functional requirements.

1.0 A1-General System Requirements

A1.1 The System will be in compliance with the Health Insurance Portability and Accountability Act (HIPAA) privacy and beneficiary consent for release requirements, where applicable.

The comprehensive PBM system offered by GHS provides all the information and processing capabilities necessary for the State to be compliant with all current and revised regulations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA. The GHS solution allows for the acceptance and transmission of all Electronic State Interchanges (EDI) formats necessary for supporting all components of our solution. GHS considers security and confidentiality to be of the utmost importance in the handling of all our customers' information. To protect the confidentiality, integrity and availability of information, GHS has in place appropriate physical site and data security measures. GHS is compliant with HIPAA and all other State / Federal / Client mandates regarding the confidentiality of Protected Health Information (PHI), including the Federal Information Processing Standards (FIPS).

More specific detail regarding our approach to HIPAA privacy and security in general are addressed in detail in Section I – 3.0 A3-Regulatory and Security.

A1.2 The System will accommodate diverse populations of users including those with visual and hearing impairments, persons with low and moderate educational levels, and the elderly (Section 508 compliant) http://www.section508.gov/ and all similar State of Vermont policies.

Our eWEBS provider portal and other externally-facing support applications are currently ADA Section 508 and can be configured to meet any additional requirements necessary to comply with the Vermont law or policy. The eWEBS portal and other tools allow a person with disabilities to submit, update and retrieve information from any application and more importantly allows that person to do the work that is expected of them in an acceptable timeframe.

GHS employs a number of accessibility standards, processes, and best practices and applies these to all end-user applications. As external standards (such as ADA and IITA) are modified, best practices are

enhanced applied to any applications effected. At a high level, GHS employs the following core best practices:

- **Set the page title:** – Screen readers will first read the title or head of a page or screen. The title should be unique to each page or screen so that when the users can use this as a recognizable reference point.
- **Set alerts as a high priority:** If there are notifications on the page (errors, alerts, or informational messages), put those notifications as the first on the page / screen, prior t the page/screen title.
- **Use CSS to hide text only intended for screen readers:** CSS can be used to hide text that is only intended to be accessed by screen reading applications. This feature can be used to provide additional information for on-screen object labels that you do not want taking up space on the screen for sighted users.
- **Set Flags to skip repetitive content:** Screens/pages should be configured to skip past any redundant navigation links or other static content that a user familiar with an application would want to bypass and more quickly access the critical content of a screen/page.
- **Label all non-button input objects:** For example, radio buttons and combination boxes.
- **Use enhanced form error messages:** If a form on the screen/page has validations some kind, the screen/page can be designed to refresh and generate messaging accessible by a screen reader, and automatically set to a high priority (see alert priority, above).
- **Define summaries for all results tables:** All query results tables should be configured to indicate the query and query parameters used. If the table has paged data, make the summary describes what page is being viewed (for example, "Page 1 of 20").
- **Use Fieldsets and Legends:** The advantage of using fieldsets and legends is that they will add more information to an object labels that might otherwise be ambiguous out of context.
- **Keep pages and screens simple:** Present forms and data in the most flat and plain ways possible so that they can be easily understood and navigated by both sighted and vision impaired users. Design the reading and workflow to always work from left to right, top to bottom. For example if you want to put a button in a table that is for selecting a row item, put it in the right-most column. The assumption being that the user would want to read that row before selecting it, and because of how screen readers work, their cursor would be at the end of the row at this time.

All development related to accessibility is tested in the same manner as any other changes. Our development team uses screen-readers (such as JAWS) to help produce end-user scenarios. Whenever possible, we also test with users who demonstrate the types of disabilities ADA and IITAA are designed to assist. We are confident our end-user tools and applications will be accessible to and useable by all HFS, provider community, and other users.

A1.3 The System will accommodate diverse populations of users including those with disabilities and limited English proficiency as defined in section 504 of the Rehabilitation Act of 1973.

Our web-based applications are ADA compliant and can be configured to meet any additional requirements necessary to comply with any Vermont-specific accessibility standards. This allows a person with disabilities to submit, update and retrieve information from any application and more importantly allows that person to do the work that is expected of them in an acceptable timeframe.

A1.4 The System will be designed and developed to support a 24/7 production environment and reporting system.

All systems and components making up GHS' DVHA PBM solution are designed and developed to be available 24/7, with the exception of any scheduled maintenance.

A1.5 The System will uniquely identify each beneficiary using both SS# and Unique ID number assigned by SoV Enrollment System.

GHS will use the beneficiary identification methodology designed by the State. We understand that this consists of both the beneficiary's SSN and a unique ID assigned by the State's enrollment system. Each of GHS' current PBM client states have their own methodologies for uniquely identifying members.

A1.6 The System will uniquely identify each provider using both NPI and a system generated Unique ID

The PBM system being offered by GHS has the capability to identify providers using their NPI and/or a unique ID provided by the State. GHS also maintains other pharmacy/prescriber provider information, such as DEA, NABP, and/or State-specific IDs. We will construct crosswalks between any necessary identifiers, assuming we are provided reference data sources sufficient to do so.

All of our current clients use a methodology such as the one described in this requirement for identifying providers.

A1.7 The System will have the capability to interact with other systems as needed to collect and report services and benefits provided to a beneficiary

GHS has the ability to design and implement any interface required when supplied with clearly defined specifications. We currently interface with CMS, a variety of MMIS providers, MCOs, Part-D plan managers, and various commercial entities. GHS' Data Warehouse currently sends and receives over 300 recurring, scheduled feeds to support ongoing operations for current clients.

[redacted]

Figure 138: [redacted]

A1.8 The System will provide a mechanism to limit access to view/update information, based on user role, access rights and program rules

GHS system security contains a data classification schema with data items flagged to link them to a classification category and has an access privilege scheme for each user that limits the user's access to one or more data classification categories. Specifically, this allows us to limit access to view/update information, based on user role, access rights and program rules.

GHS has a data domain schema in which we classify data type. In our general practice we treat all health and proprietary reference information as confidential and proprietary and limit access accordingly. We only release information as directed by the data owners – our customers.

More specific detail regarding our approach system security are addressed in detail in Section I – 3.0 A3-Regulatory and Security.

A1.9 The System will have the capability to save and print all forms, reports, documents, screens, based on user role and program rule

Users of systems, applications, and other tools only have the ability to view, save, or print reports, documents, screens for which their user ID or user group explicitly have access to. Users are limited to accessing only things that they need to successfully conduct their job roles and responsibilities.

A1.10 The System will automatically save information as users enter it.

With the applications, best effort will be applied to save data on the user's machine as the data is entered (however it will be temporary and will disappear on browser/application restart related to HIPAA privacy), but the submission of data to systems will not occur until an action to submit is performed. This two part approach will ensure integrity of the systems

A1.11 The System will validate that all mandatory data fields have been completed when a user attempts to submit information

GHS has edits in place that validates transactions and submitted forms have all mandatory fields completed. We also perform validations to assure the data submitted is of the expected type.

A1.12 The System will inform the user of errors based on the validations performed

Field validation edits will notify users in the event an error is present, and will provide sufficient information to allow the user to correct the issue. For claims transactions this will take the form of an NCPDP compliant return messaging. For the forms provided through the eWEBS provider portal and other end-user applications, the information will be displayed directly on the screen.

A1.13 The System will allow the user to review and update information if there are correctable errors

If a request or transaction is not accepted due to an error, the systems provide opportunity for the user to review and update the information they supplied, addressing any errors that caused the submission to be unsuccessful.

A1.14 The System will contain a "help" function on each screen as needed to provide users with instructions on how to perform functions, descriptions of data elements and/or other information

Comprehensive user instructions are supplied within applications themselves in the form of tool-tips and other embedded help features. GHS maintains extensive documentation for the systems and services we provide. This includes operational (desk-level) procedures, user guides, policies, and reference processes. These documents can be distributed in a number of different ways, depending on the needs of users, through the EDMS. Documentation is also supplied within applications themselves in the form of tool-tips and other embedded help features.

A1.15 The System may provide access to "rules/regulations documentation" via the System for look up and reference in the relevant context of the screen/process.

User instructions are supplied within applications themselves in the form of tool-tips and other embedded help features. GHS maintains extensive documentation for the systems and services we provide. This includes operational (desk-level) procedures, user guides, policies, and reference processes. These documents can be distributed in a number of different ways, depending on the needs of users, through the EDMS. Documentation is also supplied within applications themselves in the form of tool-tips and other embedded help features.

A1.16 The System will send alerts/notifications to users who (1) have subscribed to these types of notifications, (2) have consent to view the beneficiary 's data (3) have the correct access rights and (4) have a valid reason for viewing this data

The GHS enterprise workflow solution will allow the creation of business rules that will generate alerts and notifications based on any defined event, threshold, or other business criteria. Alerts are displayed in the application supporting a specific workflow such as PADSS, and/or management applications such as the PBM Portal. Alerts can be targeted to an individual user, but are more typically configured to be seen and acted upon by a group of users. Alerts may also be used to provide aggregated, real-time statistics for applications for use by supervisors and managers, such as the current determination status of all PAs in the PA workflow.

The best example of this process is the business rules structured to monitor the pharmacy prior authorization queue. When a new clinical PA request enters the workflow, all users who can act on the next determination steps will see the new PA and its current status in the workflow queue. As a user takes ownership and moves the PA through the determination process, all other users in the queue will see that ownership and the current status. Furthermore, when a new PA enters the PADSS application queue, the workflow system can automatically compare the PA workflow queue to the POS system call queue. Based on an acceptable threshold and a delta comparison between the two queues, business rules can be programmed to automatically reassign workers from the POS workflow queue to the PA workflow queue.

Upon resolution of a request, the workflow process is flexible and can be configured to notify stakeholders via dashboard, portal, fax, US mail or email. For example, program administrators and workflow participants will be able to see the alerts on the dashboard and update in their workflow queues. Providers will see their alerts and messages both in the portal and via email or other methods as chosen in their individual account settings.

[redacted]

Figure 139: Figure: [redacted]

A1.17 The System will send notifications based on the preferences a beneficiary or user has indicated in their profile unless a specific delivery method is specified by policy (e.g., certain notifications must be sent via US postal mail, ADA compliant communication). Where possible, electronic delivery methods (email, SMS) will be selected.

The Goold solution provides monitoring and alerts as described in the preceding section. While current functionality does not offer the ability for a beneficiary to indicate a notification preference in their profile, GHS will work with the State to identify the specific requirements and expectations for this requirement during the DDI phase of the project.

A1.18 The System will have role based access control at the data field level

Authorized administrative users will have the ability to edit, create, and implement role-based and group-based security at the individual data field level for all authorized users based upon individual characteristics or group memberships. This functionality is built into the InterSystems Ensemble management tool GHS will use to support the DVHA PBM project.

A1.19 The System will have rules based access control and display information

Access to all screens, reports, tools, and other information is based on user roles and the associated permissions within each user group. GHS will configure roles and permissions to reflect the operational environment of the DVHA PBM and all state-specific requirements.

A1.20 The System will have a user interface written in English (including warnings, notifications and user prompts) free of grammatical errors and typos

Text on all of GHS' application interfaces are in English and are reviewed during testing and quality assurance activities to ensure they are clear and free of grammatical and spelling errors.

A1.21 The System will contain written language targeted to the average adult reading level (e.g., 6th grade level) Note: This applies to all languages

All end-user text presented in the applications and in written communications will be targeted at the 6th grade reading level. This is the standard requested by most of our current clients.

A1.22 The System may provide the capability to check an individual's language indicator to include language specific text on notices, correspondence and other materials.

The current solution does not provide for an individual's language indicator to be referenced when generating specific text on notices and correspondence.

GHS will work with the State during the DDI phase to discuss this requirement and better understand the intent.

A1.23 "The System will maintain a record (e.g. audit trail) of all changes made to data in the System - system initiated changes or user initiated changes. This should be readily searchable by user ID, system ID or beneficiary ID. This must include but is not limited to:
i. The user ID of the person who made the change or system ID if the change was system generated
ii. The date and time of the change
iii. The information that was changed
iv. The data before and after it was changed
v. The data source if the change was system generated

GHS system security provides full audit trails such that all system activity can be traced to a specific user or process/system. The GOOLD Rx solution, including all systems, applications, and databases, store a complete audit trail of all user login access points and all activity the GHS administrators and the State would like to capture. All data entry and data updates are fully audited. At a high level, audit trails are tailored for each type of PBMS system components:

- Applications – Capture activities such as: User access, data inquiries, record creation, and workflow configuration.
- Databases – Capture activities such as: User access, process access, data inquiries, record creation, and modification.
- Systems – Capture activities such as: User access, process updates, rules configuration, and record creation.

At a minimum, audit information captured includes the user ID of the person or process accessing, the time/date of access , and a record of the data replaced (for updated records) or activity performed. Additional fields are also available for capture in specific components to support any custom reporting functionality that may be necessary, including a record of the data prior to its change. This allows for detailed reporting and tracking of distinct events or activities for specific auditing requirements. These audit reports are typically made available to State users through the standard reporting module, and additional customized reports can be provided through the ad hoc reports module when necessary.

A1.24 The System will record the date, time, and name of users viewing beneficiary information

Upon access to any application, the user login is recorded and through their defined roles and permission access is granted. Activity can be recorded to a level that meets the Departments needs for the desired effect. Each application has auditing available that will be reviewed during the DDI phase of the contract.

A1.25 The System will use industry standard taxonomy (ies) if relevant

Where appropriate, our systems, applications, tools, reports, and other components use industry-standard taxonomies. This is particularly important for any information or screens related to prescription drug information, medical conditions, and procedures.

A1.26 The System will provide web pages with general information about Pharmacy Benefit programs to the general public without requiring a login

GHS provides a variety of web-based solutions to clients, including public-facing information websites and our secure web-based eWEBS Provider Portal. GHS developed, hosts, and maintains the following public-facing support websites for our respective clients. The following sites are hosted by GHS:

- www.mainecarepdl.org – MaineCare Pharmacy program, including PA and PDL information www.iowamedicaidpdl.com – PA and PDL information
- www.iowamedicaidpos.com – POS claims adjudication information
- iadur.org – Iowa DUR support website
- garebates.org – Georgia Drug Rebate support website
- www.wyequalitycare.org – Wyoming Medicaid pharmacy program, including PA, PDL, and other program related information.
- www.ilsmac.com – Information and support website for the Illinois Pharmacy State Maximum Allowable Cost (SMAC) program.
- www.rxssdc.org – Portal for the SSDC rebate pool and eROMS offer submission application.
- www.njsul.com – Information and support website for the New Jersey Pharmacy State Upper Limit (SUL) program.

A1.27 The System will authenticate users before allowing access to functionality requiring a login

GHS employs secure sign-on, authentication, and password management that is compliant with federal security and privacy requirements, as well as those of client States and GHS' own policies. GHS will

review all of this functionality with the Department upon contract award to ensure that the system is configured appropriately to meet Vermont security and privacy requirements now and in the future.

GHS uses standard authentication systems such as Active Directory (AD) and Lightweight Directory Access Protocol (LDAP) in each application. Through each application's Access Control List (ACL), users and groups are then granted permissions based on roles. While permissions for each application are managed by the application itself, each application ties into AD / LDAP allowing for users to use the same username and password combination for all. AD, LDAP, and ACLs are regardless of where a system or application is accessed from, whether it's from GHS' internal network, HFS/State of Illinois internal networks, or the internet. During the requirements definition phase of the project, GHS will work with the Department to determine the user accessibility appropriate for each application and system.

Our configurations for AD, LDAP and each application's ACL are compliant with all federal and any additional state-mandated security requirements. When permissions are configured for PBMS, GHS will ensure they comply with the specific security mandates of the Department
Authentication is centralized within GHS' data center and a full audit record of access to data or systems and any changes to data or configurations are recorded. All access attempts by any unauthorized user will trigger a notification to system administrators for review and intervention. GHS employs an Intrusion Detection System (IDS) within its data center, internal network, and on any external interfaces, which would include those to and from the MMIS.

GHS will clarify requirements and specifications for access in JAD sessions after contract award. GHS will employ this approach as we review specific requirements with regard to MMIS interface security. During the DDI and operations project phases we will seek input from the State if specific security or access issues are identified. We have successfully interfaced with several MMIS systems as well as many other technical environments.

A1.28 Provide Optical Character Recognition to convert appropriate paper documentation received through PBM System Operations into indexed, content searchable electronic format (e.g., claims and attachments, correspondence, provider information).

GHS has OCR capabilities for documents entering software workflow applications. Any document entering a workflow management system is automatically indexed so that is can be found using search criteria.

A1.29 The State will have the final authority to hire/fire any contract staff working in state facilities

GHS understands that the State has final authority to hire and fire any contract staff working in State facilities. GHS does not intend to have any staff located at State facilities.

2.0 A2-Interoperability and Integration

Instructions: Describe how the Vendor maintains physical and logical security relative to the services it provides. This should include an overview of the policies and practices to prevent, detect, and resolve security breaches. In addition, the Provider shall demonstrate experience and ability to meet all federal and local regulatory requirements (e.g., HIPAA, SOX, data privacy). The approach must, at a minimum, provide details on how the

proposed Solution intends to meet or exceed the Regulatory and Security Requirements set forth in the document 'Non-Functional Requirements, Tab A2 Regulatory and Security'.

A2.1 The System's interfaces will secure and protect the data and the associated infrastructure from a confidentiality, integrity and availability perspective.

GHS, including our infrastructure, connectivity and interfaces, is compliant with all applicable standards, policies, business and functional requirements set forth by the United States DHHS, CMS, and our clients. We manage over a dozen accounts and process data extracts and loads on both a regular and ad hoc basis. We currently manage over 20 major databases and manipulate over 2 million records per day. We maintain segregation of customer data to ensure integrity and security. Unlike some of our closest competitors, GHS has never experienced a breach in security or confidentiality, thanks to our robust security, confidentiality and auditing procedures, as described in the following paragraphs.

We use database replication for performance and security purposes to support our developers and analysts in their own environment. GHS applies at least 128 bit encryption for all data sets transferred electronically to and from our business partners. We also use 1024 bit DSA SSH Version 2 encryption for any data sets transmitted by means other than a secure web interface. This will also apply to all claims data sets sent to and from GHS' data center through our enterprise Extract Transfer Load (ETL) system. Authentication for our ETL system is provided by a public key / private key authentication method.

As a minimum standard, we require usernames and passwords for access to web-based services to be at least eight (8) characters each, with the password containing variations of upper and lower case letters and / or numbers and at least one (1) special character. Currently accounts are set to lock users out after three failed login attempts after which only authorized administrators can unlock the account. We can also provide functionality to delete or suspend accounts after a pre-determined timeframe of inactivity. Passwords can be set to expire periodically, in accordance with State-established criteria.

Password requirements and time out functionality has all been designed to be flexible and easily configured to meet the needs of our State clients. GHS will review all of this functionality with HFS upon contract review to ensure that the system is configured appropriately to meet all NIST and FISMA requirements.

Data transmission lines are located in rooms protected by secured doors. Only those technicians with a business need have access to those doors. Systems hardware and software is stored in secured rooms with limited access. Systems libraries are protected via access controls within the system. GHS employs the "minimum access necessary" principle, providing access only to those employees who need it to perform their job functions.

Visitors to the office and any secured areas must sign in/out and be escorted at all times by an employee who has been granted access.

GHS uses a shredding company to destroy any confidential paper and electronic media (CDs, floppy disks, tapes, etc.). These items are placed in locked bins, and then transported by the shredding company for destruction.

Upon hire and annually thereafter, all employees read and sign the GHS Confidentiality Policy, which requires the protection of all patient identifiable and proprietary corporate resources. Employees who use systems that reside on the company servers are also required to read and sign an additional data usage Security Policy. New employees receive security and privacy training. Periodic security reminders are provided in multiple ways, including but not limited to training classes, posters, and various emails.

GHS conducts the periodic security audits to ensure compliance with all contractual requirements regarding confidentiality of information. GHS regularly monitors our data center facility for network up-time and bandwidth, server up-time, health, and storage, power conditions and environmental concerns such as; cooling, heating, humidity and physical security. Additionally, the GHS security and logistical protection controls are part of our annual SAS 70 Type 1 audit, which we have been proactive in extending to the State of Maine, but not yet in our contract. GHS understands the demands and rigor of SAS 70 Type II testing, which is currently done for other clients, and will work with DHHS to ensure that the controls are documented and representative of the functionality and services needed.

We also employ other security measures in our policy that have been determined by us to improve security. This includes, but is not limited to, recommendations by NIST, FISMA, and other authorities on computer security best practices. We follow all the rules and regulations set forth by HIPAA. We also adhere to a standard process of backup and recovery for all the programs and systems we are responsible for and assure the integrity of all data and systems. Our systems and processes have been audited and found compliant both by client states and third-parties.

GHS will comply with requests to demonstrate that the POS/DRMS production infrastructure (hardware, software, and linkages) and State connectivity and all interfaces to it are operational and compliant.

A2.2 "The System will be able to support Application to Application (A2A) synchronous and asynchronous messaging using web services. The messaging capabilities will be able to support a wide variety of A2A patterns including, but not limited to, the following:
- Data look-up and retrieval
- Data look-up with services provided by other applications
- Simple bulk data transfer to/from other Systems."

GHS incorporates best technology practices in our products. Flexible design principles are a key component toward ensuring a technology approach that meets our clients' needs. Each new product is being designed to leverage service-oriented architecture (SOA). This positions us to increase our agility and modularity in our development and system integration strategies. GHS leverages SOA for distributed computing, following the MITA recommended model. This includes SOAP- and REST-based web services for inter-system communication, reusable services, and enterprise-level, high-performance, highly scalable data services, as well as centralized access control.

Our PBMS solution is comprised of integrated modules that already align with current Federal and industry technical standards, as well as those specific to the states in which we provide services. If the state of Illinois has additional state-specific standards the PBMS must comply with, we will work with the state to capture these additional requirements and integrate them into the project plan. We have the expertise and experience to effectively understand the details of how each component supports the standards that achieve the overall goals of improving quality of care, controlling costs, and maintaining security of Medicaid pharmacy benefits.

The GHS solution provides the capabilities for data lookup and retrieval, Data look-up with services provided by other applications and simple bulk data transfer to/from other Systems.

A2.3 The System's interface infrastructure will continue to operate despite failure or unavailability of individual technology components such as a server platform or network connection.

The PBMS solution GHS is proposing, including all supporting components, will be available to authorized users 24 hours a day, 7 days a week, and 365 days a year with over 99.99% uptime, with the exception of approved maintenance windows. Our infrastructure and business continuity policy procedure ensure up-time is maintained meeting all client specific performance requirements as well as those defined by NIST and FISMA.

GHS leverages both its technology and PBMS platform stacks to maintain a high Service Level Agreement (SLA) environment. For example, GHS has the ability to switch the POS claims adjudication from a primary server to a secondary or tertiary server though mirroring technology, which provides automatic failover and high availability.

Improvements to our data center in 2010 upgraded our classification from a Tier 2 to a Tier 3 data center based on the criteria of the Uptime Institute. The GHS data center facility is equipped with backup generator power and FM-200 gas fire suppression systems. These minimize the risk of failure due to power outages or fire, the most likely of potential disaster scenarios for our Data Center. Testing of the network Uninterrupted Power Supply (UPS) and generator is fully automated. A failure in any of the tested components triggers a notification to be sent to all network services employees. Since the testing occurs during regular business hours, any deficiency that is found can be resolved quickly. In addition to weekly maintenance, maintenance of backup power systems is scheduled twice a year, at six-month intervals.

A2.4 The System's interfaces must be scalable to accommodate changes in scale including changes in user population, transaction volume, throughput and geographical distribution. The System will be capable of making any changes to the interface data elements/layouts easily, and to test those changes.

Your solution includes flexible, configurable, scalable and well designed Service Oriented Architecture (SOA) platforms. This system has already been certified (back to the first day of operations) three times by the Centers for Medicare & Medicaid Services (CMS) using the Medicaid Enterprise Certification Toolkit. Most recently our Software as a Service (SaaS) solution was CMS certified in Utah, in April of 2013.

Our systems and applications are designed to be highly scalable and flexible to easily meet the continually changing demands of the healthcare landscape.

A2.5 The System will implement, at a minimum, interfaces (both real-time or batch) with the systems requiring integration and data sources listed in Table 5 of Section 2.3.3: (ACCESS / Integrated Eligibility, HSE Platform and the Existing and replacement MMIS) of the RFP. These interfaces will be implemented using point-to-point methods and secure file transfer for the legacy systems and Vermont's Health Services Enterprise integration middleware, Oracle SOA Suite and Service Bus for the replacement systems.

To capture the complete scope of interface requirements, GHS will facilitate technical design sessions with MMIS and State subject matter and technical experts. After requirements are gathered, GHS will create and submit a detailed PBMS Interface Design document. This document will reflect our understanding of the current State environment and the relationships and interfaces used to support the PBMS solutions. This document will also contain the detailed specifications agreed to between GHS and current MMIS operators, and at a high level contain detailed tasks, schedules, staff, and work assignments for the following:

- Preliminary Project Plan and Timeline;
- Analysis and Specification Definition;
- Coding;
- Testing;
- Training;
- Documentation; and
- Deployment.

[redacted]

Figure 140: [redacted]

A2.6 The System will implement, at a minimum, interfaces (both real-time or batch) with the applications and data sources listed in section 2.1.2 of the RFP - Systems requiring integration. These interfaces will be implemented using Vermont's Health Services Enterprise integration middleware, Oracle SOA Suite and Service Bus.

Our information architecture, as it relates to shared services capabilities, provide configurable or programmable interfaces that will successfully accommodate cross-platform exchanges of data and content, coordinated with the Vermont System Integrator. The infrastructure and technology underlying

our solutions ensures interoperability between platforms operating elsewhere within a State's Medicaid enterprise, such as the System Integrator, Core MMIS, and/or other Vermont contractors. We build upon current, industry standard technologies, and apply regular updates to ensure nothing is ever obsolete. All our standards for storing and interfacing data are documented and open to our stakeholders and business partners.

A2.7 The System will provide the capability to perform source to destination file integrity checks for exchange of data and alert appropriate parties with issues

The safeguards described below support the primary goal of security, which is to make the data available to users with the proper authorization while supporting data confidentiality and integrity within this GHS enterprise:

- Audit controls are in place to enable the monitoring of activity in the system.
- Integrity safeguards to protect the data are as follows:
    - Access to data on files and databases is restricted
    - Control totals on files are validated.
    - Procedures are in place to address situations where data load programs abnormally end.
- When electronic transmission of Protected Health Information (PHI) occurs between clients, secure transmission and encryption methods can be utilized to protect the information in transit.

A2.8 Systems components will be committed to an advanced approach to interoperability using web services and Service Oriented Architecture (SOA) aligned with State standards and vision for interoperability.

GHS has always maintained a sound approach to data integration with customers and trading partners. As the healthcare data integration landscape evolves toward higher levels of interoperability, our data integration and product development strategies align with MITA interoperability to provide more robust and timely data integration with outside entities, including real-time synchronization of reference data. By leveraging the use of contemporary data integration technology, such as Service Oriented Architecture (SOA), web services and open messaging standards GHS will achieve higher levels of interoperability.

A2.9 Systems will integrate with VT HSE using a Service Oriented Architecture by using an Enterprise Service Bus, responsible to monitor and control routing of message exchange between services, resolve contention between communicating service components, control deployment and versioning of services and marshal use of redundant services.

GHS uses an Enterprise Service Bus (ESB) as the backbone of its SOA infrastructure. GHS' ESB is used in capacities typical of an SOA stack, including routing, messaging, service orchestration, event handling, and other quality of service and general management functions.

A2.10 Systems will support creation and extension of service interfaces through the use of Web Services Description Language (WSDL)

The GHS solution for the Vermont project utilizes Web Services Description Language (WSDL) for the creation and extension of service interfaces. GHS' standard development practices include the use of web services technology / SOA and open standards in support of providing an EAI (Enterprise Application

Integration) framework for data and systems integration. GHS will continually work the state to ensure we align with evolving application integration requirements that complies with industry standards.

A2.11 Systems will develop/integrate services using standardized Web Services formats.

GHS incorporates best technology practices in our products. Flexible design principles are a key component toward ensuring a technology approach that meets our clients' needs. Each new product is being designed to leverage service-oriented architecture (SOA). This positions us to increase our agility and modularity in our development and system integration strategies. GHS leverages SOA for distributed computing, following the MITA recommended model. This includes SOAP and REST based web services for inter-system communication, reusable services, an enterprise-level high-performance, highly scalable data services, and centralized access control.

A2.12 Systems will provide the ability to publish services and related data to be used by different types and classes of service consumers.

The GHS PBMS solution includes flexible, configurable, scalable and well-designed Service Oriented Architecture (SOA) platforms which are specifically designed for the delivery of Medicaid Pharmacy solutions. Furthermore, our platforms feature modular solutions which are specifically designed to accommodate the installation and on-going upgrades of suitable Commercial off-the-Shelf (COTS) components and rules engines that provide for user configuration without programmer intervention. These integral features of the GHS approach manifest themselves in an array of highly sophisticated PBMS program applications. For example, the GOOLD Rx POS solution is comprised of flexible data-driven modules that can be customized to meet each of our client's distinct needs. The Goold PBMS Solution is following the MITA Maturity Model for MITA-alignment and compliance with the seven standards and conditions for ease of use, flexibility, and modularity.

We understand the Department's expectation to establish and maintain quality technology systems and improve business processes to provide the Medicaid program with a flexible, integrated and adaptable service delivery model. The State requires a partnership that can deliver certifiable, expert pharmacy benefits administration to improve client outcomes and leverage shared services, common technology and benefit design information. The Department needs a modern solution that takes advantage of technological advances such as configurable rules engines and a service-oriented architecture while moving the State through continued MITA maturity.

A2.13 Systems will provide the capabilities for a Real-Time (or near real-time) Integrated Enterprise where common data elements about the customers served and services rendered are easily shared across organizational units with appropriate adherence to security and privacy restrictions.

GHS provides several industry standard methods for receiving eligibility data updates such as batch transactions or web services, depending on State requirements. GHS has always maintained a sound approach to data integration with customers and trading partners. As the healthcare data integration landscape evolves toward higher levels of interoperability, our data integration and product development strategies align with MITA interoperability to provide more robust and timely data integration with outside entities.

A2.14 Systems will have the capability to implement synchronous and asynchronous program-to-program communication, moving messages between SOA service consumer modules and service provider modules at runtime. The ESB component may also move files, database rows and other data.

Our information architecture, as it relates to shared services capabilities, provide configurable or programmable interfaces that will successfully accommodate cross-platform exchanges of data and content. The infrastructure and technology underlying our solutions ensures interoperability between platforms operating elsewhere within a State's Medicaid enterprise. We build upon current, industry standard technologies, and apply regular updates to ensure nothing is ever obsolete. All our standards for storing and interfacing data are documented and open to our stakeholders and business partners.

GHS has reviewed the State's recommendations and we understand , at a high level, the short and long-term objectives outlined in the recommendations document, and will ensure that these are accounted for in the ongoing planning for the Vermont PBMS project.

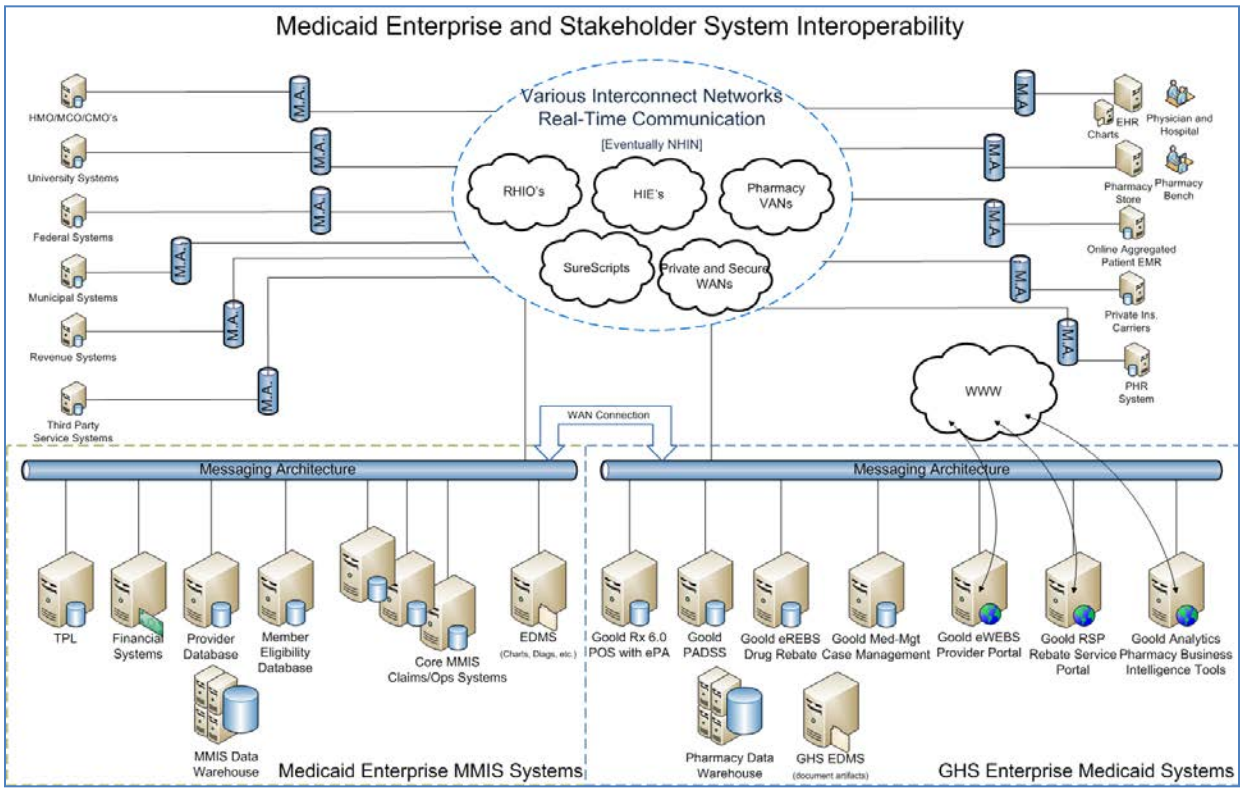

Figure : Medicaid Enterprise and Stakeholder System Interoperability

A2.15 Message and data formats should be based on logical representations of business objects rather than native application data structures

The proposed solution utilizes message and data formats that are based on logical representations of business objects.

A2.16 "Data transformations will be to and from normalized formats.

Normalized data formats facilitate composition and reduce the number of transformations that must be created and maintained. A canonical data representation that spans the enterprise can be used but is not required. A federated approach to data normalization is also possible"

GHS models all data schemas to best-fit system functionality. Application databases are modeled as efficient operational data stores, while Data Warehouse database schemas follow a higher normal form according to Codd's rules. Data structures for queries and analytics are optimized into data mart and cube structures for a best blend of normalized, flat, and pre-aggregated data structures.

GHS uses industry best practices regarding data transformations.

A2.17 Point-to-point integrations are to be avoided. Application integration, both internal and external, will go through the central ESB.

GHS uses an Enterprise Service Bus (ESB) as the backbone of its SOA infrastructure. GHS' ESB is used in capacities typical of an SOA stack, including routing, messaging, service orchestration, event handling, and other quality of service and general management functions.

As a result of federal regulations and the release of MITA 3.0, GHS is continually assessing its Technical and Information capability, to align with updated standards, conditions, and State-specific requirements. The primary objective of our ongoing assessment is to determine where Goold products are today, and to determine any changes in future releases that may be required to attain full MITA maturity.

GHS is prepared to develop and maintain all of the data interfaces indicated in this requirement in the same, high-quality manner we do to support current PBMS clients. GHS has successfully interfaced with several MMIS systems, as well as many other technical environments, including state and federal agencies and third party vendors. GHS' Data Warehouse currently sends and receives over 300 recurring, scheduled feeds to support ongoing operations for current clients.
To capture the complete scope of interface requirements, GHS will facilitate technical design sessions with subject matter and technical experts. After requirements are gathered, GHS will create and submit a detailed PBMS Interface Design document. This document will reflect our understanding of the current State environment and the relationships and interfaces used to support the PBMS solutions.

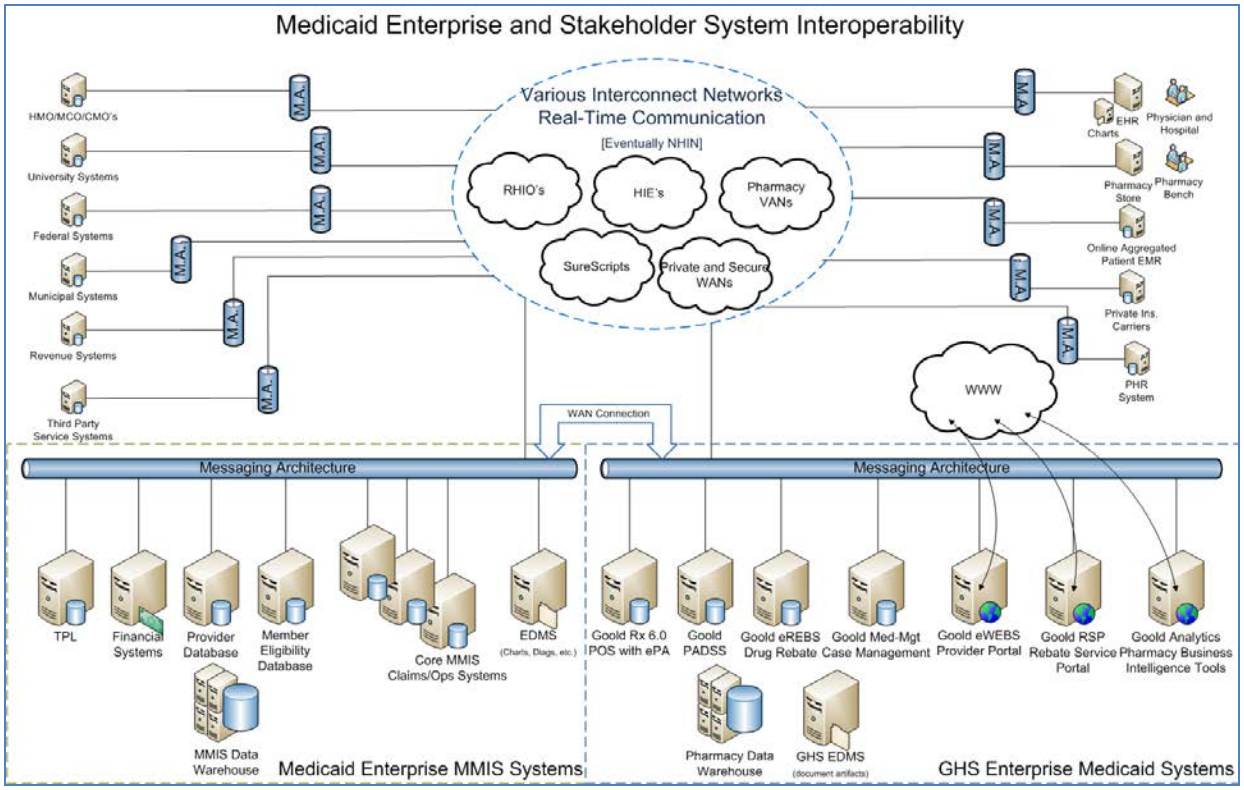

Figure : Medicaid Enterprise and Stakeholder System Interoperability

A2.18 All System services will be classified with one of the following values: Presentation, Process, Business, Data, Access, or Utility

GHS employs an n-tier, web-based approach to application software development as the standard. As such, classifications exist and will be reviewed with the state to ensure compliance with guidelines provided within this requirement.

A2.19 All services will be reviewed, classified, and cataloged prior to use. The Documentation Artifacts will be modeled per ISO/IEC/IEEE 42010Architecture Description Template as part of the Vermont Enterprise Architecture Program Requirements. Duplicate services will be rationaled and retired appropriately.

GHS' solution will include a service library or "catalog" by means of a Service Registry, as per SOA best practices as well as the MITA standards. The meta data attributes vary depending on the specific type of service and typically include: Description, WSDL or XSD, Version, source code repository address, specific examples and test cases, requirements and design documents, deployment documents, message and record model definitions such as MITA/HL7, EDI / X12, etc.

GHS will coordinate with the state during the DDI phase to establish the catalog review process.

A2.20 All services will have key stakeholder/owners identified following the ADM Architecture Model. Role Matrix should include s/w developers, integrationists, technologists, Enterprise Architects, Business Leads, Testing teams, UAT Teams.

GHS project management team will coordinate the identification of all key stakeholders /owners in the architecture model. The role matrix provided to include s/w developers, integrationists, technologists, Enterprise Architects, Business Leads, Testing teams, UAT Teams.

A2.21 All WSDLs developed for Vermont will conform to the WSDL Development Standards

GHS conforms to WSDL Development Standards. During the DDI phase, further discovery will take place to identify any additional state standards to be incorporated into the Vermont solution.

A2.22 All SOA-related messages will be formally defined with XSD (preferable) or DTDs. A SOA Architecture Repository will be required.

GHS' solution will include a service library or "catalog" by means of a Service Registry, as per SOA best practices as well as the MITA standards. The meta data attributes vary depending on the specific type of service and typically include: Description, WSDL or XSD, Version, source code repository address, specific examples and test cases, requirements and design documents, deployment documents, message and record model definitions such as MITA/HL7, EDI / X12, etc.

A2.23 SOA-related services hosted should be implemented in Java.

From a development perspective, GHS is primarily a JAVA company. In addition to JAVA, several other programming languages are also utilized which include; NET (C#, Visual Basic, ASP), and MVBasic. ANSI standard SQL is used on the database side. Other relevant technologies and standards utilized include HTML, CSS, JavaScript / AJAX (JQuery, Prototype), XML, XSD, XSLT.

A2.24 Implemented services will rely on WS-Policy configurations for message reliability (WS-Reliable Messaging)

GHS development tools support a variety of web service specifications including WS-Addressing, WS-Policy, WS-ReliableMessaging and WS-Security.

A2.25 The following metadata attributes will be tracked for all services in the services catalog: {name, lifecycle status, class, description, owner, version, revision history, release frequency, versioning policy, deprecation policy, message exchange patterns, compensating transaction support, availability requirements, volume, max message size, security attributes, sla, logging requirements}

GHS will track attributes for services in the services catalog to include: {name, lifecycle status, class, description, owner, version, revision history, release frequency, versioning policy, deprecation policy, message exchange patterns, compensating transaction support, availability requirements, volume, max message size, security attributes, sla, logging requirements

GHS will work with the state to further clarify and define desired content during the DDI process.

A2.26 SOA services will be attributed with one of the following SOA Lifecycle Status values: Candidate, Justified, Defined, Designed, Implemented, Operational, or Retired. A SOA Architecture Repository will be required and opened to Vermont EA Program.

GHS will follow the guidelines to ensure SOA services are attributed to the SOA lifecycle status values.

Further clarification will occur during the DDI process to ensure compliance .

GHS' solution includes a service library by means of a Service Registry, as per SOA best practices as well as the MITA standards.

A2.27 The System will be designed, built and deployed with enterprise architecture best practices including substantial reliance on highly configurable SOA components. The System will undergo, at a minimum, 2 iterations integrated with HSEP development environment. Each iteration will be have a maximum period of 10 days. The Systems will have an alpha deployment on HSEP staging Environment and also will have, at a minimum, three weeks of UAT Testing by Business SMEs on the HSEP Staging Environment

The GHS development approach follows best demonstrated practices. At a minimum, 4 environments are established to facilitate controlled testing prior to implementation; Internal development (Unit Test), Internal Testing and Q&A (Integration), Customer Facing (UAT), and Production Level.

The GHS project management team will schedule testing iterations as requested in this requirement.

[redacted]

A2.28 Systems will provide reliable, once-only delivery of messages (guarantee of reliable and non-repetitive delivery).

GHS utilizes WS – Reliable messaging which ensures once-only delivery of messages.

A2.29 Systems will have the capability to integrate with the VT ESB technology to perform syntactic and semantic hub-based transformation of messages, including: ' Support of taxonomy ' Support of ontology ' Reusable transformation maps ' Built-in transformation functions ' Extending the transformation function with custom-coded logic ' Support B2B project translation including Electronic Data Interchange (EDI), RosettaNet, HL7, etc.

GHS has the capability and technical expertise to integrate with the VT ESB. During the DDI and operations project phases, GHS will work with the state to fully document this requirement.

A2.30 Systems will provide the functionality that provides reliability for applications, services or message flows: ' Load balancing ' High availability ' Fault tolerance ' Failover ' In-order delivery ' Transaction support ' Execution prioritization ' Message prioritization. Tests for High Availability and Failover must be completed prior to the release to UAT.

The Vermont PBMS solution GHS is proposing, including all supporting components, will be available to authorized users 24 hours a day, 7 days a week, and 365 days a year with over 99.99% uptime, with the exception of approved maintenance windows. Our infrastructure and business continuity policy procedure ensure up-time is maintained meeting all client-specific performance requirements, such as those specifically outlined in this requirement, as well as those defined by NIST and FISMA.

GHS leverages both its technology and PBMS platform stacks to maintain a high Service Level Agreement (SLA) environment. For example, GHS has the ability to switch the POS claims adjudication from a primary server to a secondary or tertiary server though mirroring technology, which provides automatic failover and high availability.

Tests for High Availability and Failover must be completed prior to the release to UAT.

A2.31 Systems will provide the technology that manages the metadata and provides the features needed to support the reliable operation of services. Examples include: ' Online catalog of services and associated artifacts such as WSDL files, XSDs, BPEL files ' A single point of controlled access for cataloging, promoting, publishing and searching for information about managed assets ' Metadata that enables an Enterprise Service Bus (ESB) to find, bind to and invoke the execution of a service implementation ' Support for extending existing asset types and defining and populating custom asset types

GHS' solution includes a service library or "catalog" by means of a Service Registry, as per SOA best practices as well as the MITA standards. The meta data attributes vary depending on the specific type of service and typically include: Description, WSDL or XSD, Version, source code repository address, specific examples and test cases, requirements and design documents, deployment documents, message and record model definitions such as MITA/HL7, EDI / X12, etc.

A2.32 Systems will provide support for integrating with applications with SOA and event-driven architectures in a manner that supports the following implementation strategies: ' Web Services: Web Services Interoperability (WS-I) Organization-compliant implementation of basic Web services standards, including SOAP, WSDL and Universal Description, Discovery and Integration (UDDI), as well as higher-level Web services standards, such as WS-Security. ' Representational State Transfer (REST): Support for XML-based messages, processing and HTTP, and XHTML.

GHS incorporates best technology practices in our products. Flexible design principles are a key component toward ensuring a technology approach that meets our clients' needs. Each new product is being designed to leverage service-oriented architecture (SOA). This positions us to increase our agility and modularity in our development and system integration strategies. GHS leverages SOA for distributed computing, following the MITA recommended model. This includes SOAP- and REST-based web services for inter-system communication, reusable services, and enterprise-level, high-performance, highly scalable data services, as well as centralized access control.

GHS SOA based application design and messaging solution will support all listed implementation strategies and messaging types.

A2.33 Systems will have the ability to track a message from its origin to its destination (inside a firewall), inquire on the status of that message and address exceptions (for example, resend the message if a target times out). Usually implemented via a warehouse for archiving messages together with the associated tracking and logging data.

The proposed GHS PBMS solution has the capability for complete message tracking for the 'life' of the message. Results can be made available to the data warehouse for archiving and subsequent reporting needs.

A2.34 The Systems will have the ability to use standards-based communication protocols, such as TCP/IP, HTTP, HTTP/S and SMTP. ' Protocol bridging: The ability to convert between the protocol native to the messaging platform and other protocols, such as Remote Method Invocation (RMI), IIOP and .NET remoting.

The proposed GHS solution has the ability to use standards-based communication protocols, such as TCP/IP, HTTP, HTTP/S and SMTP and has implemented solutions for our existing customers leveraging the Enterprise Service Bus (ESB).

A2.35 The System will seamlessly work with the technology and programs that act as glue, transforming among protocols, connecting to databases and linking pre-SOA Application Programming Interfaces (APIs) to the SOA backplane.

GHS utilizes an Enterprise Service Bus (ESB) as the backbone of its SOA infrastructure. GHS ESB is used in capacities typical of an SOA stack, including routing, messaging, service orchestration, event handling, and other QoS and general management functions. The SOA based solution is reusable and configurable and can interact seamlessly by leveraging the ESB.

The GHS services framework is used to build and develop services using frontend programming APIs, like JAX-WS and JAX-RS. These services can speak a variety of protocols such as SOAP, XML/HTTP, RESTful HTTP, or CORBA and work over a variety of transports such as HTTP, JMS or JBI.

A2.36 The System will have the capability to work with a Service Registry that serves as an integration point for runtime tooling

GHS' solution includes a service library or "catalog" by means of a Service Registry, as per SOA best practices as well as the MITA standards. The meta data attributes vary depending on the specific type of service and typically include: Description, WSDL or XSD, Version, source code repository address, specific examples and test cases, requirements and design documents, deployment documents, message and record model definitions such as MITA/HL7, EDI / X12, etc.

GHS leverages service registry and UDDI system to support runtime binding of service clients and available services.

A2.37 The System will have the capability to work with security policy manager for Web services that allows for centrally defined security policies that govern Web services operations (such as access policy, logging policy, and load balancing)

GHS' solution includes a service library or "catalog" by means of a Service Registry, as per SOA best practices as well as the MITA standards. The GHS system has the capability to work with security policy manager for Web services that allows for centrally defined security policies that govern Web services operations

3.0 A3-Regulatory and Security

Instructions: Describe how the Vendor maintains physical and logical security relative to the services it provides. This should include an overview of the policies and practices to prevent, detect, and resolve security breaches. In addition, the Provider shall demonstrate experience and ability to meet all federal and local regulatory requirements (e.g., HIPAA, SOX, data privacy). The approach must, at a minimum, provide details on how the proposed Solution intends to meet or exceed the Regulatory and Security Requirements set forth in the document 'Non-Functional Requirements, Tab A2 Regulatory and Security'.

GHS follows an information security components methodology focusing on Confidentiality, Integrity and Availability (CIA) for securing its logical and physical assets and infrastructure. We use several tools for authentication ranging from Lightweight Directory Access Protocol (LDAP) via Windows Active Directory (AD) and Linux LDAP to access lists encrypted into the applications. Each user ID and password conforms to GHS' User ID and password policies which define the minimum complexity, number characters, and acceptable letter combinations of a password.

GHS uses a minimum access necessary model for both physical and logical access, as determined by an individual's job responsibilities and duties. This is intended to ensure that only authorized individuals have access to information required as part of their role and responsibilities. GHS protects its information using logical and physical security, hardened computerized infrastructure, policies and procedures, and information backup schemas.

GHS' physical/facilities infrastructure is secured using an Electronic Card Access (ECA) system in which each individual is given a proximity card that allows them access to the necessary locations to perform their job duties. Each secured room in GHS' facilities is secured by an RF reader/access point and each time a proximity card is used to access a location the individual's access card is recorded and reported. During non-business hours GHS' facilities are secured using alarm systems and motion sensors inside the facility, both of which are monitored by an outside security vendor.

GHS performs several types of audits ranging from physical access audits, Intrusion Detection System (IDS) audits, server and workstation recourse audits, software audits, application audits, etc. to insure the integrity of its physical and logical infrastructure. GHS uses industry standard Firewalls, IDS, and Proxy Servers to protect its Network infrastructure from outside entities.

Secure Sign-on, Authentication, and Password Management:
GHS employs secure sign-on, authentication, and password management that is compliant with federal security and privacy requirements, as well as those of client states and GHS' own policies. GHS employs standard authentication systems such as Active Directory (AD) and Lightweight Directory Access Protocol (LDAP) in each application. Through each application's Access Control List (ACL), users and groups are then granted permissions based on roles. While permissions for each application are managed by the application itself, each application ties into AD / LDAP allowing for users to use the same username and password combination for all. AD, LDAP, and ACLs are used regardless of where a

system or application is accessed from, whether it's from GHS' internal network, a State's intranet, or the internet.

As our current standard, we require usernames and passwords for access to web-based services to be at least eight (8) characters in length, with the password containing variations of upper and lower case letters and / or numbers and at least one (1) special character. Accounts are set to lock users out after three failed login attempts after which only authorized administrators can unlock the account. We also have the ability to delete or suspend accounts after a pre-determined timeframe of inactivity. Passwords can also be set to expire periodically, in accordance with State-established criteria. Password requirements and time out criteria are flexible and easily configured to meet the needs of our clients.

Monitoring, Tracking, and Auditing:
To maintain data integrity, GHS has implemented systems, policy, and procedures to support:

- Monitoring – Proactive triggers that alert administrators of real or potential integrity issues. Administrators will use expert judgment and standard procedure to determine the required action for any monitoring trigger.
- Tracking – Recording transactions and related data elements for scheduled reporting or audits, and analysis to address specific concerns or issues.
- Auditing – Retroactive review of transactions by GHS staff / processes or an external entity to confirm compliance over time. The primary purpose of auditing is to ensure systems and data are maintained according policy, procedure, industry standard, or other criteria. Audits may result in corrective action to be taken by GHS.

GHS currently participates in annual SSAE 16 (formerly SAS 70) audits that include review these controls. We also participate in State-specific audits at regular intervals (typically annually) and on an ad-hoc basis. GHS is committed to continuous quality improvement and participation in audits helps us identify future improvements.

Data Encryption:
Data encryption is used extensively by GHS and required by policy when transferring certain types of data, such as Personally Identifiable Information (PII) or Protected Health Information (PHI), are transmitted outside of GHS' internal infrastructure. GHS applies at least 128 bit encryption to all data sets transferred electronically to and from our business partners. We also use 1024 bit DSA SSH Version 2 encryption for any data sets transmitted by means other than a secure web interface. Internally, GHS also offers database level encryption based on Cipher Block Chaining (CBC) [NIST 800-38A] mode, following the United States Government Advanced Encryption Standard (AES) [FIPS 197]. Encryption can be facilitated on a database to database basis, providing a flexible mix of encrypted and unencrypted data at rest. GHS regularly verifies compliance with NIST, FISMA, and any other encryption standards as well as all others our clients require.

Database Element Security:
GHS implements a role-based security model for databases in the same manner as applications, system, and data. The ability to access, view, add, change, or delete data elements, and business rules is restricted to a subset of employees with specific training and job requirements; services are restricted to those who are allowed access only within their defined roles.

Data Masking:

Inside and outside of GHS's infrastructure, GHS has the ability to mask data in a number of ways depending on the requirements of the specific task or activity. Methods typically employed include de-identification, masking, encryption, or eliminating the element from the desired output. Protection of database content to the data element level can be applied based on service needs.

User Controls:
For all PBMS components, controls are in place to ensure that users cannot view, access, or modify any data or access any tools outside the scope of their operational duties. This also applies to applications and systems accessed by providers, manufactures, and other stakeholder parties. For example, our provider portal is configured such that one provider cannot access any other provider's confidential data (such as PA requests) or their secure credentials – They only have access to the tools and data needed to support the workflow.

Facility Security:
GHS' office facilities and data center are secured with an electronic swipe key card access system. GHS employees are granted 'minimum necessary' access to office areas (such as the data center) based on their job function. All access attempts, successes and failures, are logged in our security system. All perimeter doors are secured by a monitored intruder alarm system. The system is armed after GHS employees have vacated the building. Perimeter doors and other locations are monitored with security cameras.

3.1 General

A3.1 The System will, at a minimum, provide a mechanism to comply with security requirements and safeguard requirements of the following Federal agencies / entities:
- Health & Human Services (HHS) Center for Medicare & Medicaid Services (CMS)
- Administration for Children & Families (ACF)
- NIST 800-53 and DOD 8500.2
- Federal Information Security Management Act (FISMA) of 2002
- Health Insurance Portability and Accountability Act (HIPAA) of 1996
- Health Information Technology for Economic and Clinical Health Act (HITECH) of 2009
- Privacy Act of 1974
- e-Government Act of 2002
- Patient Protection and Affordable Care Act of 2010, Section 1561 Recommendations
- Vermont Statute 9 V.S.A. § 2440. Social security number protection (http://www.leg.state.vt.us/statutes/fullsection.cfm?Title=09&Chapter=062&Section=02440)
- Vermont Statute 9 V.S.A. § 2435. Notice of security breaches (http://www.leg.state.vt.us/statutes/fullsection.cfm?Title=09&Chapter=062&Section=02435)

Health & Human Services (HHS) Center for Medicare & Medicaid Services (CMS):

GHS complies with all policy and guidelines provided by HHS Center for Medicare and Medicaid Services (CMS) and will implement these procedures in the Vermont PBMS solution.

Administration for Children & Families (ACF):
GHS complies with all policy and guidelines provided by the Administration for Children & Families and will implement these procedures in the Vermont PBMS solution.

NIST 800-53 and DOD 8500.2:

GHS has an internal Security Management Plan which specifically addresses the types of system security controls described in FIPS 200 and NIST 800-53. The data will be protected by implementing the minimum baseline security controls identified in NIST SP 800-53 on the FIPS 199 / 200 system categorization. This will serve as a baseline for developing a DVHA PBMS-specific Physical and System Security Plan for Department approval. After contract award, GHS will review all Vermont security requirements and verify they are reflected in the Physical and System Security Plan and implemented in related policy / procedure.

Federal Information Security Management Act (FISMA) of 2002:
GHS is committed to protecting the confidentiality and privacy of all confidential information stored on or passed through GHS. GHS has undertaken all necessary steps to ensure that we are fully compliant with all applicable NIST and FISMA rules in accordance with mandated implementation dates. As security standards are changed or added, GHS creates an implementation strategy for all necessary updates.
With regard to NIST and FISMA compliance generally, GHS has established safeguards to:

- Ensure the security and confidentiality of covered data, information, personnel, and supporting technological resources;
- Protect against anticipated threats or hazards to the security or integrity of covered data and information;
- Protect against unauthorized access to or use of covered data and information.
- Identify and assess risks that may threaten covered data and information maintained by GHS employees;
- Develop written policies and procedures to manage and control these risks;
- Implement and review the plan on a regular basis; and
- Adjust the plan to reflect changes in technology, the sensitivity of covered data and information and internal or external threats to information security.

Additional safeguards employed by GHS that ensure NIST FISMA compliance include:

- Acquiring a Business Associate (BA) agreement with all business partners;
- An established a set of policies and controls to ensure that confidential information is safeguarded by all employees and others who may have access to certain confidential information in the course of their assigned work. These policies and procedures ensure that we apply the principle of “minimal necessary use” to the use of and access to specific confidential information;
- An established the position for a Chief Privacy Officer, who is responsible for all Privacy and Security Compliance requirements; and
- Performing a series of audits and reviews on a scheduled basis to ensure that GHS policies and procedures are effective and compliant with the BA agreement.

Health Insurance Portability and Accountability Act (HIPAA) of 1996:

The DVHA MMIS Pharmacy solution from GHS provides all the information and processing capabilities necessary for the State to be compliant with all current and revised regulations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA. The GHS solution allows for the acceptance and transmission of all Electronic State Interchanges (EDI) formats necessary for supporting all components of our solution. GHS considers security and confidentiality to be of the utmost importance in the handling of all our customers’ information. To protect the confidentiality, integrity and availability

of information, GHS has in place appropriate physical site and data security measures. GHS is compliant with HIPAA and all other State / Federal / Client mandates regarding the confidentiality of Protected Health Information (PHI), including the Federal Information Processing Standards (FIPS).

GHS has successfully implemented HIPAA transaction standards and security standards. The information listed below is provided in our HIPAA operations policies. Each employee receives a copy of these policies upon hire and acknowledges receipt and review of the policies in writing. All employees are required to certify their understanding of confidentiality requirements and HIPAA policies. GHS provides HIPAA privacy training to all employees charged with keeping Personally Identifiable Information and Protected Health Information (PII/PHI) confidential. We also develop and update specific policies for:

- Email;
- Facsimile transactions;
- Postal Service mail and courier deliveries;
- Paper destruction;
- Caller verification;
- Visitors;
- Computer system access permissions (external and internal);
- Physical Transport of PII/PHI; and
- Enrollment.

The pharmacy POS claims adjudication system (Goold Rx) offered by GHS meets all the NCPDP-related HIPAA requirements; these requirements include the receiving and processing of Medicaid pharmacy subrogation transactions electronically in a HIPPA defined standard format. GHS will ensure that all transactions are fully compliant with 45 CFR Part 162 as defined by state requirements.

Data Exchanges outside the GHS systems will only take place according to strict HIPAA policy and procedures between GHS and State-approved trading partners. All hard-copy artifacts that fall under the HIPAA security rule are properly secured when stored or transported, and securely destroyed when they reach their useful end of life.

Health Information Technology for Economic and Clinical Health Act (HITECH) of 2009:
GHS understands HITECH and the adoption of the electronic health records (EHR) as adopted into law on February 17, 2009. GHS will participate in the State initiatives to provide secure and protected data to support the EHR efforts.

Privacy Act of 1974:
The Privacy Act of 1974 specifies how entities are to handle private data and who can access and/or how we share the data. This act aligns with other federal regulations and regulations, laws, and statutes that GHS complies with in other state for current clients. We are confident in our continued compliance with this Act.

e-Government Act of 2002:
GHS understands the provisions of the e-Governance act of 2002. At a high-level, these provisions align the regulations, rules, and statutes GHS is already required to comply with, as well as our own internal management philosophy. We are confident in our capability to meet the provisions of this act.

Patient Protection and Affordable Care Act of 2010, Section 1561 Recommendations:

In addition to our current NIST and FISMA provisions, GHS has implemented a set of new procedures to ensure that GHS is also compliant with the additional privacy provisions of ARRA, which establishes a higher standard for breaches of patient privacy under HIPAA. GHS has established additional breach notification procedures to ensure that in the unlikely and unforeseen circumstance when a release of confidential information occurs, that GHS can immediately take actions to mitigate the impact of a breach of covenants of personal health information protection.

Vermont Statute 9 V.S.A. § 2440:
GHS has reviewed the State's Social Security Number Protection Act and will undertake the actions necessary to comply with all provisions of the Act. At a high level, we understand the Statute requires entities to will protect an individual's SSN from disclosure and specifies what entities can and cannot do with the number. The statute aligns with federal regulations and regulations, laws, and statutes that GHS complies with in other state for current clients. We are confident in our ability to comply with this statute.

Vermont Statute 9 V.S.A. § 2435:
GHS has reviewed the State's Statute regarding notice of security breaches and will undertake the actions necessary to comply with all provisions of the Statute. The statute aligns with federal regulations and regulations, laws, and statutes that GHS complies with in other state for current clients. We are confident in our ability to comply with this statute.

A3.2 The System will conform with the sub-parts of Section 508 of the Americans with Disabilities Act (ADA), and any other appropriate State or Federal disability legislation.

GHS employs a number of accessibility standards, processes, and best practices and applies these to all end-user applications. As external standards (specifically ADA Section 508) are modified, best practices are enhanced applied to any applications effected. [redacted]

[redacted]

A3.3 The System will comply with all applicable State security policies and adhere to all legal, statutory, and regulatory requirements, as determined by Vermont leadership.

GHS is prepared comply with all Vermont-specific security criteria as outlined by State leadership and related policies. As a provider of PBMS solutions in other states, GHS already complies with all applicable Federal security criteria, in addition to any state-specific criteria.

A3.4 The System will implement security controls in accordance with all Federal and State security policy and regulations.

The GHS DVHA PBM system will implement security controls in accordance with all Federal and State security policy and regulations. As a provider of PBMS solutions in other states, GHS already complies with all applicable Federal security criteria, in addition to any state-specific criteria.

A3.5 The System will comply with accessibility requirements described in 45 CFR 85 and with State of Vermont accessibility requirements located at http://cio.vermont.gov/policy_procedures.

The GHS PBMS solution complies with the accessibility requirements as described in 45 CFR 85 and with the State of Vermont requirements. Areas of non-compliance will be identified and scheduled for future compliance.

A3.6 The System will comply with Vermont branding standards as defined by the state.

All components of the DVHA PBM solution provided by GHS will comply with Vermont branding standards as defined by the state. GHS will work with the Department during requirements gathering to identify and document the specific details of the branding standards the State requires. We support this type of state-specific branding to our other clients, and it is easily configurable.

A3.7 The Vendor will adhere to the principle of "Fail Safe" to ensure that a system in a failed state does not reveal any sensitive information or leave any access controls open for attacks

GHS implements fail safe assurances in all production systems, specifically ensuring that a fail state of any network or data center failure does not all reveal sensitive information or leave anything open for access. GHS will work with the Department during requirements gathering to confirm the fail safe requirements the State is seeking.

A3.8 The System will allow for controlled access to beneficiary records. Users will be able to view beneficiary data within the System at the State-defined levels of access based on user security privileges.

Our systems support both roll-based and group-based security. The primary goal of our Security Management Plan is to make data available to users with the proper authorization while supporting data confidentiality and integrity by maintaining a 'minimum necessary' access policy. For the DVHA PBM project, authorized users, based on their roles and responsibilities, will have the ability to view beneficiary data within PBM applications and support systems. The users' roles will be based up State-defined levels of access based on user security privileges, the specifications of which GHS will capture during requirements definition.

A3.9 The System will maintain a level of security that is commensurate with the risk and magnitude of the harm that could result from the loss, misuse, disclosure, or modification of information.

GHS will maintain a level of security that is commensurate with the risk and magnitude of the harm that could result from the loss, misuse, disclosure, or modification of information in all components of the DVHA PBM. This requirement is compatible with our current security and access policy and procedure, and we maintain security levels in a similar manner for current clients and internally.

A3.10 The System will provide the ability for concurrent users to simultaneously view the same record, documentation and/or template.

All components of the DVHA PBM solution offered by GHS allows concurrent users to have the ability to simultaneously view the same record, documentation and/or template.

A3.11 The System will provide protection to maintain the integrity of data during concurrent access.

GHS uses best practices and standards for record locking and data integrity to assure stability during concurrent access within an application or database.

A3.12 The System will be configurable to prevent corruption or loss of data already accepted into the System in the event of a System failure (e.g. integrating with a UPS, etc.).

GHS prevents loss of data in our data center using the following technologies:

- Built-in redundancies for all systems;
- Integrated UPS for all critical servers, network systems, and workstations;
- Redundant Storage Area Network (SAN) and server infrastructure; and
- Replication of data through scheduled and mirrored backups.

A3.13 The System will support protection of confidentiality of all Protected Health Information (PHI) delivered over the Internet or other known open networks via encryption using triple-DES (3DES) or the Advanced Encryption

Standard (AES) and an open protocol such as Transport Layer Security (TLS), Secure Sockets Layer (SSL), Internet Protocol Security (IPsec), XML encryptions, or Secure/Multipurpose Internet Mail Extensions(S/MIME) or their successors. This System will be subject to external Audit checks.

Data encryption is used extensively by GHS and required by policy when transferring sensitive types of data, such as Personally Identifiable Information (PII) or Protected Health Information (PHI), are transmitted outside of GHS' secure data center. GHS applies at least 128 bit encryption to all data sets transferred electronically to and from our business partners. We also use 1024 bit DSA SSH Version 2 encryption for any data sets transmitted by means other than a secure web interface. Internally, GHS also offers database level encryption based on Cipher Block Chaining (CBC) [NIST 800-38A] mode, following the United States Government Advanced Encryption Standard (AES) [FIPS 197]. Encryption can be facilitated on a database to database basis, providing a flexible mix of encrypted and unencrypted data at rest. GHS regularly verifies compliance with NIST, FISMA, and any other encryption standards as well as all others our clients require.

GHS understands that interfacing systems will be subject to external audits, and captures data that will facilitate this process.

A3.14 The System, when storing PHI on any device intended to be portable/removable (e.g. smart phones, portable computers, portable storage devices), will support use of a standards based encrypted format using 3DES, AES or their successors.

GHS does not permit PHI to be stored or transported on a portable or removable device unless it encrypted, physically secured according to specific procedures, then removed from the device once the need for portability has ended. As a matter of policy, GHS only allows transport of PHI on portable media/devices when all other, more secure, methods of delivery are deemed incompatible with the task at hand but the need is still critical. Generally speaking, it's a rare exception where PHI would need to be transported in this manner.

PHI is not available on any externally-facing web-based application or website.

A3.15 The System, prior to access to any PHI, will display a configurable warning or login banner (e.g. "The System should only be accessed by authorized users").
In the event that a System does not support pre-login capabilities, the System will display the banner immediately following authorization.

GHS will configure the login screens for all applications where access to PHI is provided to authorized users to display the message indicated: "The System should only be accessed by authorized users". We would like to make clear, however, that the systems will be configured such that only authorized users will be able to access applications or screens within applications where PHI may be displayed.

A3.16 The Vendor must have written policies and procedures addressing the use of any protected health data and information that falls under the Health Insurance Portability and Accountability Act (HIPAA) requirements. The policies and procedures must meet all applicable federal and State requirements including HIPAA requirements. These policies and procedures must include restricted access to the protected health data and information by the Vendor's employees.

Copies of our current policies regarding protected health data and HIPAA can be made available to the Department after contract award. Our policies specifically address d access to the protected health data and information by the Vendor's employees.

A3.17 The System will have obtained Medicaid Management Information System (MMIS) certification by CMS, including compliance with all MITA 3.0 standards where applicable

CMS (Federal) certification is vitally and economically important to Vermont and its Medicaid Program, and is a crucial milestone of the operational period. The planning process for CMS certification begins prior to final implementation as part of Operational Readiness: We ensure that the implemented solutions are certifiable (or will be certifiable) by CMS, based on their most current criteria, at the time of implementation. We use the CMS Medicaid Enterprise Certification Toolkit (MECT) and its checklists as our primary input to ensure successful certification.

GHS will undertake the following high-level activities and deliverables at a minimum to ensure Federal certification:

- Complete certification planning
- Participate in certification meetings
- Assist with (where necessary and appropriate) State certification responsibilities
- Execute all contractor (GHS) certification responsibilities
- Participate in certification payment eligibility validation
- Complete the CMS certification checklist

Ongoing operations, maintenance, and support services will continue as normal before, during, and after the CMS certification process, unless gaps or issues are discovered prior to or a as a result of CMS certification. Any gaps our issues found will enter into and follow the approved defect resolution process; defects preventing CMS certification will be given a top priority. GHS understands that contract renewal is contingent on successful CMS certification and other agreed-upon control criteria such as Service Level Agreements (SLAs) and other indicators of performance. CMS certification related activities will be a top priority effort for GHS and the State of Vermont, as they have been for our other PBMS services clients.

State	Year of Certification
Iowa	March, 2006
Wyoming	January, 2010
Maine	July, 2012
Utah	March, 2013

Table 20: State / GHS PBM implementations by State and month, year of CMS certification

GHS has a full understanding and experience in the use of the CMS Medicaid Enterprise Certification Toolkit (MECT). Our GOOLD Rx POS, implemented in the State of Wyoming, was the first system in that region to successfully undergo certification using the new CMS checklist.

The MECT and the corresponding set of certification processes have been developed by CMS to support the certification for new systems, and new system components. These certification processes have also been aligned with the Medicaid Information Technology Architecture (MITA) and the Advanced Planning Document (APD) to enable states and CMS to define and document the additional capabilities to be

achieved in the procurement and implementation of new information systems and components, and to assess the results of the procurement activity by providing a benchmark by which each implementation is measured and assessed for purposes of federal certification of the new system or component for enhanced federal financial participation in accordance with Title 42 U.S.C. Section 1996 b (a)(3)(B) as described in the State Medicaid Manual Section Part 11.

The GHS certification process is patterned after the three protocols as prescribed in the MECT:

- APD Development and Review Protocol
- State Certification Preparation Protocol
- CMS Certification Review Protocol

GHS practices the following principles in its approach to CMS (federal) certification:

- Certification Awareness: GHS has technical and business staff members with end-to-end experience with the certification process. We incorporate the priorities of CMS certification in each aspect of our project and establish an awareness of certification priorities in project startup activities, in risk management and each step of the system development lifecycle.
- Certification Planning: We have developed a template (baseline) certification plan that contains tasks which define each aspect of the certification process. We designate a Project Manager on our staff as the Certification Manager to constantly monitor all implementation activities to ensure that certification activities, including documentation and requirements management are continuously in compliance through the entire implementation period. Since this is a PBMS-specific certification, we confirm our understanding of CMS requirements and expectations as a key element in our planning process.
- Certification Preparation: We follow the CMS state certification protocol as a guide to ensure that have taken the necessary steps, and gathered all the relevant documentation for CMS certification. GHS will work with CMS and the Department to confirm our knowledge and refine our preparation and related materials during the pre-certification meeting.
- Certification Review: We follow a step-by-step list of orchestrated activities to assist the State and CMS in the formal aspects of certification review, which is based on the certification preparation activities. GHS will formally prepare all certification materials, copies of manuals, diagrams and present an integration overview for CMS to fully explain the PBMS relationship with the MMIS in Vermont.

GHS is currently participating in CMS' Medicaid Enterprise Certification Pilot with the State of Iowa. This project seeks to change the current CMS audit review process by using stage gate reviews throughout the DDI phase for certification. The end goal is to minimize the burden of certification planning and management by expediting certification to coincide with the go-live date.

A3.18 The Vendor must immediately notify the State of Vermont upon learning of any suspected or actual unauthorized use or disclosure of protected health data and information that falls under the HIPAA requirements. Vendor must work with the State of Vermont to mitigate any breach and provide assurances to the State of Vermont on corrective actions to prevent future unauthorized uses or disclosures.

GHS will immediately notify the State of Vermont upon learning of suspected or actual unauthorized use or disclosure of protected health data and information that falls under the HIPAA requirements. The initial notification report will include all information known at the time of discovery, with follow-up reports provided as more information is discovered and/or confirmed.

In the event that any breach is identified, GHS will work to identify the root cause, perform an impact assessment, define a solution, and seek Department approval to implement additional safeguards or changes necessary to prevent similar disclosures in the future. GHS will work with the Department to specify the process for reporting security breaches and document them in the Communications Management Plan.

A3.19 In accordance with HIPAA requirements, the Vendor is liable for any claim, loss or damage relating to unauthorized use or disclosure of protected health data received from the State of Vermont or any other source.

GHS understands that it is liable for any claim, loss or damage relating to unauthorized use or disclosure of protected health data received from the State of Vermont or any other source. GHS will work with the Department to define the exact terms of liability during contract negotiation.

A3.20 The Vendor must immediately notify the State of Vermont upon learning of any breach of system or data security. Subject to the approval of the State of Vermont, the Vendor must undertake such additional safeguards or changes as recommended by a subsequent independent security audit at the Vendor's expense.

GHS will immediately notify the State of Vermont upon learning of any breach of system or data security. The initial notification report will include all information known at the time of discovery, with follow-up reports provided as more information is discovered and/or confirmed.

In the event that any breach is identified, GHS will work to identify the root cause, perform an impact assessment, define a solution, and seek Department approval to implement additional safeguards or changes as recommended by an independent security audit. GHS will work with the Department to specify the process for reporting security breaches and document them in the Communications Management Plan.

FR2.74 The Vendor must provide corrective action plans to the Department within 3 business days of the discovery of severe defects found through internal quality control reviews and identify options for corrective actions. The Vendor must initiate corrective actions plans, at no additional cost to the Department, only after the written approval of the Department.

GHS will supply the Department with a corrective action plan for every deficiency, defect, or other issue discovered. We will ensure that this corrective action plan is delivered to the Department within 3 business days from discovery, regardless of how the deficiency / defect was discovered. Once the corrective action is approved, GHS will undertake the corrective action and ensure it is completed in a timely manner. All corrective actions are done at no cost to the Department or any other party besides GHS.

GHS system security tracks disclosures of PII and provides authorized users access to and reports on any disclosures. GHS technical staff will maintain a list of GHS and DVHA staff for notification in the event of a security breach in the same manner we do for current clients and internally. This would include but is not limited to the GHS HIPAA privacy officer, GHS IT staff, GHS Sr. Management, GHS Functional Managers, DVHA business unit managers, and the DVHA's Contract Administrator.

A3.21 In the delivery and provision of information technology hardware, software, systems, and services through the Contract, the Vendor must prevent unauthorized access to the "Identity Information" of any individual. "Identity Information" includes, but is not limited to, an individual's first name or initial and last name, in combination with any of the following:
a. Social Security Number;
b. Driver's license number;
c. System access identification number and associated passwords;
d. Account information such as account number(s), credit/debit/Medicaid card number(s), and/or passwords or security codes.

All personally identifiable information (identity information) is included in the scope of PHI and PII. Therefore, the following specific member and user data elements are secured in the same manner as any other PHI / PII or other date covered under HIPAA provisions:

a. Social Security Number;
b. Driver's license number;
c. System access identification number and associated passwords;
d. Account information such as account number(s), credit/debit/Medicaid card number(s), and/or passwords or security codes.

A3.22 For even a single known violation of the identity theft prevention and reporting requirements, the State may terminate for default its Contract(s) and may withhold payment(s) owed to the Vendor in an amount sufficient to pay the cost of notifying individuals of unauthorized access or security breaches.

GHS understands any single known violation of the identity theft prevention and reporting requirements, the State may terminate for default its Contract(s) and may withhold payment(s) owed to the Vendor in an amount sufficient to pay the cost of notifying individuals of unauthorized access or security breaches.

GHS will work with the Department to define the exact terms of this requirement during contract negotiation.

3.2 Identity and Access Management

A3.23 The System will support a form of user authentication.

GHS supports several tools for user authentication ranging from Lightweight Directory Access Protocol (LDAP) via Windows Active Directory (AD) and Linux LDAP to access lists encrypted into the applications. Each user ID and password conforms to GHS' User ID and password policies which define the minimum complexity, number characters, and acceptable letter combinations of a password. GHS will work with the Department during requirements definition to select the user authentication methodology that best supports the DVHA PBM pharmacy project.

A3.24 The System upon detection of inactivity of an interactive session will prevent further viewing and access to the System by that session by terminating the session, or by initiating a session lock that remains in effect until the user reestablishes access using appropriate identification and authentication procedures. The inactivity timeout will be configurable.

GHS has the ability to terminate sessions after a pre-determined timeframe of inactivity, automatically logging the user off of the respective system or application. The inactivity timeout is easily configurable

for any system or application based on Department requirements. We also have the ability to suspend or delete user accounts after a pre-determined timeframe of no access.

GHS will work with the Department during requirements definition to capture the exact time-frames required for automatic session termination.

A3.25 The System will enforce a limit of (configurable) consecutive invalid access attempts by a user. The System will protect against further, possibly malicious, user authentication attempts using an appropriate mechanism (e.g. locks the account/node until released by an administrator, locks the account/node for a configurable time period, or delays the next login prompt according to a configurable delay algorithm).

Our systems and applications are capable of enforcing a configurable limit for consecutive invalid access attempts by a user before locking the user's access. A lock on a user's access eliminates the possibility of any further user authentication attempts until released by a systems administrator or a pre-configured amount of time has elapsed. Both restrictions are fully configurable according to client criteria and best practices. All access attempts whether successful or failed are logged in our systems for later review and auditing, when required.

GHS will work with the Department during requirements definition to capture the specific requirements for account lock-out.

A3.26 The System will provide the capability to prevent database administrators from seeing the data in databases they maintain.

GHS will work with the State to identify the application of this requirement to assure that data is not presented to users without permission.

A3.27 The System will support grouping users by functional departments or other organization to simplify security maintenance.

At the Business Management Layer new user groupings and rules can be created to accommodate the need to configure user groups by functional departments or other categorization. Using the configurations in our current PBM solutions as a model, GHS will work with the Department during requirements definition to identify the appropriate user groups for users to access support systems and applications.

A3.28 The System will provide the ability to maintain a directory of all personnel who currently use or access the system/IVR/SQL database.

Our current systems implementations provide a full accounting of all users who are currently using and have accessed in the past any system, database or application. User credentials are always correlated with specific personnel credentials.

A3.29 The System will provide the ability to create and maintain a directory of external providers to facilitate communication and information exchange.

GHS currently maintains contact databases for State contracts using applications that allow records to be accessed for communication and messaging. This process will be included in the Vermont PBMS offering to meet this requirement.

A3.30 The System will provide the ability to identify certain information as confidential (e.g. PII, PHI, etc.) and only make that accessible by appropriately authorized users.

GHS system security contains a data classification schema with data items flagged to link them to a classification category and has an access privilege scheme for each user that limits the user's access to one or more data classification categories.

GHS has a data domain schema in which we classify data type. In our general practice we treat all health and proprietary reference information as confidential and proprietary and limit access accordingly. We only release information as directed by the data owners – our customers.

A3.31 The System will restrict access to summarized information according to organizational policy, scope of practice, and jurisdictional law.

GHS will follow the policies, scope of practice and jurisdictional law to restrict access to summarized information as identified by the State of Vermont.

A3.32 The System must be able to associate permissions with a user using one or more of the following access controls:
1) user-based (access rights assigned to each user)
2) Role-Based Access Controls (RBAC; users are grouped by role and access rights assigned to these groups)
3) context-based (role-based with additional access rights assigned or restricted based on the context of the transaction such as time-of-day, workstation-location, emergency-mode, etc.)

The systems, applications, and databases GHS provides supports user permissions following user-based, role-based, or context based access controls.

GHS will work with the Department during requirements definition to capture the specific requirements for access controls.

A3.33 The System will provide the ability to prevent specified user(s) or groups from accessing confidential information such as a beneficiary's SSN, medication information and other confidential data

GHS system security contains a data classification schema with data items flagged to link them to a classification category and has an access privilege scheme for each user that limits the user's access to one or more data classification categories.

GHS has a data domain schema in which we classify data type. In our general practice we treat all health and proprietary reference information as confidential and proprietary and limit access accordingly. We only release information as directed by the data owners – our customers.

A3.34 The System will provide the ability to limit access to certain confidential information such as a beneficiary's SSN and other confidential data to providers directly involved in service of the patient, or providers involved in review of the service.

GHS system security contains a data classification schema with data items flagged to link them to a classification category and has an access privilege scheme for each user that limits the user's access to one or more data classification categories.

GHS has a data domain schema in which we classify data type. In our general practice we treat all health and proprietary reference information as confidential and proprietary and limit access accordingly. We only release information as directed by the data owners – our customers.

A3.35 When access to a user's account is restricted, the System will provide a means for appropriately authorized users to "break the glass" and obtain access for emergency situations, as defined by Vermont policy.

GHS has implemented a policy for "break the glass" when access is needed based on the States policies for emergency situation to access a user's restricted account.

A3.36 When access to Beneficiary's confidential data is restricted but still the "break the glass" has occurred, the System will provide the ability to notify specified users and provide an audit trail for this access.

GHS will structure a workflow process that provides notifications to designated users when the "break the glass" situation has been employed. Full audit trails will be maintained and supplied as required.

A3.37 The System will enforce the most restrictive set of rights/privileges or accesses needed by users/groups or processes acting on behalf of users, for the performance of specified tasks.

Our systems support both roll-based and group-based security, where appropriate, at the individual field level. The primary goal of our Security Management Plan is to make data available to users with the proper authorization while supporting data confidentiality and integrity by maintaining a 'minimum necessary' access policy.

GHS will work with the Department during requirements definition to capture the specific requirements for access controls.

A3.38 The System will provide the ability for authorized administrators to assign restrictions or privileges to users/groups.

The systems and applications GHS will provide for the DVH PBM solution will provide the ability for authorized administrators to assign restrictions or privileges to users/groups.

GHS will work with the Department during requirements definition to capture the specific requirements for access controls.

A3.39 The System will support removal of a user's privileges without deleting the user from the System to ensure history of user's identity and actions.

User permissions can be removed, or the entire user account deactivated, without completely deleting the user from the system or application user lists. This ensures that the history of the users identity, access, and activity is maintained and available for auditing and other purposes.

GHS will work with the Department during requirements definition to capture the specific requirements for access controls.

A3.40 The System will be able to support RBAC in compliance with the HL7 Permissions Catalog.

The GHS system will support the Role Based Access Control in compliance with the HL& Permission Catalog.

A3.41 The System will be capable of operating within an RBAC infrastructure conforming to ANSI INCITS 359-2004, American National Standard for Information Technology – Role Based Access Control.

The GHS system is capable of operating within the RBAC infrastructure conforming to this requirement.

A3.42 The System will provide more-advanced session management abilities such as prevention of duplicate logins, remote logout and location-specific session timeouts.

GHS has standards in place based on best practices to support the advanced session management to assure prevention of duplicate logins, remote logout requirements, and location-specific session timeouts. These practices will be implemented with the Vermont PBMS solution.

A3.43 The System will provide the ability to perform System administration functions such as reference table maintenance and adding / removing users from the system.

The solution provided by GHS supports user and group attributes maintenance by authorized systems administrators. This specifically includes reference table maintenance, disabling of users, or adding / removing users from the system.

A3.44 The System will allow users access based on their roles irrespective of their geographical location.

User roles will not be restricted based on users' geographic location.

A3.45 The System will provide the capability to integrate with existing authentication and authorization mechanisms

GHS supports single sign-on capabilities, which can be shared with the MMIS, the State's own Active Directory implementation, or other standard credentials management methodology. GHS will work with the Department to define roles to categorize authorized users into permission groups. This goal will be to ensure that users only access the applications, systems, and data necessary to complete their assigned work duties and tasks.

GHS and its technical staff have experience with single sign-on solutions leveraging industry standards such as SAML (Security Assertion Market Language), and integrating products such as Jasig CAS (Central Authentication Service), Centrify SSO, Active Directory, LDAP.

A3.46 The System will provide the capability to create temporary and emergency accounts and terminate those accounts automatically after a user defined period of time.

GHS systems and applications provide the ability to suspend or delete user accounts after a pre-determined timeframe, or timeframe of no access. This feature can be applied to temporary and emergency accounts.

A3.47 The System will provide the capability to override a role and restrict access to information by users or groups of users.

The GHS user management process will provide the capability to override and restrict access to information by individual users and/or user groups.

A3.48 The System will provide the capability to monitor events on the information system, detect attacks, and provide identification of unauthorized use of the system.

All attempted access events by any unauthorized user, system, or process will trigger a notification to system administrators for review and intervention. GHS employs an Intrusion Detection System (IDS) within its data center, internal network, and on any external interfaces, which would include those to and from the DVHA MMIS and other related business partners.

A3.49 The System will provide the capability to identify and report on inappropriate access to information in the system, based on user defined criteria.

GHS technical staff maintains access logs to sensitive areas within the GHS data facility. GHS senior IT staff and senior management periodically review these logs to ensure no inappropriate access has taken place.

4.0 A4-User Interface

Instructions: Describe the design approach and the characteristics of the user interface for the proposed PBM System. The System must be designed to utilize a browser based or a Rich Internet Application that can provide feature rich applications that can be updated over the Wide Area Network and the Internet, and should deliver a consistent user experience to State employees, providers, contractors, and partners. The approach must, at a minimum, provide details on how the proposed Solution intends to meet or exceed the User Interface Requirements set forth in the document 'Non-Functional Requirements, Tab A3 User Interface'.

The Goold PBM Portal is web based is developed in Java and is SOA complaint.

The GHS PBM Portal will provide authorized users with real-time access to claims data, drug formulary/PDL information, and PAs through our secure, web-based user interface. The PBM Portal is a powerful web-based collection of tool for HFS program administrators, operators, and other authorized users. It provides a secure interface for reviewing and maintaining critical rules and reference data sets.

Available tools and information can be tailored for different types of users, such as Department administrators, PBM operators, or Provider Help Desk staffs.

Users will have access to the following types of features related to accessing drug claims, drug formulary, and Prior Authorizations information:

- Dashboard – customizable to the State user preferences
- Claims – search abilities & manual entry of claims for adjudication
- Prior Authorization – search PA status and view histories
- Members – search member information to include plan eligibility, RX history, pharmacy & prescriber histories
- Providers – Pharmacy & Prescriber demographics, Manual Claim entry acceptance
- Medication – drug file reference search, drug rules input, formulary
- Plan – state specific plans, descriptions, financial fund matrix
- Recent – portal access history for the current user – allows the user to quickly backtrack to previous searches and transactions
- Report – provides a standard reporting suite and queries used through the Portal
- Control Panel – for Administration Users to create and update business rules, fund matrix, user controls, POS adjudication edits, ePA edits and more.

Figure 141:

Figure 142: Example – [redacted]

eWEBS Provider Portal:
Goold eWEBS is a web based portal developed in Java EE, Tomcat and is SOA complaint.

The eWEBS Provider Portal is a powerful web-based collection of tool for prescribers, dispensing, pharmacies, and HFS program administrators respectively. It provides a secure interface for providers to look up member eligibility, member history, drug formulary information, PDL criteria, and submit and confirm PA requests online. Prescribers are guided through preferred or non-preferred selections, as well as potential step therapy, dose limits or other PDL criteria to allow them the ability to make informed drug choices within a State's Medicaid PDL tools and information are tailored to each type of user: Prescriber, Pharmacy, or State Administrator.

Features Available to All Users:

- Patient Inquiry – Look up demographic information for any Medicaid enrolled individual, including a profile of their current and historic pharmacy claims.
- Pharmacy Inquiry – Look up pharmacy information.
- Formulary Inquiry – Look up drug information, including coverage status and PDL step order.
- Diagnosis Inquiry – Look up diagnosis code definitions.
- Public-facing document repository for pharmacy program announcements and updates.

Prescriber-Specific Features:

- Dashboard – The Dashboard is a dynamic summary of all transactions the provider has submitted. This includes all of the provider's PA requests in the PADSS workflow tool, both submitted as Web PAs and by fax or mail, as well as all E-Fax Prescriptions submitted to pharmacies.

- Create and Submit a Web PA – Prescribers have the ability to complete and submit a PA request into the PADSS workflow tool by filling the web PA form. The inquiry tools are available in the form to easily search for and select the desired information to supply with the request.
- E-Fax a Prescription – The E-Fax feature allows prescribers to build and submit a patient prescription to the desired dispensing pharmacy. The E-Fax tool takes the information provided by the prescriber and generates a prescription document that is then automatically faxed to the indicated pharmacy.
- User custom configurations such as contact information, PA decision notification preferences, and testing notification preferences.

Pharmacy-Specific Features:

- E-Fax Prescription Validation – If a pharmacy receives an E-Fax prescription from a provider, they have the ability to validate that prescription electronically through eWEBS using a system-generated validation number.
- User custom configurations.

State Administrator Features:

- Reports – Dynamically generated summary reports of eWEBS activity, such as Web PA requests, E-Fax prescriptions, user access requests, and PA determination status.
- Manage PA Forms – Create new PA forms or update / remove existing PA forms. This includes the ability to map a PA form to specific PDL categories.
- Manage PDL Drug Categories – Create new or maintain existing PDL category-specific criteria from the PDL.
- User Maintenance – Allows Administrators to create and update the accounts of other administrators.
- Pending Registrations – Allows Administrators to review and approve or deny login requests from new Physician and Pharmacy users.
- Activity Logs – View the activities of all users as well as failed logins and unauthorized access attempts.

[redacted]

Figure 143: [redacted].

RSP – Rebate Services Portal for drug manufacturers:
The Goold RSP Manufacturer Portal is a web portal developed in Java EE, Tomcat and is SOA compliant.

GOOLD Rebate Services Portal (RSP) is a web-enabled application that provides drug labelers with secure, online access to rebate information, including invoices, claims reports, unit of measure information, and dispute summaries all in an electronic, downloadable format.
Drug labeler representatives who have registered a working e-mail address with CMS will be able to enroll for access to RSP. All labeler enrollment requests are reviewed by RSP administrators to confirm that the credentials provided are accurate and the user is a labeler representative, ensuring the secure access to data. Once registered, rebate labelers access RSP to facilitate quarterly rebate activities and ongoing drug rebate operations.

Features:

- Labelers are able to access their invoices electronically in a CMS approved format
- Invoices can be downloaded as a PDF or in any other CMS-approved format.
- Other data used in rebate operations is also available such as claim level detail reports, unit of measure information, dispute summaries and account reviews in an electronic format.
- Enrollment validations and permissions configurations ensure no labeler's data is disclosed improperly.

GOOLD eREBS:
Goold eREBS is a rich desktop application with a .NET Desktop. This application is SOA compliant. The next version currently in development is a Web Portal developed in Java.

GOOLD eREBS is a drug rebate management system that provides logical workflow management for all invoice generation, collections, and dispute resolution processes and operational activities. eREBS

employs double entry accounting and maintains an exhaustive history of invoiced claims, invoicing detail, rebates collected and rebates outstanding.

Multilayered workflows give users the ability to operate multiple drug rebate processes in a completely transparent manner. This includes features such as invoicing, payment tracking, labeler account management, dispute resolution, and more. The system allows the user to drill down from the invoice level, to the invoice claim summary, down to the claim level detail. eREBS offers a full suite of reports that reflect program-specific rebate activities.

eREBS provides the following rebate work flow and accounting features:

- Double entry accounting
- Generate multiple rebate invoice types
- Dispute Reconciliation management
- Claim and invoice adjustments
- Unit of Measure and HCPCS to NDC conversions
- State specific business rule configurations for:
- 340B excluded provider claims
- Rebate eligible drugs
- Terminated Labelers
- Apply Payments at the NDC level
- Extensive Rebate reporting including financial report generation

eREBS manages the following Rebate Programs:

- OBRA: Pharmacy Rebates
- SR: Supplemental Rebates
- J-codes: Professional and Out-Patient Drugs
- DME: Special Rebates Diabetic Supplies
- MCO: Managed Care Organization (OBRA & J-Code)
- ADAP: Aids Drug Assistant Program Rebates

GOOLD Rebate Admin:
The Goold Rebate Admin Portal is a web portal developed in Java EE, Tomcat and is SOA compliant.

Managing multiple contacts for manufacturers and their associated labelers, changes, and divestitures on a regular basis, is often a difficult task. Rebate Admin allows rebate operations staff to easily manage labeler contact information from multiple sources such as the CMS quarterly data file, CMS notices, SR contract negotiations, invoice disputes, and other manufacturer engagements.

The Rebate Admin tool provides rebate staff with a smart and simple workflow to process and resolve new reference data source feeds and manage contact information, ensuring rebate invoices and documentation are routed to the appropriate parties. Rebate Admin is also designed to allow rebate operations staff to manage a labeler's CMS optional and mandatory effective dates, termination dates, demographics, contacts, and merger/divestiture information.

Rebate Admin facilitates the generation of Supplemental Rebate and DME rebate Agreements by allowing contract management staff to enter manufacturer corporate information and the associated

labelers, which is information critical to ensuring accuracy according to the manufacturer defined associations.

Rebate Admin Features:

- Provides users the ability to search, view, add new, update existing, and terminate every aspect of labeler data.
- Facilitates Contract Management workflow
- Facilitates Supplemental Rate File Management
- Drug Demographics (rebate indicators)

[redacted]

Figure 144: [redacted].

Figure 145: [redacted].

GOOLD Prior Authorization Decision Support System (PADSS):
The Goold PADSS application is a rich desktop application that is developed in Java EE, Tomcat and is SOA complaint. This application is scheduled for development in a Web Portal in the next 18 months.

The GOOLD Prior Authorization Decision Support System (PADSS) is a workflow application designed to efficiently facilitate clinical review and processing of Pharmacy Prior Authorizations (PAs). The PAs processed through PADSS specifically require clinical review beyond what is allowed by our ePA engine's automatic PA avoidance criteria. Document management is built into the tool and has the capability to generate and track correspondence to Prescribers and Members via fax or mail.

Features:

- Over 200,000 Clinical Pharmacy PA's processed per year, with an average turn-around time of approximately 2 hours
- Users access to claims/PA history, PA requests, chart notes, and drug/member/provider info all in one click.

[redacted]

Figure 146: [redacted]

GOOLD PBSA Formulary:
The Goold PBSA Formulary application is a rich desktop application developed in .NET. This application is being deployed as part of the PBM Portal for front end users.

The GOOLD PBSA application is the drug reference data and rules management engine of GOOLD Rx, supporting flexible benefit formulary design and Preferred Drug List (PDL) configuration. GOOLD PBSA is a modular product and can be used to support GHS' GOOLD Rx POS solution, as well as any State or Vendor operated POS Claims Adjudication System.

Core Features:

- Drug reference data management, including automated update processes and quality assurance tools for operations staff.
- Supports both MediSpan and First Data Bank drug reference files, including the mapping of therapeutic classifications.
- Formulary development, configuration, and ongoing rules maintenance.
- Develop PDLs and PDL categories. Configure the preferred and non-preferred status, step order, and/or PA criteria for each drug or drug category.
- Provide drug reference data research tools for performing NDC detail and Therapeutic Classification (TCS) queries.

- Export drug reference data, formularies, and PDLs for consumption by other applications and processes, such as ePA, eWEBS, RetroDUR, and Analytics.

[redacted]

Figure 147: [redacted].

GOOLD Analytics tools allow program administrators to create reports, perform analytics, and look up information within the pharmacy program. GOOLD Analytics is deployed with two products, the GOOLD Decision Support System (DSS) product and a GHS deployment of SAP's Business Objects® server referred to internally as BOBI (Business Objects Business Intelligence).

GOOLD DSS (Decision Support System):
The Goold DSS is a Web Portal developed in Java EE, Tomcat and is SOA Complaint.

GOOLD DSS provides a quick and easy means to run quick lookups and structured queries against the pharmacy Medicaid datasets such as claims, eligibility, prescribers, pharmacies, PA's, drugs, or any other reference data that is available. GOOLD Decision Support System (DSS) features include:

- Rapid access to commonly needed data.
- Pre-configured queries available with a single click: Query on member, physician, pharmacy, drug, prior authorizations, or claims data
- Fast responses to query requests.
- Queries are fully customizable to a client's needs.
- Extremely user friendly and intuitive interface.
- Query results can be exported into PDF, Excel, or CSV files.

[redacted]

Figure 148: [redacted].

A4.1 "The System will provide an unlimited free-form text note within the PBM System for various functions such as provider enrollment process, prior authorizations, and case management, accessible by authorized PBM System users that includes, for example:

- *Provides the ability to display the narrative sorted by user and business unit.*
- *Provides the ability to display free form narrative in chronological or reverse chronological sequence.*
- *Provides basic word processing functionality such as sentence case, spell check, auto text, bold, underline, italics, color font, bulleted lists, tabs, indents, wrap-text, tables, printable."*

GHS PBM System provides free-form text fields and boxes for users' notes and text entries regarding communication with the providers, case management, prior authorization and other functions. The notes are saved in the system with the rest of the records and can later be fully tracked and retrieved in an appropriate manner.

[redacted]

Figure 149 [redacted].

The free-text boxes are resizable. Moreover, the users can create additional text boxes by clicking the icon next to 'Notes'. Basic word-processing functionality, such as spell-check is provided too.

Figure 150:

Two new fields were added by clicking the icon next to 'Notes', the existing fields were resized. Automatic spell check detected a spelling error.

A4.2 System will provide a graphical user interface for authorized PBM System users to define plans, benefits, and pricing.

The Goold PBM Portal provides authorized user the ability to define plans, benefits and pricing within the application.

Figure 151:

[redacted]

Figure 152: [redacted]

[redacted]

Figure 153: [redacted]

A4.3 System will provide the ability for authorized users and its designees to view, search, and query by Department defined fields as well as pull reports and documentation associated with these fields.

Within each application/portal the user has the ability to search through defined criteria that is application to the dataset. Application access is authorized through roles and permission as defined by the Department and Goold.

Reporting can be pulled from all applications depending on the business area. The applications and portals have standard reporting suites. Department defined reports will be added to the application suites.

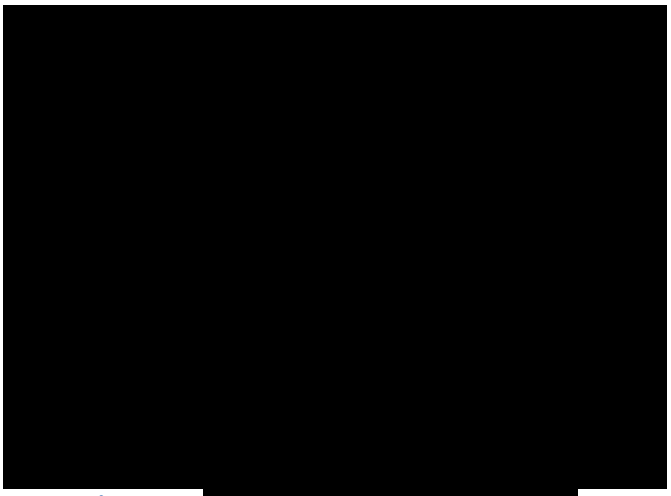

Figure 154: [redacted]

[redacted]

Figure 155: [redacted]

[redacted]

Figure 156: [redacted]

A4.4 System will provide the ability to view the results of filtered searches based on multiple or single criteria, the capability to search on multiple criteria at the same time, and the ability to perform secondary and tertiary searches within the primary search results.

In DSS, multiple structured queries are available based on the client's needs and commonly requested reports. Each time a search query is executed, the results are returned in a unique tab. Within the dataset returned, additional queries can be made on specific lines. For example, when searching for the drug, Simvastatin, an additional query can be run on a specific NDC to see what claims have paid for that NDC or what prior authorizations have been requested for that NDC. These additional queries are

opened in their own tab so that all of the results from the previous searches are maintained. At any time, results of a query can be exported into an Excel, PDF, or CSV file.

[redacted]

Figure 157: [redacted]

[redacted]

Figure 158: [redacted]

[redacted]

Figure 159: DSS Example - [redacted]

A4.5 System will provide the ability to save and name multiple user-defined search and sort parameters so that users can repeat the same search/ sort queries at a later time.

GHS PBM system saves the recent search parameters and results and allows the user to navigate to the search query with a single click. The user can access the screens with the saved filter results from the top menu drop-down list.

[redacted]

Figure 160: [redacted].

A4.6 System will provide the ability to view the results of wild card searches (including both single character and string wildcard search) for all searchable fields, including searches with partial ID numbers.

Goold applications provide wildcard searches allowing for limited characters for all searchable fields.

[redacted]

Figure 161: [redacted]

[redacted]

Figure 162: [redacted]

A4.7 Accept digital signatures from providers where applicable as defined in the functional requirements

Customer-facing GHS systems have the ability to accept and verify digital signatures sent by prescribers, providers and other entities. During the DDI phase GHS will work with the Department to define functional requirements for receiving and validating digital signatures from State of Vermont providers.

A4.8 Propose, develop, produce, publish and deliver all applicable PBM System User Guide/ Help updates.

Goold maintains System user guides and help updates for all applications used to support the PBM contract. Current versions will be presented to the Department for review. Goold will update areas identified by the Department as well as ongoing updates needed during the DDI phase and production.

A4.9 Propose, develop, produce, and maintain frequently asked questions (FAQs) on PBM System screens and functionality.

Goold maintains frequently asked questions (FAQs) for many processes used in the PBM solution. Current versions will be presented to the Department for review. Goold will update areas identified by the Department as well as ongoing updates needed during the DDI phase and production.

A4.10 "The PBM System may provide the following:
1) Provide a forum for authorized PBM System users to post inquiries, and to respond to other posters and create topical "threads" on problems.
2) Allow Department staff and other designated users to access the forum and to participate and moderate the posts and threads, based upon user roles.
3)Provide a search capability to find posts and threads by date or relevance. "

Currently none of the existing Goold clients have a requirement for a PBM-hosted forum. Nevertheless Goold has the necessary hardware and software infrastructure and expertise to incorporate compatible forum software into the existing Goold technology. Software solutions for forum implementation such as Vanilla, JITBIT or others can provide the necessary functionality for creating and maintaining user forum and making it accessible to PBM system users and Department staff.

During the DDI phase GHS subject matter experts can work with the Department to collect the expectations and define technical and functional requirements for such forum.

A4.11 "Ensure that all codes and abbreviations used in the PBM System have corresponding and easy-to-view narrative descriptions.

GHS maintains dictionaries for abbreviations and codes for the PBM Systems. These documents contain a narrative description of the abbreviations and terms used in the PBM System. GHS will work with the Department to define the list of abbreviations, codes and their narrative descriptions to include in Vermont PBM User Manual and/or other help documentation.

A4.12 The System will limit the amount of information displayed, while also enabling the user to immediately expand the scope of the information visible.

The system does not display information about any claim, beneficiary, pharmacy, prescriber, etc. unless specific search parameters are defined and submitted for the given inquiry. Once the inquiry parameters are specified the system will retrieve and display the appropriate information.

Member inquiry screen:

[redacted]

Figure 163: [redacted]

After the user specifies the inquiry parameters, the system will display basic information about the beneficiary records matching the entered parameters.

After the user specifies the inquiry parameters, the system will display basic information about the beneficiary records matching the entered parameters.

A4.13 The System will speak the users' language, with words, phrases and concepts familiar to the user, rather than system-oriented terms.

All GHS systems use language on their application fields, screens, windows, tabs and other user interface components, which is user-friendly and is common within the given industry. Moreover, the terms intended for the system's end-users are defined to comply with any existing industry- and state-specific standards. GHS' subject matter experts from pharmacy, clinical, rebate, operations, provider services teams define, review and verify the application language as part of the respective processes of application design, quality assurance and quality control.

A4.14 The users will be able to easily navigate to a variety of functions available to them without having to move sequentially through excessive menus and screens.

All of the major functions within the GHS applications are accessible for navigation from the top menu items and their respective drop-down lists of options.

This provides easy access to all screens and data types without the need for launching intermediate screens to get to the final destination.

[redacted]

Figure 164: [redacted]

A4.15 The System will follow standardized conventions. Users should not have to wonder whether different words, situations, or actions mean the same thing.

GHS applies all industry- and state-specific conventions and standards for the language and terms used in all systems and applications. GHS makes sure that all the words, situations and actions have the same meaning and interpretation across all systems and applications and eliminates any possible ambiguity. GHS can work with the Department to incorporate all Vermont state-specific standardized conventions into GHS systems and applications.

A4.16 The System will eliminate error-prone conditions or check for them and present users with a confirmation option before they commit to the action.

GHS systems present a warning message requiring user response for any submissions or navigation actions which might result in loss of data. GHS systems also prevent the user from entering incomplete or incorrect data into the system by aborting the transaction and presenting a log of all the errors detected during the data entry. The examples below show respectively how the system would prevent the user from discarding useful information or entering incomplete or incorrect information into the system.

[redacted]

Figure 165: [redacted]

The user action to navigate away from the screen without saving the entered information triggers a modal warning dialog requiring user action before the user can proceed to the next step.

[redacted]

Figure 166: [redacted]

The application eliminates the possibility of entering incorrect information into the system. It also provides a log of all errors detected during the attempt of entering the claim.

A4.17 The System's User Interface will be simple, consistent, and use familiar terminology.

GHS' web-based portals feature intuitive and easy to use interfaces that enable user with different permission levels and roles, such as administrators, operations staff, pharmacy providers, prescribers, and drug manufacturers with online access to Medicaid pharmacy information. These will be configured and deployed to support Vermont PBMS operations.

Authorized business users (such as HFS Program Managers) will have access to a graphical user interface that will allow them to control and revise the rules-based solution process and automated processes using an intuitive, non-technical interface and terminology.

A4.18 The System's navigation will be familiar and consistent, and all user actions will be predictable and reversible.

GHS systems comply with industry-based software navigation standards and regulations. GHS systems and applications provide the ability of intuitive and easy access to all screens, tabs, menus, fields. The systems detect error-prone conditions and trigger the respective warning messages and actions to eliminate the possibility of unsaved data loss or incomplete or incorrect data entry.
GHS systems grant the users with appropriate level of permissions and administrative privileges to reverse user actions. GHS will work with the Department to determine the necessary user permissions level for certain reversal situations and cases.

5.0 A5-BI and Reporting

Instructions: Describe the Vendors approach to providing BI and Reporting capabilities and features as part of the proposed PBM System. This includes the provision of a comprehensive set of standard reports through a dashboard interface, ad hoc reporting, and the capability to perform analytics. The approach must, at a minimum, provide details on how the proposed System intends to meet or exceed the BI and Reporting Requirements set forth in the document 'Non-Functional Requirements, Tab A4 BI and Reporting'

Goold uses COTS products for Business Intelligence and Reporting integration into the user Portals. The two selected products are SAP Business Objects (BOBI) and Microsoft SQL Server Reporting Services (SSRS). The combination of these products are used for standard reporting, dashboard reports, ad hoc reporting and analytics.

SAP Business Objects® (BOBI):
The SAP Business Objects® (BOBI) offering is a suite of tools that provides GHS and our customers comprehensive reporting and analytics tools:

- Voyager (OLAP cube)
- Webi (Ad-hoc query tool)
- Published Crystal reports (parameterized reports published to an enterprise server)

The BOBI suite of applications provides powerful data tools for pre-programmed and ad hoc queries when aggregate information is needed. Business Objects Business Intelligence (BOBI) provides the following core features:

- Allows for construction of highly customized ad-hoc reports.
- View utilization over time by drug, member, prescriber or any combination of criteria.
- Allows users to drill down to the claim level:
    - Easily add or update filtering criteria once query has run.
    - Advanced functions available with export and graphing capabilities.
    - Aggregate results by any parameter available in data and unique member counts.
- Allows queries that are frequently run to be saved and restored with new or updated parameters.
- Export, sorting, "top twenty", graphic, and other functions available to display results.

[redacted]

Figure 167: [redacted].

[redacted]

Figure 168: [redacted].

Microsoft SQL Server Reporting Services:
The SSRS service provides a unique interface into Microsoft Visual Studio so that developers as well as SQL administrators can connect to SQL databases and use SSRS tools to format SQL reports in many complex ways. SSRS also provides a 'Report Builder' tool for less technical IT workers to format SQL reports of lesser complexity.

[redacted]

[redacted]

Figure 169: [redacted]

A5.1 The Vendor will make available a state approved reporting tool, all state specified pharmacy data elements, including but not limited to elements in the drug file, the claim file, recipient information, provider information, and the prior authorization file. SoV DII EA will work with State business lead and vendor will ensure reporting components confirm to Enterprise Platform

Currently Goold deploys and supports Business Objects to the client base. In addition the Goold DSS is available as a query and reporting tool. We will work with the State to ensure that the solutions meet conform to the Enterprise Platform.

A5.2 The Vendor will maintain a training program for State staff and Vendors to ensure maximum use and understanding of the functionality of state approved reporting tool

GHS will provide a training program for State staff and Vendors for use of the State approved reporting tool. Training will be provided to new users or when significant updates to the reporting tool are provided.

A5.3 The Vendor will create reports based on the following, including but not limited to, a combination of pharmacy claim data elements; beneficiary characteristics; provider characteristics; prior authorization characteristics; and drug reference file elements including drug pricing, drug rebate status elements, lock-in characteristics, pharmacy claim errors, and net cost. This is a small sampling to show the types of reports expected of the System. A comprehensive list of all reports will be determined in collaboration with the State both during the contract negotiation phase as well as the System Implementation phase

GHS uses data from all sources as listed in this requirement to provide reports and analytics as required by the State. Upon receipt of the comprehensive list of reports from the State, GHS will compare against existing PBM reports in the repository for review and acceptance. Additional reports will be identified during the post award phases and added to the report repository for use by the Department.

A5.4 The Vendor will establish and maintain a methodology for the development and maintenance of the data analytic capabilities the PBM System provides and ensure that it is well documented.

GHS will share with the State the current established methodologies used for development and maintenance of the data analytics for the PBM system along with the documentation. GHS will work with the State to modify the current established methodologies to an agreed upon level to meet this requirement.

A5.5 The Vendor will establish, maintain, implement and manage analytic capabilities to include but not be limited to data summarization, data comparison, data correlation, forecasting, trending, and statistical analysis

The GHS analyst team along with the clinical team are prepared and experienced in all aspects of the PBM data analysis. Our team takes pride in their team's ability to manage the needs of the State clients' analytics and reporting. This team will work closely the State to establish a process to manage the analytic capabilities to a level that meet this requirement.

A5.6 The Vendor will establish and maintain a methodology for the development and maintenance of production and system reports. Vendor will work with SoV agencies to determine what reports are needed such as system performance reports and user access reports by the various departments

GHS will work with the Department during the DDI phase to identify a suite of reports that meet the needs of the State. In addition, GHS has an extensive portfolio of reports currently developed for consideration by the Department. Reports will be made available through the PBM Portal by user permissions as defined during the DDI phase.

A5.7 The Vendor will establish and maintain a methodology for the development and maintenance of ad hoc reports

The GHS team has an established methodology for ad hoc reporting that they will share with the State for review. Changes made by the State will be reviewed and updated as applicable to support the PBM contract.

A5.8 The Vendor will establish, maintain, implement and manage a schedule for reporting that includes prioritization

GHS will provide examples of current reporting schedules to the State for review and will update according to the State's prioritization.

A5.9 The Vendor will track and report the status of each data and reporting request

GHS will maintain a report of report request, status and distribution dates and times. This data will be maintained for use in audits or validation of deliverables.

A5.10 The Vendor will produce, distribute and manage production reports in accordance with Business area, State, and Federal specifications

The GHS report process will meet the requirements in accordance with the business area, State and Federal specification as indicated in this requirement. GHS currently handles reporting requirements for all State contracts in these distinct areas. Standard reports will be reviewed with the Department during the discovery phase of the contract and new reports will be identified.

A5.11 Produce, distribute and manage ad hoc reports in accordance with Business area, State, and Federal specifications

GHS will work with the Department to identify and produce operational reports using the PBMS data. Delivery of reports will be scheduled and made available through designated Portals, email, DSS or Business Objects.

A5.12 The Vendor will notify the report requester when report timeliness cannot be met. In addition, the PBM Vendor will provide a summary level report to the State, at a predetermined frequency, on quality and timeliness of all reports generated within that period.

Through the designated messaging system and process, GHS will notify the report requester when timelines have been delayed. A summary level report will be provided to the State on quality and timeliness of all reports generated as defined by the State.

A5.13 The Vendor will ensure that all existing Federal, State, and Business area measures and reports continue to meet Business area, State, and Federal standards

GHS will review reporting needs for existing Federal, State, and Business area measures and reports on a pre-defined basis to assure they continue to meet the requirements for each area.

A5.14 Maintain report distribution lists to ensure accurate report distribution at all times

GHS will maintain a report distribution list for report distribution as provided by the Department. Updates to the list will be provided by the Department and maintained by GHS.

A5.15 The Vendor will maintain detailed procedures documenting how reports are prepared and detailing the procedures used to validate the accuracy of the report information

GHS will provide the Department with all required supporting documentation for reporting as indicated in this requirement. Reporting specification will be produced and stored in the document management system and made available to the Department upon request.

A5.16 The Vendor will store historic reports in accordance with Business area, State, and Federal retention schedules

Historical reports will be retained in accordance with the Business area, State and Federal retention schedules. Reports will be maintained in their original formats in the PBMS document management system with copies provided to the State as required.

A5.17 The Vendor will provide data and information for federal and state reporting in accordance with business area, state, and federal specifications

Data required supporting federal and state reporting will be supplied in a format acceptable for each business area, State and Federal required specification. Formats will be pre-defined by the Department during the discovery phase of the contract.

A5.18 The Vendor will provide data to the State in support of the PBM's function of analyzing and reporting pharmacy program status to the State

Data required in a pre-defined format will be provided to the State to support the PBM's function for analyzing and reporting pharmacy program status.

A5.19 The Vendor will provide ad hoc reporting and data analysis as agreed to through negotiation with the State. Such reporting and analysis will be in an agreed upon format and in accordance with a schedule agreed to by the Vendor and the State.

GHS will provide ad hoc reporting and data analysis as agreed upon through negotiations with the State. Formats and deliver schedules will be documented and agreed upon by GHS and the State prior to contract delivery.

A5.20 The Vendor will provide the ability to regularly and accurately produce operational reports using PBM System data.

GHS report production will use the PBM system data and be produced on a regular basis for operational reporting. GHS will provide accurate reports based on the data provided.

A5.21 The Vendor will ensure that the data in reports are current, accurate, and accessible and that the report is produced in a timely fashion to meet the report's delivery deadline.

Report production will be from current data as provided by the sources needed for any given report. Data accuracy is reliant on the source and will be represented as presented when supplied by a third party. (i.e CMS, MMIS)

Delivery deadlines will be strictly adhered to and delivered in accordance with the agreed upon timeline. When there is an interruption in the receipt of a third party data source, GHS will notify the State recipient with a report of the cause and anticipated resolution of the issue.

A5.22 The Vendor will ensure that any reporting functionality supports the ability to pull and use the narrative descriptions of codes and abbreviations in addition to the codes and abbreviations themselves.

GHS will include the reporting functionality to support the ability to pull and use narrative descriptions or codes and abbreviations in addition to the codes and abbreviations themselves. Reports specification will be provided for sign-off by the State prior to production to assure that all required fields are included.

A5.23 The Vendor will develop the HIPAA attachment transaction for claims and Prior Authorization Requests in the PBM System (e.g., HL7/ 275).

Our messaging architecture supports the use of data standards such as ANSI X 12 834 member enrollment and update messages or HL7/275 member management messages. GHS has kept pace with industry standards including NCPDP, ANSI X12, HL7 thereby ensuring we are aligned with Medicaid market trends and MITA guidelines.

A5.24 The Vendor will provide capacity to capture, store, update, report on system operational metrics from a decision support system that offers digital dashboards, online reporting and print capacity with ability to download to common media.

GHS provided an extensive Decision Support System (DSS) for reporting and analysis. This product allows data to be extracted into common formats to include Microsoft Excel, CSV and PDF. In addition to the GHS DSS, the PBM Portal will serve up statistical information on a dashboard.

[redacted]

Figure 170: [redacted]

A5.25 The Vendor will provide routine, adhoc, and complex (consolidation, drill-down, slicing and dicing) analytical reporting

GHS uses Business Objects Business Intelligence (BOBI) for ad hoc and complex analytical reporting. This product allows provide the ability to consolidate, drill-down and slice and dice the data for granular or high-level analysis. Data cubes can be made available to authorized State staff for further ad hoc abilities.

A5.26 The Vendor will provide drilldown capabilities and tabbed daily, weekly, monthly, quarterly, yearly, prior year, etc.

The selected reporting tool will provide drill-down capabilities and tabbing to meet the needs of reporting for the State. Reporting specifications will be documented and provided prior to development to assure these requirements are implemented when applicable.

A5.27 The Vendor will provide an user friendly interface and ability to customize dashboards by user and because of changing needs.

Reporting dashboards will be provided through the PBM portal with the ability to launch the reporting application when applicable for more extensive reporting needs.

[redacted]

Figure 171: [redacted]

A5.28 The Vendor will provide archivable reports (unalterable) with ability to retain original report template for future use.

Reports will be archived in their original state for compliance with State policies. Reporting templates will be stored for reuse.

A5.29 The Vendor will provide graphical presentation with gauges and other representations to highlight important events and alerts.

The PBM Portal dashboard will be used to provide a graphical presentation with gauges and other representations for highlighting important events and alerts. This will be customized to the needs of the State.

6.0 I1-Project Management

The Vendor must provide a narrative overview of how the proposed solution will meet the Vermont PBM Project Management requirements. The approach must, at a minimum, provide details on how the Vendor intends to meet or exceed the Project Management Requirements set forth in the document "Non-Functional Requirements," Tab I1 Project Management.

GHS' project management methodologies and practices form a strong foundation for consistent, timely and complete project implementations. GHS has successfully implemented many complex suites of pharmacy benefits services and solutions for State Medicaid clients in the last 10 years, and performs continuous process improvement throughout each project life cycle, incorporating lessons learned into the corporate body of project management knowledge. Each subsequent project benefits from the knowledge gained from the successes (and mistakes) of previous projects. GHS will work with the

Department to ensure that project success is defined and documented at the outset of the DDI phase and that customer requirements are known and verified prior to beginning development or configuration work. Specific details on GHS' project management approaches and methodology are elaborated in detail in subsequent sections of this proposal.

6.1 Program and Project Management

Instructions: Describe the Vendor's methodology, tools, and techniques used to support projects from inception through finished deliverables including deployment of the new System, project management, checkpoints and periodic status reporting. Describe policies and procedures employed to ensure the timely completion of tasks in a quality fashion.

Detailed descriptions of methodologies, tools, techniques and procedures are contained in the following sections. GHS' project management team has thoroughly reviewed the Vermont Department of Information and Innovation's (DII) Enterprise Project Management Office (EPMO) website and the information it contains regarding the Department's preferred project management methodology and procedures/processes. GHS' style of project management, as outlined below, closely aligns with Vermont's EPMO. The GHS project management team will work closely with DVHA and the Vermont EPMO to build on a shared foundation based on best practices, guiding principles and industry standards.

I1.1 The Vendor will employ, maintain, and execute a project management methodology that complies with the Project Management Institute (PMI) standards or equivalent.

GHS realizes our commitment to provide the necessary resources to deploy the systems and programs described in this RFP by applying a project management methodology that complies with the Project Management Institute (PMI®) standards. GHS has both PMI-certified Project Management Professionals (PMP)® and Certified Associates in Project Management (CAPM)® on staff, and will draw upon their expertise to ensure an efficiently run project operated with manageable tasks. GHS also has a pool of experienced technical and functional staff that will be dedicated to the design, development, implementation and ongoing operational support of this project. Their functions include systems design and development, change management, system maintenance, enhancement coding, testing, quality control, file maintenance, upgrades, issue resolution, reporting, and other support activities.

Our approach to project management is based on strong a foundation of project management methodologies that follow PMI® guidelines. PMI developed the Project Management Body of Knowledge (PMBOK®) Guide, which incorporates its standards into a manual format. PMBOK® recognizes 42 processes that fall into five basic process groups (Initiating, Planning, Executing, Controlling and Monitoring, and Closing) and nine knowledge areas that are typical of almost all projects:

- Project Integration Management
- Project Scope Management
- Project Time Management
- Project Cost Management
- Project Quality Management
- Project Human Resource Management
- Project Communications Management
- Project Risk Management
- Project Procurement Management

GHS has adapted the principles of the PMBOK® Guide as the basis for our own project management methodology, and supports the unique nature of Medicaid Pharmacy Benefit Management.

I1.2 The Vendor will describe the project management approach and methodology to be used for all System project life cycles.

At the foundation of our project management approach is a commitment to transparency, flexibility and responsiveness that ensure "seamless" operations and project administration throughout all project life cycles. At the enterprise level, we have made strong operational and philosophical commitments to a process of internal and external continuous quality improvement programs which benefits all of the projects we undertake.

The key features of GHS' project management approach are:

- Sound project management methodology, adapted from industry standards (primarily those of the PMI), focused on our objective of delivering value to government health programs;
- Strong project teams with experience in both technical and business aspects of Pharmacy Benefit Management, Pharmacy POS, Drug Rebate systems, and ongoing operations;
- Effective communications, both internally and externally with stakeholders to drive project objectives, mitigate risk and escalate issues for resolution; and
- A track record of successful projects, effective application capabilities and satisfied clients accustomed to on time, on budget project implementation and reliable ongoing operations.

GHS has adapted the principles of the PMI's PMBOK® Guide as the basis for our own project management methodology, and we will incorporate modifications that may be needed to comply with any additional State of Vermont standards. GHS has developed our project management approach to leverage our Medicaid experience and the proven strengths of our project team. GHS blends the following four proven strategies into our projects and ongoing operations:

GHS Project Management Approach
Empowerment of Project Managers: To manage the DVHA PBM project successfully, our Project Management Team and our Key Vermont Personnel will be empowered with the capability to make timely decisions based on project status, performance measures, and other information reported from project stakeholders and functional teams.
Expert Clinical Management and Support: GHS has a Clinical Management and Support team, comprised of physicians and pharmacists working directly with program managers, data analysts, data administrators, developers, and our Project Management Team. This highly specialized clinical team will be available through the entire duration of the DVHA PBM project for support of all clinical and clinical-related project, operational, organizational, and development functions throughout the life of the project. Our clinical and pharmacy advisors are among the most experienced individuals in the nation in their designated specialties.

GHS Project Management Approach
Diverse, Knowledgeable Functional Teams: GHS has additional functional teams that will support the Design, Development, Implementation (DDI) and ongoing operations phases of the DVHA Pharmacy project. These function teams include program managers, data analysts, data administrators, software and systems developers, network services, and quality assurance / testing. These teams work closely together and with our Project Management and Clinical Management and Support Teams. These highly specialized teams will execute the majority of project activities during the DDI phases of the project. Furthermore, they will be available through the entire duration of Ongoing Operations phases for technical support, changes request, defect resolutions, and operations support in general. Our functional teams represent a broad set of highly-skilled and knowledgeable employees, with demonstrable achievements within their respective functional areas.
DVHA-focused Ongoing Operations Team: During the DDI phase of the project, GHS will establish the DVHA Pharmacy Operations Team that will support the ongoing operations of the DVHA PBM project. Members of the Operations Team exclusively supporting the DVHA PBM project will be based in Burlington, Vermont (or the immediate vicinity) at a location that will also be established during the DDI. This team will receive leadership from the Account Director, Account Manager, and Clinical Pharmacist Manager. The Operations Team will be further support by the Clinical Team, Project Management Team, and each of GHS' Functional Teams. The Operations Team will be selected and trained during the DDI phases of the project, including the Key Project Personnel already named in this proposal. GHS will select additional operations staff members that are familiar with the DVHA, Medicaid pharmacy operations, the Vermont provider community, among other requirements. Our ultimate goals is to provide a knowledgeable, responsive, and supportive Operations Team to the State of Vermont.
Project Transparency: At the foundation of our management approach is a commitment to transparency, flexibility, and responsiveness that ensures seamless project implementation, administration, and operations. Our Project Management Plans are "living documents", designed to anticipate and accommodate all changes that occur as the project unfolds, through all phases of the project. Our Project Management Team and Executives understand this concept and will rely on experience with similar projects to manage the DVHA PBM project efficiently and transparently.
Continuous Improvement: GHS has made strong operational and philosophical commitments to a process of internal and external continuous quality improvement. GHS ensures that these standards of continuous quality improvement are regularly maintained, and applied throughout all of our operations, extending to all phases of the DVHA PBM project.

Open communication allows GHS to relate progress, issues or concern about the project to the State and other stakeholders in a timely manner. Open communication facilitates GHS' ongoing understanding of the State's needs current needs and overall project goals.

Communication that takes place early and often, in both formal and informal processes, are critical to the timely and effective implementation and operation of the Pharmacy Benefit Management and Drug Rebate Management systems. The communications planning we perform as part of standard project management procedures is designed to ensure that GHS staff members, the State and other stakeholder groups are kept fully informed of project activities. It is important to establish and maintain open communication channels to ensure that necessary information is tracked and reported effectively to the appropriate stakeholders.

An important element of GHS' communications strategy is to define the lines of authority and communications interfaces that will be used to facilitate communication between GHS, the State, and other Stakeholders. These often follow a "chain of command" structure, ensuring the most important communication and those requiring stakeholder action reach the intended audience in a timely manner. GHS also understands that it is critically important to participate in regularly scheduled status meetings with the Department and other stakeholders in order to discuss the progress of the project. Regular meetings represent an opportunity to review and make decisions quickly and effectively.

GHS staff diligently monitors the project schedule in collaboration with our clients and other stakeholder groups. Our experienced senior-level team applies their collective, hands-on expertise with the programmatic and financial aspects of the State's current services to ensure both quality and timeliness of all project milestones and deliverables. GHS understands the objectives laid out in the DCHA PBM RFP and will work with the State's subject matter experts to ensure that the scope is comprehensive and documented. Time is the most precious resource on a complex implementation project. We use both financial management and staffing management techniques to manage time and resources on every project.

GHS will work with the State and other stakeholders to establish a strong, open working relationship. This enables GHS to fully capture and understand the PBM requirements provided in the DVHA PBM RFP, in the context of current DVHA operations, and the Medicaid Enterprise Certification Tool (MECT). We are skilled at managing requirements through a Requirements Traceability Matrix. We use our proven system development and project management methodologies to maintain control over project scope, and to effectively manage change through our scope management and configuration management processes.

We understand the importance of ensuring that the new capabilities and systems be operated efficiently in order to achieve project objectives and meet contractual performance standards. It is not sufficient to merely implement applications; attention must be paid to supporting business processes and performance metrics simultaneously. Our approach to project management assists all stakeholders in adapting to a higher level of operational performance through effective change management.

GHS maintains all project documentation, project templates and other resources in our central document management system, on an internal secure network. We will work with the State to select and manage a repository in which GHS and the State can maintain project documentation for the DVHA PBM project in a collaborative manner.

GHS' Project Management Office maintains and promotes the use of the following project management tools:

- Microsoft® Project 2010 for scheduling, resource loading and resource tracking
- Microsoft® Office products (Excel®, Word®, PowerPoint®, and Access® primarily) for documentation, communication, and presentation needs.
- Jama Contour for project activity and change request monitoring, supported by Atlassian Jira
- Genius Project® for project tracking, status reporting and project workflow management.

GHS controls project and operational activities using documented methodologies and procedures, as well as the expert judgment of our project management and functional team members. We proactively

monitor activities, deliverables and results to ensure they reflect what's recorded and approved in relevant planning documentation. Active monitoring and controlling of a project is critical, as it allows us to identify risks to the schedule or activities, and address them before they can have a significant negative impact on the project. If a discrepancy is found, our corrective action procedures are triggered and our team members work with related stakeholders to resolve the issue in a timely manner. Effectively controlling a project requires significant efforts of our project management team, especially during the design, development, and implementation phases of the project.

A critical element of controlling a project is the ongoing reporting presented to project stakeholders, including Vermont DVHA staff and other Vermont Medicaid participants. GHS is committed to regularly reporting project progress to the State. Reporting provides stakeholders with information to understand the current state of any activity, deliverable, or other project element. GHS reports progress and activities using standard, scheduled reports delivered to stakeholders, as well as face-to-face meetings an ad-hoc communications.

Our project management team continually collects information from our functional teams, using reports and queries available within our workflow management tools, as well as verbal updates when necessary. Reports are prepared and delivered based on the needs and interests of the various stakeholder groups. We report and present project activities during regularly scheduled meetings with stakeholders. Meetings are extremely valuable because they allow the most critical or important issues to be reviewed, discussed, and corrective action to be decided on in a timely and efficient manner. The reporting methods between the design, development, and implementation and the operations phases of a project are slightly different, though the end goals are the same: ensuring activities are progressing as expected.

Our functional managers and project management team perform analysis of our human resources prior to beginning a new project, and again during each phase of the project. We do this using a variety of methods, such as resource leveling, comparing actual to estimated effort expended during past projects, monitoring time and activity logs, and performing resource planning in anticipation of future project phases or change request. We formally document our findings and decisions in an internal Human Resources Plan (often referred to as a Staffing Plan), covering all staff and related resources across our entire enterprise. We also develop a Staffing Plan for all individual projects, and will do so in support of the DVHA PBM project

Requests from the State are addressed on a case-by-case basis by an appropriate member of our project management team. Many requests are likely to come in the form of a change request, in which case the request will be entered into the change management process using an approved change management tool. Other requests may be for additional information regarding a project activity, the status of a deliverable, requesting an expert opinion on a particular subject (such as proposed pharmacy program policy changes), or any number of other potential requests made by stakeholders. Requests that do not require a change to our systems are generally handled on an ad-hoc basis since they tend to be unique and generally require significant effort in order to determine if they should result in a formal change request.

I1.3 The Vendor will develop a Project Management Plan (PMP) conforming to the Project Management Body of Knowledge (PMBOK). The PMP will incorporate the following PMBOK knowledge areas:
- Project Integration Management

- Project Scope Management
- Project Time Management
- Project Cost Management
- Project Quality Management
- Project Human Resource Management
- Project Communications Management
- Project Risk Management
- Project Procurement Management"

A complete and thoroughly reviewed Project Management Plan is a critical aspect of a well-executed project. It provides a recipe for the complex collaboration of people, processes, activities, deliverables, knowledge, business acumen. This enables experienced and committed individuals, working as a team, to do their best to achieve challenging objectives and meet schedule and performance requirements.

All GHS project management plans incorporate PMI's nine knowledge areas in a manner tailored to fit the needs and parameters of the project in question. The plan is divided into sections based on these knowledge areas:

- Project Integration Management
- Project Scope Management
- Project Time Management
- Project Cost Management
- Project Quality Management
- Project Human Resource Management
- Project Communications Management
- Project Risk Management
- Project Procurement Management

GHS will work with the Department after contract award to develop a detailed project management plan, consisting of all contingent plans from the above knowledge areas.

GHS has provided a draft DVHA PBM Project Management Plan Template and Schedule in Section J of this proposal.

I1.4 The Vendor will develop a Project Charter.

All projects undertaken by GHS require the development of a Project Charter, according to our internal procedures, during the Initiation Phase of the project. In the context of large Medicaid PBM projects, such as DVHA PBM, the Initiation Phase beings when an RFP is released. The State's PBM RFP, answers to questions, amendments to the RFP, and GHS' response represent the formal Statement of Work (SOW), which is the primary input for producing the Project Charter.

Prior to submitting this RFP response, we will undertake the process of finalizing the DVHA PBM Project Charter, and supplying it our Senior Management for approval. If we are the vendor selected to serve as the DVHA PBM, GHS is prepared to supply the approved DVHA PBM Project Charter after contract award, if required.

I1.5 The Vendor will develop a Project Governance Plan. The project governance plan will take into account and leverage the existing AHS governance structure.

After contract award, GHS will work with the State to develop the DVHA PBM Project Governance Plan. Working with the State, we will identify the elements of the AHS governance structure that are required be addressed, or present a real or potential benefit to the project.

I1.6 In collaboration with the State, the Vendor will develop a Business Process Change Management Plan. The State envisions significant process change during the development and implementation of the System. The Vendor will provide plans for a change readiness assessment, gap analysis, and recommendations for organizational and process changes. The Change Control Board will be managed by the State.

The development of a formal Change Management Plan is a critical activity that must occur during the planning phase of the DVHA PBM project. After contract award, GHS will undertake the process of working with the DVHA and other necessary stakeholders to develop the formal Change Management Plan, with the understanding that the DVHA anticipates significant changes to occur during the DDI phases of the project.

GHS understands that the State will manage the Change Control Board (CCB), but anticipate that GHS staff, such as the Project Manager, Account Director, Account Manager, and/or other GHS stakeholders, will be required to serve on the CCB.

Our response to detailed requirement related to change management, including our approach to the Change Management Plan, are provided in 6.3 Change Management Plan.

I1.7 The Vendor will document the business process management activities and outcomes described in the Business Process Change Management Plan. Additionally, the Vendor will document Operational and System Changes in the Technical Change Management Plan.

GHS has a documented change management process used in support of operations and project management, which encompasses application support task orders. This process is aligned with PMI® standards and facilitates the tracking of source code, documentation, problem logs, change requests, approvals, decisions, and implemented changes for both operational and in-development modifications. For any project, out change management process is formally documented in a Change Management Plan, which will encompass change management process for business processes, ongoing operational activities, and system changes.

We will use our change management processes after DVHA contract award to ensure clear documentation of additions or changes to the baseline contract requirements and to better define change process differences based upon the size of the change and the impact to the project. GHS will deliver a comprehensive Change Management Plan to the DVHA that outlines how changes will be documented, controlled and implemented, including any process changes the DVHA specifically requires.

Change requests are unique from requests made to support operations, such as ad hoc reports or analysis requests or ongoing maintenance (such as of the PDL or formulary). The change management process is intended to address more substantial changes that warrant more rigorous management

practices. In general, these changes will result in enhancements or adjustments to the baseline scope of work performed by GHS for the DVHA.

GHS understands that there are many events that may necessitate an application support task order, though they are typically a result of:

- New state or federal policy;
- Changes to existing state or federal policy;
- Change in industry standards followed by GHS or the state;
- Changes to data sets or systems maintained by our business partners;
- The desire for new or enhanced services or functionality; or
- A change in circumstance requiring change to approved or planned activities or projects.

Our Change Management process documents the activities and processes to:

- Facilitate the request process;
- Assess the impact of a change to the scope, budget, and timeline;
- Approve, withdraw, or defer a change;
- Take action to implement an approved change;
- Record and retain necessary change request documentation; and
- Communicate with stakeholders throughout change management process.

Additional information regarding our approach to change management can be found in our responses to requirements in subsections 6.3 – Change Management Plan.

I1.8 Where available and agreed between the Vendor and the State, the Vendor will use State templates for project management deliverables.

State templates listed in EPMO templates from the link: http://dii.vermont.gov/pm/pmtemplates

After a review of the EPMO templates found using the above web link, our Project Management team has determined that they are consistent with GHS' own library of project management deliverable templates. Therefore, GHS will use the State's templates (when available) for all DVHA PBM Project Deliverables. In cases where an EPMO template does not exist for a required DVHA PBM project deliverable, GHS will use a template from its own template library and work with the State to make any adjustments necessary for the DVHA PBM Project specifically. Any non-EPMO templates used will be formally approved by the State. Any necessary and agreed upon changes to an EPMO template for the DVHA PBM project will also be formally approved by the State.

I1.9 The Vendor will develop a PMI compliant Communications Management Plan. The Communications Management Plan must describe participant's roles and responsibilities, internal communications, external communications, other communications and information management including communications protocols.

GHS will work with the Department to during the Initiation phase of the project to Develop a Communications Management Plan, as defined in the most current edition of the PMBOK, for the services outlined in this RFP. We will ensure that the Communications Management Plan describes, at a minimum, the following information:

- Project roles and responsibilities

- Approach to meeting the communication requirements throughout the course of the contract's performance period
- Procedures for internal communications (GHS assumes 'internal' means all parties of the DVHA PBM project, including GHS, the DVHA, and other primary stakeholder groups).
- Procedures for external communications
- Communications and information management tools and techniques
- Communications protocols

Open communication allows GHS to relate progress, issues or concern about the project to the State and other stakeholders in a timely manner. Open communication facilitates GHS' ongoing understanding of the State's needs at any given time during the project and overall project goals.

Communication that takes place early and often, in both formal and informal processes, are critical to the timely and effective implementation and operation of Pharmacy Benefit Management and Drug Rebate Management systems. The communications planning we perform as part of standard project management procedures is designed to ensure that GHS staff members, the State and other stakeholder groups are kept fully informed of project activities. It is important to establish and maintain open communication channels to ensure that necessary information is tracked and reported effectively to the appropriate stakeholders.

I1.10 "The Vendor will leverage DII EPMO Project Log template as applicable to establish an issues and action items process and tracking document that must ensure that unanticipated issues, action items and tasks are assigned to a specific person for action and are tracked to resolution.

DII EPMO Project Log Template can be found in http://dii.vermont.gov/sites/dii/files/pdfs/EPMO-Project-Log-Template.pdf

The issue and action item tracking document must include the following:
- Issue description.
- Issue priority
- Issue status
- Plan for resolution.
- Individual responsible for resolution.
- Targeted resolution date.
- Actual resolution dates.
- resolution action."

The GHS Project Management Team has reviewed the EPMO Project Log Template. GHS employs a very similar project issues and action items template and is very familiar with the processes and procedures required to support the management of issues and action items in this manner. After contract award, GHS will work with the State to define and approve a DVHA PVM Project Issue Log, which will be used through all phases of the project. A description of the information in our current Issue Log Template is provided in the following table.

Issue Data Item	Description
Issue Identifier	The unique issue ID, number, or key.
Issue Title	The short name by which the issue is known (Summary)

Issue Data Item	Description
Task Number	The work product to which the issue is related
Date Received	The date the issue was received or entered
Target Resolution Date	The date by which the issue must be resolved.
Actual Resolution Date	The date on which the issue was confirmed to be resolved.
Issue Category	A classification of issues for reporting purposes
Issue Severity	The level of impact if the issue is not resolved. Severity is typically the primary consideration when determining priority.
Issue Priority	The priority of the issue. Priority is set relative to other issues logged and that have not yet been resolved and any other influencing factors.
Issue Status	The current status of this issue. Such as: New, Assigned, Resolved, Closed, and other status descriptors as appropriate.
Issue Description	A full description of the issue. This may reference a detailed issue paper and/or other supporting documentation.
Plan for Resolution	A full description of how the issue will be (or has been) resolved. This may reference other supporting documentation, such as a revised specification.
Assigned Issue Owner	The Individual responsible for resolution of the issue.
Resolution Action	A description of the task, action item, process, or activity that will be (or has been) undertaken to resolve the issue.
Source of Issue	The person or process that generated the issue

Figure 172: Issues Log Data, Vermont's required issue data highlighted

The above issue data will allow us to track the issue from its earliest identification, identify who is assigned to resolve the issue, and whether the issue has been resolved in a timely manner.

I1.11 The Vendor must electronically provide project management documents (e.g., Project Management Plan, Project Schedule, Work Breakdown Structure, etc.) using Microsoft software products and/or pdf. The software version must be no less than a version still available on the common market and that is still supported by the manufacturer. The State will work with the Vendor in approving specific versions to assure that the application is synchronized with the State's plans.

GHS will provide all project documentation deliverables in formats produced Microsoft software products. Specifically, GHS will be using 2010 versions of the Microsoft Office Suite of application, including Microsoft Project 2010 for the Project Schedule.

Any documents created using Microsoft products can easily be converted by GHS to Adobe PDF format or other recent Microsoft Office versions as necessary. The methods and tools for distributing documentation will be recorded in the Communications Management Plan.

I1.12 The Vendor will advise the State and Vendor management of progress in meeting goals and schedules contained in the work plans as well as any risks and issues during weekly progress meetings attended by the Vendor and the State. These may include walkthroughs of selected deliverables as requested by State staff.

A key element of the GHS communications strategy is to ensure that GHS and state lines of authority and communications interfaces, including formal meetings and reports and impromptu meetings and messaging follow a "chain of command" structure that ensures the effectiveness of communications. GHS will provide the meeting space, communication support (phone/video conference) and other functions required to facilitate successful ongoing meetings.

GHS will facilitate regularly-scheduled status meetings with the state to discuss the DVHA PBM project and related topics through all project phases. We understand that this will be the most appropriate time to review project activities and (after implementation) ongoing operations, and discuss issues, risks, accomplishments, and other planning issues as a group. During the Design, Development, and Implementation (DDI) phases of the project, the regularly scheduled meetings may also be used to conduct walk-throughs and formal approvals of project deliverables, as deemed appropriate by the DVHA. Prior to the weekly meetings, GHS will issue a weekly status report that contains a summary report of project accomplishments, issues, risks, next steps and any other information the State may need.

After the conclusion of every meeting, we will create and distribute meeting minutes and "action items" identified at the meeting with assigned responsibilities.

I1.13 The Vendor will develop weekly progress reports. Weekly written progress reports will be provided by the Vendor to the State one working day before each weekly meeting, and containing items to be discussed at the meeting, including:
- Progress of each task/activity.
- Action items and decisions from the previous meeting.
- Problems encountered, proposed resolutions, and projected completion dates for problem resolution.
- Planned activities for the next two reporting periods.
- Status of contractually defined deliverables, milestones, and walkthroughs scheduled in the project schedule.
- Updating of information on a weekly basis in the State project and portfolio management tool.
- Other information as needed (per Vendor or the State).

Frequency of periodic reports can be adjusted during the course of project as agreed by the State and Vendor.

Our communications strategy is fully defined and monitored through the processes that will be formalized in the Communications Management Plan. GHS has templates in place for reporting and facilitating ongoing status meetings, which are used in support of current client projects/operations. After contract award, GHS will work with the Department to build customized templates for documents and reports needed to conduct ongoing progress meetings. Documents such as:

- Weekly Status Reports.
- Monthly Status Reports (same as above, but at a monthly aggregate level).
- Meeting Agendas.
- Meeting Minutes.
- PBM Systems Reports.

Among other information, we will ensure that the Weekly Status Report, Meeting Agenda, and Meeting Minutes each address the following:

- Progress of each task/activity from previous meetings or other source

- Status of contractually defined deliverables, milestones, and walkthroughs scheduled in the project schedule
- Planned activities for the next two reporting periods.
- Action items and decisions from the previous meeting.
- Problems encountered, proposed resolutions, and projected completion dates for problem resolution.

The details for use and distribution of these documents will be specified in the Communication Management Plan. The images below depict sample templates that GHS uses to build tailored deliverables for each customer.

[redacted]

Figure 173: [redacted]

[redacted]

Figure 174: [redacted]

[redacted]

Figure 175: [redacted]

[redacted]

Figure 176: [redacted]

[redacted]

Figure 177: [redacted]

[redacted]

Figure 178: [redacted]

I1.14 The Vendor will develop monthly progress reports. The progress report will include deliverables, milestones, walkthroughs, the State approvals, and lessons learned and will be used by the Vendor and the State in measuring the Vendor 's progress and performance. The report will also contain:
- Issues, problems, and corrective actions, steps, and assignments.
- Risks and mitigations.
- Total budget and cost variance reporting
- Lessons learned
- Percentage complete
- Resources and time required to completion
During the application development phase of the project, Business Lead, PM, and EA to sit in on weekly SCRUMs as needed. As the project nears completion, Business Lead, PM, and EA will host mtgs for daily status updates.

During DDI, GHS will work with the DVHA to establish a monthly progress reporting process, as required. Report formats are typically a combination of Microsoft® Word® and or Excel ® documents depending on preference audience and DVHA requirements. The monthly progress report will include details regarding activities undertaken during the monthly reporting period including, but not limited to:

- Deliverables completed
- Milestones completed
- Walkthroughs conducted
- Approvals received from the State (deliverables, change requests, etc.)
- Lessons learned
- Issues, problems, and corrective actions, steps, and assignments.
- Risks and mitigations.
- Total budget and cost variance reporting
- Project, task, activity percentage complete
- Resources and time required to completion

These reports will be updated and managed by members of our project management team, with participation by functional managers, task assignees, GHS' key project personnel, and other stakeholders as necessary. The templates used to facilitate monthly reporting are similar to those used for weekly reporting described in response to I1.13 above.

During the operational readiness phase of the project, in preparation for final implementation GHS will formally meet with and report to stakeholders as frequently as daily.

I1.15 If the Vendor must substitute key staff during the project, the Vendor will submit to the State, in writing, the reason for the change and provide a completed staff experience reference form and resume for the substitute personnel. The State will either approve or reject the substitution.

In the event that GHS must substitute or replace key staff at any point during the project, GHS will formally submit this substitution to the State in writing and seek their formal approval of the replacement substitution. In the event that GHS determines the need to substitute or replace a key PBM project staff member during the project, we will notify the State as soon as we are made aware this need. We welcome the Department's participation in the selection of suitable replacement staff, including the review of the experience and resume of candidates, which the Department may approve or reject at their discretion.

I1.16 The Vendor will provide contract close-out plans and manage project close-out activities in accordance with the plan.

GHS will provide a Contract Close-Out Plan and manage project close-out activities in accordance with this plan once approved and when a successor vendor is selected. The Contract Close-Out Plan, which includes all project turnover activities, will address the following the following high-level activities and deliverables at a minimum:

- Turnover and Closeout Planning
  - Activities / Deliverables Eighteen Months Prior to Closeout
  - Turnover Notification and Closeout Planning
- Turnover Status Report
- Turnover and Closeout Deliverables
- Cooperate with Successor Contractor
- Turnover Archived Materials
- Contract Closeout Services
- State Responsibilities for Turnover Phase

The most important element of this project phase will be cooperation and communication between GHS, the State, and the replacement Vendor. Effectively, the Turnover and Closeout phase for the incumbent vendor is the project startup and planning phase for the incoming vendor.

The GHS Project Management team has experience planning and executing project turnover and closeout activities, including preparation of Close-Out Plans executing a variety of close-out and turnover activities. GHS will ensure the DVHA Contract Close-Out Plan includes all tasks, activities, durations, milestones, and deliverables associated with the close-out process when turnover and close-out planning begins. GHS is prepared to supply an initial Contract Close-Out Plan during the planning project. This will, by definition, must be a preliminary draft with general details, based on assumptions about the state of the DVHA PBM solution at the time of closeout notification. At the time of contract closeout notification (typically 12-18 months prior to service termination) GHS will undertake revisions to the Contract Close-Out Plan to reflect current DVHA PBM scope of work, operating environments, and other influencing factors at time closeout notification.

At a high level, an accurate and complete Contract Close-Out plan will be achieved by comparing the scope of services provided by GHS at the time of turnover notification, the scope of work presented in the replacement RFP, and the scope of work presented in this (original) RFP. Working with the State and/or their replacement services vendor, GHS will identify and document all close-out turnover requirements, activities, and deliverables.

GHS will be fully cooperative with State and their successor vendor regard to close-out project planning, turnover services, turnover support activities, and any additional post close-out services that may be included in the Contract Close-Out Plan. In any turnover, the continuing provision of Pharmacy operations, particularly POS claims adjudications, requires that there be no disruption of services during a turnover from GHS to successor vendor. In return, GHS expects that any successor organization will cooperate fully in providing for an orderly and controlled turnover so that GHS operations can continue uninterrupted until commencement of successor vendor operations.

I1.17 As part of the proposal, the Vendor will describe the staffing approach and methodology used for the project, which will include:
- Estimated number of Vendor 's resources needed per each phase of the project.
- The number of staff resources within the following categories: Management, Business, and Technical.
- The number of staff resource onsite vs. remote per the phase of the project
- A description of the methodology used for releasing and adding staff to the project and managing staff PTOs
- Outsourcing staff if applicable
- Types and number of resources that State needs to provide per the phase of the project and expected hours from those resources
- Providing a project organization chart.

GHS has provided this information in our response to Template D –Organization and Staffing. We are happy to provide any clarifications to our staffing approach/model.

I1.18 The Vendor will describe issue escalation process to settle matters of dispute as it relates to roles, responsibilities, or unmatchable level of service (i.e. what is their escalation chain) and this will be aligned with the State's escalation plan.

GHS will work with the DVHA after contract award to define and document the issue escalation process in the formal Communications Management plan. We will ensure that the escalation process is aligned and coordinated with the State's escalation plan. Our organization's structure is designed to provide effective and rapid escalation of issues to the appropriate parties. For the DVHA PBM project, the escalation of issues will be overseen by the Account Manager, and be facilitated using the issue management tools described in 6.5 Issue Management later in this subsection. Our process applies to any issues or disputes, including matters related to roles, responsibilities, and/or unmatched levels of service.

I1.19 The Vendor will describe their approach to remediate and realign the project and project plan in the event that the Vendor or the State decides that any aspect necessitates immediate attention and/ or State/Vendor management intervention.

GHS understands that all projects are fluid in nature and that requirements are refined through progressive elaboration as stakeholders move through each subsequent project phase. As approved requirements are turned into design specifications, and design specifications turned into configurations and deliverables, GHS will review and re-align the project and project plan to reflect the outputs of each project phase or activity. In addition, GHS promotes the concept of quality assurance and quality control in all projects. Project progress and deliverables are tracked and measured throughout the implementation phase and the results are compared against the project baseline. If, at any time, the State or GHS' management determines that the project results or schedule are outside the project control limits, GHS will take immediate action to remediate and realign the project and/or the project plan.

Through this process of measuring and monitoring project quality,we will easily be able to identify aspects that require immediate attention on the part of GHS, DVHA, and/or other stakeholders. An example of an aspect that might require attention is an activity or deliverable on the critical path that is taking more time to complete than anticipated. In this scenario, GHS would review the current status, the variance from the baseline and develop remediation options. The Account Manager would work

with the Department and its staff to determine the best course of action from among the proposed options to resolve the conflict. Once approved, the chosen resolution would then be reflected in an updated project plan.

I1.20 The Vendor will provide a minimum of one full time assigned PMI Certified project manager

GHS will provide a PMI certified Project Management Professional (PMP) to serve as the Project Manager for the DVHA PBM project. This Project Manager will be 100% allocated to the DVHA PBM project during the DDI phases of the project, and available as needed to support change requests and enhancements during ongoing operations. The Project Manager will be supported by other members of our Project Management Team, consisting of other PMPs, Project Coordinators, Business Analysts, and others.

I1.21 The Vendor will describe their approach regarding the project documentation repository. The Vendor is recommended to align with the State's document repository. In case the Vendor cannot, they must provide justification as to why their proposed repository works well in the best interests of the State

Genius Project the selected Enterprise Project Management software provides a document repository for the DDI phase for collaboration and approval artifacts.

Alfresco will service as the GHS Documentation Repository for the project's DDI Phases and during ongoing operations. GHS has the capability to integrate with the State's Enterprise SharePoint Solution if required.

6.2 Project Work Plan

Instructions: Provide a narrative describing the Vendor's proposed processes and methodologies for providing all components as described in RFP Section 2.0 Overview and Scope of Work. Include any assumptions and the Vendor's approach to meeting the proposed project Schedule using Microsoft Project®. Provide a proposed Work Plan, Work Breakdown Structure (WBS) as part of the Vendor's proposal. This Work Plan and WBS should show all task details with responsibilities, timelines, durations, milestone dates, deliverables, and Vendor personnel hours by deliverables for each phase, State personnel hours by phase deliverable, and all critical dependencies for the project's milestones and deliverables. The Work Plan must be an attachment to the Vendor's Technical Proposal and tabbed as such in the submission as well as an electronic version of the Microsoft Project® version in the Vendor's electronic submission of the Technical Proposal.

GHS has supplied a Draft (preliminary) Project Work Plan and Work Breakdown Structure for the DVHA PBM project with this RFP response in Section J, as instructed. We've mapped out the key milestones, deliverables, and timeline represented in RFP Section 2.0, and formed them into high-level activities for each of the identified project phases. After contract award GHS will work with the State, DVHA, and other key stakeholders to further refine the details of the Project Work Plan until it is a full, complete, and accurate representation of the intended DVHA PBM project.

6.3 Change Management Plan

Instructions: Describe the Vendor's methodology, tools, and techniques for communicating and accomplishing organizational change management. Discuss how the Vendor can assist the State in implementing the organizational change and communicating the change to the impacted business units and associates. Describe specific techniques the Vendor uses to educate executives, build executive alignment, and cascade the change throughout the organization.
Please address the following areas (at a minimum):

- *Your Change Management Methodology*
- *Determination of the impact of this change*
- *Methods of responding to the change, process harmonization and potential resistance*
- *Communication and planning*
- *Method for ensuring a successful change management program*
- *Lessons Learned regarding change management challenges as they will impact this project*

Change Management Methodology:
GHS has a documented change management process used in support of all engagements, which encompasses application support task orders. This process is aligned with PMI® standards and facilitates the tracking of source code, documentation, problem logs, change requests, approvals, decisions, and implemented changes for both operational and in-development modifications.

We will continue to use our change management processes after DVHA contract award to ensure clear documentation of additions or changes to the baseline contract requirements and to better define change process differences based upon the size of the change and the impact to the project. GHS will deliver a comprehensive Change Management Plan to the DVHA that outlines how changes will be documented, controlled and implemented, including any process changes the DVHA specifically requires.

Change requests are unique from requests made to support operations, such as ad hoc reports or analysis requests or ongoing maintenance (such as of the PDL or formulary). The change management process is intended to address more substantial changes that warrant more rigorous management practices. In general, these changes will result in enhancements or adjustments to the baseline scope of work performed by GHS for the DVHA.

GHS understands that there are many events that may necessitate an application support task order, though they are typically a result of:

- New state or federal policy;
- Changes to existing state or federal policy;
- Change in industry standards followed by GHS or the state;
- Changes to data sets or systems maintained by our business partners;
- The desire for new or enhanced services or functionality; or
- A change in circumstance requiring change to approved or planned activities or projects.

Our Change Management process documents the activities and processes to:

- Facilitate the request process;
- Assess the impact of a change to the scope, budget, and timeline;
- Approve, withdraw, or defer a change;
- Take action to implement an approved change;
- Record and retain necessary change request documentation; and
- Communicate with stakeholders throughout change management process.

Any project stakeholder may request a change; however, it must be reviewed and formally approved by the appropriate DVHA representative before submission to GHS and (if deemed appropriate) a formal Change Control Board for review. Prior to submission to GHS, all change requests must be documented in the manner specified in the Change Management Plan and submitted to the GHS Project Manager.

After a formal request is received by GHS, the request will be logged, assigned a tracking ID number, and stored (with all other supporting documentation) electronically within our document management system and a location allocated specifically for the request. If there are any clarifying questions or information GHS needs, they will be provided to the State Project Manager and/or requester.

After a change request has been logged, it is circulated for review among the following GHS team members, as needed, to complete an impact assessment, collect questions, and to identify any needed clarification. These individuals, plus any others deemed necessary after contract award, are the formal Change Control Board:

- Project Manager: Responsible for monitoring contract compliance, helping define scope and identifying functional requirements;
- GHS Project Management Team: Business analysts and other internal project management team members responsible for detailing requirements and documenting impact/gap analyses in coordination with Subject Matter Experts and the Project Manager;
- Subject Matter Experts: Responsible for representing their business function knowledge and experience (ex: physician, pharmacist, application developers, POS operations staff, etc.);
- Development Team Lead(s): Responsible for developing and implementing the change;
- Testing Team Lead(s): Responsible for testing the change after development and prior to implementation;
- Training Lead: Responsible for identifying necessary re-training and procedure documentation updates; and
- Technical staff: Assess impact to database, network, systems platforms, etc.

After GHS and the DVHA have resolved any open questions or concerns, GHS will supply the State with a formal Work Process Plan (or an updated Project Plan for in-process projects) documenting the final outcome of all reviews and discussions. This will include the specifications of the change, risks, estimated levels of effort and (if already determined) scheduling for developing and implementing the change. A similar scaled-down process will be used for requests requiring small amounts of effort to minimize related overhead and facilitate timely delivery. At this stage DVHA will have the opportunity to:

- Approve the request – If approved, the GHS Project Manager will move the change request forward;
- Withdraw the request – If withdrawn, the GHS Project Manager will log the decision, archive all documentation, and close the request; or
- Defer the request for consideration at a later time.

After approval of a change request, the decision is logged and the GHS Project Manager will work to schedule the change for completion. When scheduling the change, other activities need to be considered and prioritized accordingly. The DVHA Project Manager will be involved in the scheduling and prioritization process. It is the responsibility of GHS' Project Manager to direct the work that must occur in response to an approved Change Request and to ensure that the work is accomplished. The project plan and schedule (as well as other documentation as needed) will be updated and provided to all stakeholders so there is a unified understanding of the task(s) that will be completed, and the timeframe for completion.

When all activities associated with the change have been completed, the Project Manager will update the status of the change request to “implementation complete” in the log and close the request in the tracking system and (if applicable) mark the related activities and deliverables as complete in the project plan. The implemented changes and operational activities become part of baseline operations. The figure below outlines the change management workflow.

[redacted]

Figure 179: [redacted]

Change Impact Determination:
Performing an impact analysis is a required activity for any change request presented during the duration of any project. The impact analysis provides critical detail to support planning for a change and making a decision to execute, defer, or withdraw a change. This activity is codified in our change management process, and will be followed for Vermont Pharmacy Benefit Management project.

As part of the impact analysis process, all real and potential impact that is eventually identified enters the impact clarification activity, where it is circulated among effected stakeholders to collect questions and identify any further information required to identify impacts. Depending on the impact level of a change, the DVHA Pharmacy Project Manager may need to seek and gain approval from others at the DVHA prior to moving forward with any resulting change requests. Members of the GHS team will

complete a high-level impact quantification to estimate the level of effort required to implement the proposed change, according to the following guidelines:

Level of Impact	Typical Level of Effort
Minimal	1 to 5 hours
Small	6 to 40 hours
Medium	41 to 200 hours
Large	201 to 500 hours
Extra-Large	Greater than 500 hours

Methods of responding to the change, process harmonization, and potential resistance:

GHS' approach to change is to handle it in a proactive and transparent manner. GHS makes every effort to reduce the primary causes of change, rework and remediation by:

- Ensuring that requirements, activities, and deliverables are well-defined and verified prior to project execution;
- Influencing the factors that create change;
- Practicing risk management in all aspects and phases of the project; and
- Actively managing stakeholders, including setting and managing expectations and investing time in adequate requirements gathering and building appropriate channels of communication.

We also understand that change is inevitable, and the larger the project, the greater the likelihood that at least some changes will be necessary. When a change does occur, we treat it as any other requirement (or series of related requirements) and review the change with subject matter experts and stakeholders, giving them an opportunity to provide their concerns regarding the change. This ensures that there is a mutual understanding of the change, its requirements, and its effects on other aspects of the project between all potentially affected parties. When stakeholders fully understand the nature of a change and its effects (particularly the benefits) this greatly reduces instances of resistance.

Communication and planning:
During DDI, GHS will work with DVHA to establish a weekly, monthly, and quarterly reporting process. Report formats are typically a combination of Microsoft® Word® and or Excel ® documents depending on preference. Detailed updates, such as such as activities completed and upcoming activities, will be provided weekly. Monthly and quarterly reports will typically focus on longer-range activities and overall status of the project or application support task order. Change requests, as part amendments to an existing project or a stand-alone project, will be covered in these reports.

All application support tasks and change request activities are logged electronically in a ticketing system where they are assigned to a resource and updated as work progresses. Once a task or series of related activities are logged, managers and administrators have the ability to review and track progress using tools provided by the ticketing system. Updates and progress reporting can be provided to Project Managers, Account Managers and/or DVHA staff in a number of different ways. GHS will work with DVHA to determine their desired level status reporting format and level of detail for application support task orders.

Method for ensuring a successful change management program:

Change management is most successful when all stakeholders and subject matter experts have an understanding the change must occur for a project to be successful in the long term. All projects, particularly those of size and scope similar to the DVHA PBM project, have many variables and 'moving parts'. Some of these things are within our ability to control and influence, while other are beyond the control of the State or GHS. The goal is not to prevent change completely, but to ensure that only required or sufficiently beneficial changes are made. GHS will make these determinations working closely with DVHA managers and our functional teams.

GHS, in partnership with State Managers and Directors, will seek it influence the factors that create change.

Lessons Learned Management:
Conducting a lessons learned process is a critical element of our overall Project Management methodology, and extends to change requests. Summaries of lessons learned and best practices that should be incorporated into future deliverables and activities for projects across the enterprise.

6.4 Relationship Management

Instructions: Describe how the Vendor organization will represent itself to the State from an overall viewpoint. Discuss treatment of account management, status reporting ((hard copy and electronic), performance review meetings), contract management, audits, quality assurance, planning, setting priorities and handling service requests.

GHS' Account Managers invest significant time in managing the customer/vendor relationship. The Account Manager typically serves as the primary point of contact and principal liaison between GHS and the State. The Account Manager is empowered to make decisions regarding the project/contract allowing for nimble, timely responses to service requests, issues and conflicts. The Account Manager is responsible for maintaining and updating the project plan and project schedule, and reporting back to the State. As a result, the Account Manager is also responsible for the delivery of formal status reports, which are delivered in both electronic and hard copy versions, or as dictated by customer preference. Weekly and monthly status meetings are a forum for regular performance review. Issues and conflicts are addressed via formal performance reviews with senior level management.

GHS takes its responsibility as a representative of DVHA seriously and views itself as a partner to the State. GHS staff are diligent about maintaining a transparent, supportive and honest relationship with their customers. A flexible, collaborative and open relationship is beneficial to both GHS and the State and allows for a more efficient, better managed project. The Account Manager is responsible for ensuring that contract requirements are met and that the project remains within all parameters defined in the contract.

Key personnel all have clearly defined roles on the project with distinct and documented expectations regarding project implementation and operations, including aspects pertaining to audits, quality management and planning.

Internal audits are conducted regularly to ensure that project management processes and corporate procedures are being followed. In addition, GHS/Emdeon conducts regular SSAE 16 audits to ensure that internal controls are adequate and being followed by all employees.

Planning is a key part of GHS' approach. Planning is prioritized as an important part of the project life cycle. Early planning is key to maintaining project quality, reducing risk and meeting defined objectives. While the majority of the project is planned at the outset, in the very earliest stages of the project, GHS also recognizes that good project management requires an iterative approach to planning. As the project progresses and requirements are progressively defined, planning must also go through progressive iterations to ensure that all aspects of the project are managed appropriately.

Quality assurance takes place during project planning, when metrics and management techniques are defined and documented and key personnel are assigned ownership of various tasks and activities in support of quality assurance efforts. The quality assurance methods used are determined based on the individual requirements of each project and tailored to ensure the appropriate level of effort is developed and maintained.

6.5 Issue Management

Instructions: Describe the Vendor's process for problem management including: problem logging, problem resolution, tracking of unresolved problems, problem escalation procedures, and problem closeout and reporting practices. The Vendor should describe the integration of problem management across any sub-contractors, if applicable, such as the use of an automated system.

After contract award the specifics of the issue management process will be reviewed and approved by the State. It is GHS' expectation that during the DDI phase all issues identified will be logged, including those that impact schedule as well as those that impact scope, expected effort or any other dimension of the project. Any project participant or stakeholder will be allowed to submit potential issues either through the State or GHS Project Manager. If either of the Project Managers agrees that an issue exists, they will jointly document the issue involving other necessary individuals in the process as warranted. After clearly defining the issue, other characteristics will be documented such as quantifying potential impacts, severity ranking, identifying potential resolutions, target date for resolution, person assigned to drive the resolution and any action steps needed to select the best resolution. Progress until fully resolved will be monitored and tracked. Reporting on all issues will be via periodic publication of the issues log.

[redacted]

Figure 180: [redacted]

GHS defines project issues as conditions or events that require action at the working level. The most common are those that arise when a question is raised in JAR sessions or in deliverable review that cannot be immediately answered regarding future requirements. There may also be disagreement among participants as to the correct answer. If such situations are not resolved quickly, they unnecessarily consume time of staff and prevent related or downstream questions from being resolved. Consequently, they can delay the entire project or leave key questions unanswered in the requirements, which may result in future risks.

During the DDI phase, issues may arise regarding implementation strategy, timing, training requirements, operational steps required, and any number of decisions that must be made regarding implementation. Each of these must be tracked and resolved if implementation is to proceed successfully. The issues and risk management processes developed by GHS track each issue raised, its assignment to staff for resolution, due dates, and the recommended resolution. Reports can be produced for any subset of issues and risks, such as outstanding issues, overdue issues, issues that have become risks, and resolved issues.

To clearly identify and resolve issues in a timely manner, we have developed and refined a robust issues tracking process. We will use the State's preferred Issue Log to enter and categorize issues; assign them to GHS, or State staff; and establish the expected resolution date. The issue logwill be updated regularly and used to produce management reports on all due, past due, and outstanding open issues. Using a single tracking mechanism will allow users to see the complete history of an issue, assignments made, and actions taken from the initial establishment of an issue through possible elevation to risk or change request to disposition.

Issue Data Item	Description
Issue Identifier	The unique issue ID, number, or key.
Issue Title	The short name by which the issue is known (Summary)
Task Number	The work product to which the issue is related
Date Received	The date the issue was received or entered
Target Resolution Date	The date by which the issue must be resolved.
Actual Resolution Date	The date on which the issue was confirmed to be resolved.
Issue Category	A classification of issues for reporting purposes
Issue Severity	The level of impact if the issue is not resolved. Severity is typically the primary consideration when determining priority.
Issue Priority	The priority of the issue. Priority is set relative to other issues logged and that have not yet been resolved and any other influencing factors.
Issue Status	The current status of this issue. Such as: New, Assigned, Resolved, Closed, and other status descriptors as appropriate.
Issue Description	A full description of the issue. This may reference a detailed issue paper and/or other supporting documentation.
Plan for Resolution	A full description of how the issue will be (or has been) resolved. This may reference other supporting documentation, such as a revised specification.
Assigned Issue Owner	The Individual responsible for resolution of the issue.
Resolution Action	A description of the task, action item, process, or activity that will be (or has been) undertaken to resolve the issue.
Source of Issue	The person or process that generated the issue

Figure***: Issues Data Collected, Vermont required data highlighted.

This data will allow us to track the issue from its earliest identification, identify who is assigned to resolve the issue, and whether the issue has been resolved in a timely way. The database supports aggressive management of the issues definition and resolution process. The tool is also fully auditable and identifies when the issue was changed, by whom, and the nature of the change.

Users may then view or add staff assignments. The issue log tracks assignments, including the person assigned, the date of assignment, due date, and the proposed resolution, which is entered after completion of the assignment. The resolution information can link to issue papers or other documents to detail more complex recommendations. The log also supports documenting the history of assignments to issues and the proposed resolution from each assignment.

In some cases, issues will arise from misunderstandings that can be quickly resolved without further action. If an issue requires analysis, it will be assigned to appropriate staff, with a due date for resolution. The assigned person will perform necessary research and consensus building and return the issue to the review team with a proposed resolution. In most cases an issue form will be required to document alternatives and the selected option.
When issues are resolved, the resolutions must be reported to all concerned stakeholders. Our experience has taught us that issue resolutions may need to be reviewed several times to make sure all concerned understand the decisions being made. GHS has also learned that reviewing issue resolutions with the project team may often generate other relevant questions and raise new issues. We recommend setting time aside with the team on a regular basis to discuss and verify issue resolution. Also important to issue resolution is to ensure that resolved issues are only revisited when new information justifies rethinking the decision that was made and not because someone or a group does not support the decision. GHS will put procedures in place to ensure that unnecessary issue re-visitation does not slow down the implementation process.

GHS uses an internal issue and change tracking system to facilitate the ongoing maintenance and support of the services we provide. This tool will also be used during the transition phase of the project, as well as the operational phase to support ongoing maintenance of the project. Our current tool is a web-based request/change/issue tracking system that allows management oversight and reporting on activities related to a given project. We find this tool to be flexible enough to be used enterprise wide. Issues will be tracked throughout the contract duration in a central issues log created for this project. Links to work tickets related to configuration and maintenance will be created and stored, creating a paper trail of the documented solution and status of each issue being worked. Issues will be identified and documented during internal meetings and interactions with the State.

Issues that are beyond the scope of work of the original contract, as determined by the Account Manager, will be first escalated as a project issue. Depending upon the issue resolution agreed to with the State, it may then be appropriate to handle the resolution action through the Change Management process.

6.6 Risk Management

Instructions: Describe the Vendor's risk management practices. Describe the expected risk areas and mitigation plans. The response shall describe the Vendor's internal risk management plan. This should include reference to the use of any specific methodologies, as well as any specific tools being used.

Risk Management is initiated very early in project execution, during the Initiation and Planning phase. We will begin identifying risks, including those related to the operational readiness and implementation, during the Initiation Phase of the project. Our Risk Management is integrated with our Configuration Management tools and processes, which are at the heart of all of our development and implementation activities. Our integrated Risk Management solution allows for free-flowing of information in the form of progress, problems, risks, alternate solutions and mitigation plans based on severity of the systems affected as a part of our normal software development cycles. The identification and mitigation of risks associated with operational readiness and implementation will be heavily influenced by our past experiences with these activities. GHS will employ these proven best practices to ensure a smooth and expected systems implementation.

Effective management and mitigation of project risk is critical, as risks can be anticipated and mitigation planned during project initiation. For example, most projects face a potential risk that adequate staff time will not be available to complete tasks in a timely manner. Careful scheduling of events, minimizing staff time required, and coordination of existing responsibilities mitigate this risk prior to the need for staff time. However, even with the best intentions and planning, risks to the project arise throughout its course and must be identified and managed on an ongoing basis. In the dynamic environment of a Preferred Drug List and Supplemental Rebate project, risk management is an integral element of an effective project management approach.

An important aspect our Risk Management methodology is that we begin managing risk very early in project planning. We will begin identifying risks, including those related to the operational readiness and implementation, as early as the initiation phase of the project..

GHS will work with the State to develop a structured Risk Management Plan, which will outline effective controls for monitoring and mitigating risk to the project. Planning for and monitoring risk fosters a transparent and inclusive process for addressing uncertainty and assumptions. Regular communication enables stakeholders to be responsive to change. At a minimum, GHS' Risk Management Plan will address the following topics:

- Overall approach to risk management;
- Definition of project scope;
- Project risk analysis;
    - Description of identified project risk;
    - Project impact and impact rating;
    - Likelihood of occurrence;
- Prioritized list of project risks;
- Problem/Risk mitigation strategies; and
- Corrective action plan procedures.

6.7 Relationships with Third Parties

Instructions: Describe any financial relationship between Vendor and any third party hardware, software, or other Vendors that may be used to provide services or products in connection with any phase of the PBM project, whether such third party will be used by the Vendor as a Subcontractor or contracted directly by Vermont. The Vendor shall also disclose any known or perceived conflicts of interest the Vendor or its leadership many have that would impact any phase of the project.

GHS does not have any financial relationships with third party vendors. During contract negotiations GHS will work with the State to define and disclose any potential conflicts of interest.

7.0 I2-Knowledge Transfer and Training

The Vendor must provide a narrative overview of how the proposed solution will meet the Vermont PBM Knowledge Transfer and Training requirements. The approach must, at a minimum, provide details on how the Vendor intends to meet or exceed the Knowledge Transfer and Training Requirements set forth in Template H – Non-Functional Requirements, Tab I2 Knowledge Transfer and Training'.
Please include in the response what the Vendor believes will be an effective process for each component and flow between each of the following areas:

Our Project Management and Technical teams are experienced in the production of all types of documentation required to successfully achieve project goals, objectives, and requirements. GHS will work with the State to build robust, high-quality deliverables to support the DVHA PBM project, tailored to the specific needs of the project, the Department, and other critical stakeholders.

Most recently, GHS developed and revised Knowledge Transfer and Training Phase deliverables for the State of Iowa in support of our PBM re-procurement and POS enhancements project. We worked closely the State and their stakeholders to draft, revise, and finalize all deliverables and documentation. These documents represent the most current versions of each respective deliverable and will serve as the baseline for any subsequent revisions.

I2.1 The Vendor will develop (in cooperation with the State) and execute a Knowledge Transfer and Training Plan that describes roles and responsibilities of the State and Vendor and the approach for bringing managers, end users, and technical personnel to an appropriate level of understanding with the System.

GHS will work with the Department to develop and deliver a broad and comprehensive training solution that will include comprehensive Knowledge Transfer and Training Plan and training program consisting of support and resource materials, and defines clearly the roles and responsibilities of the State and GHS. The Knowledge Transfer Training Plan and all subsidiary training plans will include and specify the use of systems and services to accomplish the training and will include specific information on shared services to the State and all stakeholders with respect to their roles and responsibilities using the DVHA PBM system and subsequent training methods and approaches. This approach will allow personnel and providers to demonstrate target proficiency, as defined by the State of Vermont, in desired training topics related to the DVHA PBM for the different user groups, including State personnel, Stakeholders, and Providers according to their roles and responsibilities. The training will include hands-on, train-the-trainer (TTT) materials which include the use of new tools and techniques that support the functions and are consistent with primary training objectives and requirements.

We will develop a training plan that addresses the training needs of all users across all functional areas. The Training Plan will include support and resources materials, documentation management plan, and specify the use of systems and services needed to accomplish the training. The Training Plan will also list the recommended approach for training for each user group (identified in the assessment phase).

I2.2 The Knowledge Transfer and Training Plan will address and describe, at a minimum:
- Training goals/standards and the specific plan for training technical personnel and end users.
- Size of population and types of roles that need training
- Strategy for providing training early in the project to allow the training goals to be implemented throughout the project life Phase.
- Tasks, deliverables and resources necessary to complete the training effort and identify tools and documentation that will be necessary to support proposed effort.
- Types of training, the specific courses and course materials, the training approach for both technical personnel and end users, and how training effectiveness will be measured and addressed.
- Deliverables to support initial and ongoing training including user manuals, System manuals, and on-line help and training materials for technical/non-technical personnel.
- Knowledge Transfer to enable the State personnel to operate, maintain, configure and modify the System including operation of the testing tools, supporting infrastructure, and security as agreed between the State and Vendor.
- Metrics for tracking progress in achieving training and knowledge transfer objectives.
- Reporting progress of training and knowledge transfer activities.

- Additional training for technical staff on development, reporting and maintenance including processes and tools as needed
- The training must include all aspects of the use of the New System - both Technical and Operational
All Training Materials are due at the time of Staging and before the 3rd iteration of any application development

GHS will ensure the Knowledge Transfer and Training plan covers the specific items outlined in this requirement. This information is consistent with Training Plans GHS has developed in the past for PBM implementations. We understand that the topics that must be addressed include, but not limited to:

- Training goals/standards and the specific plans for training technical personnel and end users, respectively;
- The size of the population to be trained and types of roles that need training;
- Strategy for providing training early in the project to allow the training goals to be implemented at the most appropriate times throughout project life cycle phases;
- Tasks, deliverables and resources necessary to complete the training effort and identify tools and documentation that will be necessary to support all training efforts;
- Types of training, the specific courses and course materials, the training approach for both technical personnel and end users,
- How training effectiveness will be measured and addressed for each type of training;
- Deliverables to support initial and ongoing training including user manuals, System manuals, and on-line help and training materials for technical/non-technical personnel;
- Metrics for tracking progress in achieving training and knowledge transfer objectives;
- Procedures for reporting progress of training and knowledge transfer activities;
- Approach to additional training for technical staff on development, reporting and maintenance including processes and tools as needed;

GHS understands that the training must include all aspects of the use of the replacement PBM system both Technical and Operational, and will ensure this is sufficiently documented in the Knowledge Transfer and Training Plan. All Training Materials are due at the time of Staging and before the 3rd iteration of any application development

I2.3 The Vendor will provide end user training documentation (including user manuals, online content, reference cards, etc.). Vendor is to supply full provisioning to all primary, secondary, and third level support personnel identified by the Business Lead. Provisioning for these users to be completed on the staging platform prior to SoV UAT

GHS will provide end-user documentation. The methods for supplying training materials may include, but are not limited to, job aids, training alerts, Frequently Asked Questions (FAQs), Quick Reference Guides (QRGs), User Manuals (tailored for each User Group), instructor manuals (train-the-trainer models), and PowerPoint presentations. GHS will work with the Department to determine the best method for distributing end-user documentation and capture this in the Knowledge Transfer and Training Plan

I2.4 The Vendor will provide the State a training course outline for review and acceptance at least thirty (30) calendar days prior to the beginning of scheduled training.

GHS will provide the State a training course outline for review and acceptance at least thirty (30) calendar days prior to the beginning of scheduled training.

I2.5 The Vendor will submit all training packages to the State for review and acceptance at least twenty-one (21) calendar days prior to the beginning of scheduled training.

GHS will submit all training packages to the State for review and acceptance at least twenty-one (21) calendar days prior to the beginning of scheduled training.

I2.6 The Vendor will provide (customized as required) training manuals for all classroom as well as any online training they provide. Softcopies of all training manuals will be provided by the Vendor for both modes of training (classroom or online). Additionally, Hard copies of training manuals will be provided for class room training.

GHS will provide training manuals tailored to the DVHA PBM solution and its end-users for all classroom-based and on-line training provided. Soft copies and hard copies of all training documents can be supplied as specified in this requirement. The specific methods for producing and distributing the training will be captured Knowledge Transfer and Training Plan, as agreed to with the State.

I2.7 The Vendor will provide all training materials developed for the system to the State. Those materials will become the property of the State and may be modified and duplicated by the State.

GHS will provide all training materials developed for the DVHA PBM system to the State and understand that these training materials will become the property of the State, and may be modified or duplicated at their discretion. If these documents are subject to FOIA requests, GHS will provide redacted copies for this purpose. This requirement is consistent with those of our current clients. The specific details of this requirement will be addressed in the Knowledge Transfer and Training Plan.

I2.8 The Vendor will provide electronic copies of all training materials (end-user, technical, trainee and instructor) in a format that can be easily accessed, updated and printed by State staff using software for which the State owns licenses. This includes but not limited to CDs/DVDs, and online. All training materials must conform to the applications and components interfacing with the Enterprise Staging Platform prior to release into production

GHS will provide electronic copies of all training materials in a format that can be easily accessed, updated and printed by State staff using software for which the State owns licenses. Wherever possible, GHS will provide training materials in the formats provided current versions of Microsoft Office applications (assuming this is used by the State). We can convert these documents to other standard formats at the State's request. We can distribute these documents electronically in a manner agreed to with the Department and documented in the Knowledge Transfer and Training Plan.

I2.9 The Vendor will provide updated training documentation as necessary to incorporate new processes or functionality due to system releases, upgrades, or changes throughout the contract term.

As changes and enhancements are implemented in the DVHA PBM solution that effect end users, we will ensure that all training and end-user documentation is updated to reflect these changes. Once the changes are in place in the documentation, it will be redistributed to the target audiences in the manner agreed upon with the department, with a note indicating what changes have specifically been made. The processes and procedures for updating training documentation will be captured in the Knowledge Transfer and Training Plan.

I2.10 The Vendor will schedule all training during regular work hours as approved by the State, unless the Vendor receives advance approval from the State for specific training at other times.

All training related to the DVHA PBM project will be during regular work hours approved by the State. We anticipate this will be between the hours of 9:00am and 5:00pm EST. We do not anticipate the need to schedule training outside of normal business hours, but understand that this can be done if necessary, with approval from the Department.

I2.11 The Vendor will provide all training within the State of Vermont at locations convenient to the attendees of the training, unless the Vendor receives advance approval from the State for specific training at other locations.

GHS will provide all training within the State of Vermont at locations convenient to the attendees of the training. We will conduct all training for State staff and end users in the greater Burlington, Vermont area, at a location agreed to with the State. This may be at the offices that GHS will establish to support ongoing operations, the DVHA's current offices, or another mutually agreeable location. The specific locations for each type of training will be determined in consultation with the Department and captured in the Knowledge Transfer and Training Plan.

I2.12 The Vendor will schedule staff training in a manner that is least disruptive to the normal business operations.

GHS will work with the Department and its end-users to schedule staff training in manner that is least disruptive to their normal, ongoing operations. GHS will work with the Department at least 30 days prior to the start of training to ensure that there's sufficient time to re-organize staff scheduling and provide coverage for the training period.

I2.13 The Vendor will provide instructions to the State on Vendor tools and procedures used to support the training.

Instructions for any tools and procedures provided by GHS to facilitate training will be provided to the State and their trainees. These tools will be identified in the Knowledge Transfer and Training PlanI2.14 The Vendor will ensure that Vendor staff members are not assigned to train State staff and work on critical path development tasks concurrently.

GHS will not select training staff that will also be concurrently working on critical path development concurrent with training activities. Our approach to staffing training activities will be addressed in the Knowledge Transfer and Training Plan.

I2.15 The Vendor will assist the State in developing end-user training on the System business functionality.

GHS will assist the State in developing end-user training on the System business functionality. Systems business functionality will be documented in specifications documents, policy, procedures, and the project's requirements traceability matrix.

I2.16 The Vendor will provide end-user classroom training sessions and on-line training as agreed with the State for all end-users.

GHS will provide end-user classroom training sessions and on-line training as agreed with the State for all end-users. It's clear that some training will be better served in a classroom environment, while other training will be equally effective as on-line training. GHS will work with the Department to determine the best approach for each training activity and document this in the Knowledge Transfer and Training Plan.

I2.17 The Vendor will identify the number of staff necessary for maintenance and operations of the System as well as the skill sets necessary, with the State's agreement.

GHS will identify the number of staff necessary for maintenance and operations of the System as well as the skill sets necessary, with the State's agreement. Our approach to staffing training activities will be addressed in the Knowledge Transfer and Training Plan, as well as the overall Staffing Plan for the DCHA PBM project.

I2.18 The Vendor will develop and provide training for the technical support staff including State staff and contractors.

GHS will develop and provide training for its own technical support staff, State staff, and contractors. Working with the Department, GHS will address the specifics of this requirement in the Knowledge Transfer and Training Plan.

I2.19 For the duration of the contract, the Vendor will continue to provide training to the technical staff if system upgrades have been installed and there is a change in System components functionality.

GHS Vendor will continue to provide training to the technical staff as system upgrades and enhancements are installed and there are changes in System components functionality. The Knowledge Transfer and Training Plan will specifically address ongoing training after the PBM project enters the ongoing operations period. This training will be implemented to ensure that all staff is up to date on changes, as refresher training, and as training for new hires. A schedule of this type of training will be detailed in the Knowledge Transfer and Training Plan, as well as the methods to request additional, unscheduled training if needed for unexpected events.

I2.20 The Vendor will create a training approach and needs analysis early in each project Phase which will determine the training requirements

GHS will assess the needs for any training prior to entry into any phase of the DVHA PBM project. Our approach to training analysis will be captured in the Knowledge Transfer and Training Plan.

7.1 Change Management

Instructions: Describe what the Vendor believes to be an effective Change Management strategy and approach including providing details for a change readiness assessment, gap analysis, and recommendations for organizational and process changes.

Our strategy and approach to the detailed change management requirements are addressed in section 6.3 Change Management Plan. Changes related to training activities will be treated in the same manner as any other change conducted in the course of the DVHA PBM project.

GHS will conduct training in accordance with the approved Knowledge Transfer and Training Plan, including any subsidiary or component training plans and roadmaps. Any change to this based on DVHA preferences or needs will be accommodated whenever possible and practical, but documented and accounted for through the change management process.

7.2 Knowledge Transfer

Instructions: Describe what the Vendor believes to be an effective Knowledge Transfer strategy and approach including describing the approach for bringing managers, end users, and technical personnel to an appropriate level of understanding of the State's solution

Assessing the operations staffs, preparing operations staff skills development plan for approval, educating and training eligible and qualified staff to accomplish the transfer of key knowledge and to raise the skill set proficiency in the operations are part of GHS' standard methods u.
GHS will ensure that the DVHA PBM system training is properly scheduled based on users roles and functions and that training is not only sequentially and logically implemented but occurs in parallel to testing and implementation of system functionality. This approach ensures that training implementation is at the appropriate speed with system implementation to ensure users, whatever their roles, are well-trained on the use of the PBM and can perform key job functions using the PBM system. In addition, training will include a variety of adult learning methods and a wide array of materials, and will include experiential opportunities for guided and self-paced hands-on use of the DVHA PBM system in a TEST environment which mirrors functionality of the PRODUCTION environment in the live DVHA PBM system. Pre and post-training assessments can further support the effective training of State personnel with new material, technology, and system functionality.

We will coordinate all trainer, materials and resources, and locations and network access and administrative activities to support all training of eligible and qualified State staff and stakeholders. The Team anticipates using a broad and comprehensive array of training resources and methods, described in the following subsections.

Types of Training Materials:
The Goold Training Team recommends a close collaboration with PBM IT developers to develop and update the following types of documents, which may include but are not limited to, new-hire training, up-training, refresher training, and training for advanced user techniques. Documents and materials hereafter described are suitable for posting to the secure system module or through the Document Management System.

- Microsoft PowerPoint Presentations: These presentations can be support pieces in classroom training, such as webinars. Topics are typically very specific and support the State of Vermont for all types of systems and skills training.
- Process Manuals: These manuals will serve a dual purpose. They will support new-hire and up-training classes and they also serve as the documents of record as they will contain comprehensive, in-depth steps on how to use the PBM system.
- Training Alerts: These alerts are short and contain narrowly focused scope of information to quickly communicate changes in policy or procedures affecting users and other stakeholders. These typically are distributed by email to targeted audiences.

- Scenarios and Assessments: Scenarios will represent realistic situations encountered during PBM operations. Scenarios will be used in conjunction with assessments to test users' knowledge.
- Reference Materials: These documents include a variety of reference manuals, checklists, and quick tips users can access through the PBM application interfaces or the document management system.
- Standard Operating Procedures (SOPs): These documents will contain PBM procedures for specific recurring operational activities.
- User Alerts: These alerts will be released through e-mail to notify users of changes in the PBM or with resource/reference materials.

Knowledge Transfer and Training Plan:
The Knowledge Transfer and Training Plan will include specific details such as dates, times, locations, listing of materials and equipment, and other pertinent information that support these trainings for the DVHA PBM. Trainings will ensure that the target audience achieves the learning objectives for the implementation and on-going use of the PBM software and related processes through efficient and effective approaches, including remedial training support. The Training Plan will ensure that the target audience is identified and is armed with the knowledge and skills to use the PBM to effectively serve the State of Vermont, stakeholders, and PBM system users and administrators.

The PBM software/process training will be designed to meet the learning and logistical needs of each audience group. Potential train-the-trainer audience training groups are:

- Users, such as:
    - GHS operations staff supporting the DVHA PBM Solution;
    - GHS DVHA PBM help desk / call center employees;
    - State of Vermont Technology Services staff members;
    - DVHA personnel operate PBM systems;
    - State of Vermont administrators who manage and report information; and
    - Others doing lines of work using the PBM
- Providers:
    - Pharmacy administrator(s);
    - Pharmacy staff; and
    - Pharmacy claims processing and data tracking staff

Delivery Approach:
The knowledge transfer / training delivery approach for this contract will be a robust blended-learning, train-the-trainer approach, and direct training approaches. The training will be a combination of self-paced and instructor-led learning to facilitate a statewide rollout. This will allow training to be used for implementation and ongoing training, fits the busy schedules of the audience and the State, and will be sustainable. The space where trainings will be conducted will have appropriate seating and tools for the intended trainees, including but not limited to computer workstations, presentation equipment, supplies, network connectivity, and other routine things required for the effective delivery of training.

Self-Guided Training/User Resources
User Manuals –User manuals will be complete step-by-step reference guides for PBM steps and processes. They will be modularized and include a table of contents for easy reference. User manuals are a necessary part of training and are to be used for reference and process documentation. They will be utilized for this initiative due to the invaluable information and documentation they provide.

Self-Guided Training/User Resources
Quick Reference Guides – QRGs are generally brief, one-to-two page documents that outline steps for key or commonly used processes. They are typically colorful and can be posted at a user's worksite. QRGs are a key component and tool for quick references for users. They have been proven to help in change management and familiarity of concepts. QRGs will be utilized for this initiative for the reinforcement they provide.

Facilitated Training
Webinars –Webinars are online courses with a visual and audio component that allow an audience to attend a live instructor-led training class without the logistics and cost of travel. Effective webinars should contain user interactivity, such as polling questions and chat exercises to keep users engaged and to allow for application of the materials. Webinar materials must include a PowerPoint instructor guide and possible participant materials. Webinars are a training method often employed when participants are not in close proximity and the concepts are easily talked through. They are also a simple way to engage participants and walk through scenario-based training. Webinars were chosen for this initiative because of the versatility they provide. Goold proposes using the GoToMeeting (for up to 25 participants) and GoToWebinar (for up to 1000 participants) web-based products for trainings. However, Goold is flexible and is familiar with a number of online webinar products and willing to discuss this with the State of Vermont if the state needs this flexibility or desires an alternative webinar solution. The preferred solution will be documented in training plans and in User Acceptance Test Plans.
Facilitated In-Person Classrooms – Facilitated in-person classes will allow the participants to learn from the instructor and their peers and to practice in the PBM (TEST) environment and discuss scenarios and role-play situations and solutions. Workshops are modularized and each class should not exceed seven hours in duration, although most classes are 6 to 6.5 hours in duration each day of the workshop or class, leaving time for breaks and lunch. Classes can be conducted on a regional basis. Materials will include an instructor guide and participant materials and will list any resources for the instructor so that they can be well prepared and deliver the best live, in-person training possible. In-person classes provide interactive, hands-on practice, which is an adult learning method preferred by most organizations. Practice that mimics the look and feel of a system at Go-live will give participants a feeling of ease and security in the forthcoming changes. In-person classes are beneficial to a participant's acceptance of change and confidence in his/her ability to use the PBM system. The Team endorses in-person classes as part of this training experience for that reason.

Goold- will provide all of the necessary equipment which will include loading and updating training enrollment and tracking for all DVHA PBM user learners. Periodical reporting is available from this system to allow for administrators and leadership to review progress and recommend adjustments. After collection of detailed user requirements, standard operating procedures (SOPs) unique to the DVHA PBM system LMS and network administration will be developed and implement. The SOPs will be updated and maintained per the project plan and materials update schedule.

GHS will ensure that complete documentation of training activities are maintained and reported. Of particular interest will be remedial training. GHS will work closely with the State of Vermont to tailor a specific training approach but also to work with the State to determine how remedial training and intensive services to learners should be addressed.

7.3 Training Strategy and Approach

Instructions: Describe what the Vendor believes to be an effective Training strategy and approach and what user and technical training the Vendor would recommend to the State. Include the training of State personnel who will work on the project, as well as users, executives and support staff. Describe how State and partner users will be trained. Describe how State IT staff will be provided technical training to ensure required technical capabilities to support the maintenance and operations needs of interfaces with the new System. Include the method of training for each of these classifications of individuals, an approximation of the number to be trained, estimated duration of each component of the training program, and the method to be used to ensure that the training was successful.

Describe what the Vendor believes to be an effective Training strategy and approach and what user and technical training the Vendor would recommend to the State:

Professional instructional design services will be provided to develop instructional materials to meet the learning objectives of all State of Vermont and Provider regarding DVHA PBM training. To ensure this initiative is a success, GHS will provide the resources to manage the following responsibilities:

- Project management
  - Monitor and manage team progress.
  - Communicate with internal and external contacts.
  - Schedule and conduct team meetings, conference calls, and review sessions.
  - Escalate issues and concerns, such as scope creep, billable hours used, and roadblocks.
  - Monitor client relations and project success.
- Instructional design:
  - Follow development process.
  - Analyze training requests.
  - Design or create the component plan and any roadmaps for training.
  - Develop or create the training that includes classroom materials..
- Technical writing
  - Design, create, and maintain technical documentation that includes user guides, frequently asked questions (FAQs), and quick reference guides (QRGs).
  - Consult with team members, State of Vermont SMEs, and other SMEs regarding documentation needs; and, identify best business practices.
  - Maintain all source documents for the training and technical documentation in a secure location so they can be retrieved quickly.
  - Review, evaluate, and modify existing technical documentation to support changes and State of Vermont's PBM system needs.
  - Gather information by interviewing SMEs and conducting research necessary to create documentation.
  - Analyze subject matter.
  - Produce accurate, organized, comprehensive documentation.
- Editing
  - Comprehensive Editing:
  - Usability Editing
  - Copy Editing
- Facilitation
  - Facilitate classes and groups.
  - Apply skills and theories in adult education.
  - Guide discussion.

    - Provide challenges for thinking skills.
    - Keep the group focused on content.
    - Cultivate ideas.
    - Explore issues.
    - Encourage participation.
    - Promote understanding.
    - Raise questions and viewpoints.
- Administration
    - Provide support.
    - Conduct research.
    - Handle administrative details.
    - Confirm attendees.
    - Print materials.

Include the training of State personnel who will work on the project, as well as users, executives and support staff:

After contract award, prior to the start of operational readiness activities, GHS will work with the DVHA to identify all State and DVHA staff who will be active participants in the ongoing operation of the DVHA PBM project. We will then identify specific roles and responsibilities for each individual or group, and use this to determine what training they will require.

Describe how State and partner users will be trained:

State users will be trained in the manner specified in 7.2 – Knowledge Transfer, above.

Describe how State IT staff will be provided technical training to ensure required technical capabilities to support the maintenance and operations needs of interfaces with the new System:

Our Network Services team will work directly with the State's IT staff during the DDI phases of the project to provide technical training regarding the maintenance and operations of interfaces to and from the DVHA PBM system. During the Requirements Definition phase of the project, all required interfaces to and from the State to support development and ongoing operations will be identified. Our Network Services team can then begin working on the specifications for these interfaces with State IT staff, with shared transfer of knowledge regarding each party's technical infrastructure.

While this is not training per se, it does effectively provide transfer of knowledge regarding the technical interfaces to the appropriate party.

Include the method of training for each of these classifications of individuals, an approximation of the number to be trained, estimated duration of each component of the training program, and the method to be used to ensure that the training was successful:

State users will be trained in the manner specified in 7.2 – Knowledge Transfer, above. This process includes the classification of individuals to be trained.

We estimate that the break-down of staff to be trained as follows, though these numbers will certainly change after the completion of requirements definition:

- Help Desk / Call center operations (GHS Staff) – 6
- State / DVHA administrators – 10-20 individuals
- Pharmacies / Pharmacists
- Prescribers

Depending on the audience and the activities / systems for any given program, training activities can be completed in a matter of hours, or an entire week. GHS will be able to provide these specific details during the DDI phases of the project in the Knowledge Transfer and Training Plan.

8.0 I3-Testing and Validation

Instructions: Describe what the Vendor believes to be an effective Testing strategy and approach to ensure that the system is functioning and processing the data correctly. This plan should at a minimum address the end-to-end application testing, stress tests, performance tests, UAT and FAT tests to assure that the solution will meet performance requirements under expected user loads, backup and recovery testing and installation testing. The approach must, at a minimum, provide details on how the Vendor intends to meet or exceed the Testing and Validation Requirements set forth in Template H – Non-Functional Requirements, Tab I3 Testing and Validation'.

I3.1 The Vendor will describe the overall testing approach and methodology used for the System deployment. The Vendor will work with the State's Business Units in fine tuning the testing approach and get the State's approval before starting the testing phase

Our development methodology places a high level of emphasis on testing at all levels of system development. As part of our project management and system deployment conventions, GHS will provide a Test Plan that addresses all requirements and test conditions outlined in this subsection of the RFP. This Plan will include a discussion of the different kinds of testing appropriate to each application GHS provides. The GHS test plan will encompass all system testing and testing environments, including (most crucially) User Acceptance Testing (UAT). After contract award, GHS will work with the State's Business Units in fine tuning the testing approach, capture this in the Test Plan, and receive the State's formal approval of the Test Plan before starting any testing activities.

At a minimum the Test Plan developed for the DVHA PBM project will include the following elements:

- Introduction;
- Approach to testing;
- Testing environments;
- Types of testing;
- Testing tools by application type;
- Test management:
    - Use cases;
    - Edge cases;
    - Data interfaces;
    - Workflows;
    - Performance testing;
    - Pilot testing;
- Test results tracking and verification;

- Defect management;
- Defect resolution methodologies;
- Change control and approval procedures; and
- Test reporting.

Testing Environments:
To help maintain the integrity of our production systems, GHS operates multiple segregated development, testing, and production platforms. Our test environment consists of several platforms.

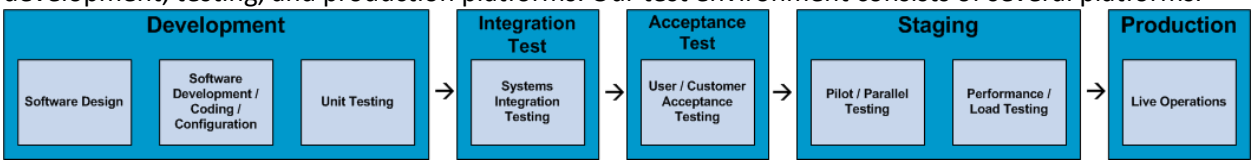

Figure 181: GHS PBM Technical Environments

Unit Testing:
The development workspace is the platform in which our software developers program and unit test changes, updates, or new code modules. Developers run unit tests on their own code, making sure it meets the original specifications of the addition or modification. Unit tests do not necessarily verify an updated code module's ability to operate within an integrated system, but can function within its individual scope. Once an addition or modification has passed unit tests, it is moved to the system integration test environment.

Integration Testing:
The integration test environment is where all developers' changes are integrated and interact as a system in the form of a software build. Test scripts are introduced here and the software is tested against the expectations of the requirements. Software defects are recorded in the change management ticket and routed back to the developer(s).

During the integration phase the updated code is integrated into the complete component system, as well as any external systems / interfaces that will be present in the production environment. This testing is performed by operations staff familiar with the operation of the systems being modified. Regression testing is also conducted here. Developers will be notified of and correct any errors, passing again through both of the previous testing phases.

User Acceptance Testing:
GHS understands that the user acceptance testing (UAT) process is critical to preparing for successful deployment of the system into the production environment. In addition UAT supports the independent readiness assessment and builds CMS certification documentation. During UAT, HFS controls the testing specifications with support from GHS. GHS will provide use cases and appropriate test data. GHS will select or build additional test cases to meet HFS' test criteria.

Pilot and Parallel Testing:
For parallel testing, GHS employs an automated claims test processing tool whereby real-time claims are captured from the pharmacy telecommunication switching companies. These are used to build a file of test claims that are used to perform simulated real time processing. This tool provides us with the ability

to perform "what if scenarios" on benefit plan changes, test quality assurance, and performance and regression testing.

For Pilot testing of our claims processing and ePA module, GHS leverages strategic relationships with pharmacies and pharmacy switching companies to perform comprehensive, true-to-production testing. By setting up a segregated claims processing platform, GHS performs end-to-end pilot test scenarios. This ensures that we are maintaining the integrity of the system apart from production while producing test results as if performed in a production environment.

One of the most important aspects of acceptance testing is to develop test cases which allow the users testing the modified system(s) to gauge the success or failure of the change as compared with the original requirement or goal of a change request. GHS develops test cases based on the information provided by the requirement / change request, with the number of test cases varying depending on the complexity of the change and/or the number of systems the change may affect.

During the user acceptance test phase, modified code is placed within a complete component system with sample production data. Though the system is complete, it is not necessarily connected to any of the external systems or processes with which the production system may interact. Here, operations staff familiar with the functionality of the system tests new features to ensure they operate as expected and required. Once the internal portion of this phase is complete, HFS staff may connect to the system to conduct additional UAT testing for external facing applications.

Tracking Tools and Issue Tracking:
All code is versioned, tested, and approved on the development/test system before being implemented on the production and standby systems. Testing is supported by various tracking and control tools. Components within these applications used by GHS include, but are not limited to:

- A Software Change Management tool such as Source Anywhere or Apache Subversion with check-in / check-out support;
- Task assignments;
- User authentication;
- A release / version management workflow; and
- Management reports.

GHS uses an internal issue and change tracking system to facilitate the ongoing maintenance and support of the services we provide. Our current tool is a web-based request/change/issue tracking system that allows management oversight and reporting on activities related to a given project. Links to work tickets related to configuration and maintenance will be created and stored, creating a paper trail of the documented solution and status of each issue being worked. Issues will be tracked throughout the contract duration in a central issues log created for this project. Issues will be identified and documented during internal meetings and interactions with HFS.

Defect Management:
Throughout the system testing process, GHS maintains a list of all tests, test results and tracks test results which did not pass testing and require additional testing. Those test cases which do not pass testing are tracked as defects and returned back to the development team for resolution/explanation. After defect resolution has been completed, each case is re-tested in order to establish a passed status.

Test Reporting:
GHS employs standard test result reporting procedures. All test results are communicated to HFS using the established communication and sign-off procedures.

Testing Tools:
In addition to rigorous user testing, GHS employs automated testing tools, such as Selenium and other industry-standard testing tools where appropriate. We have effective established testing procedures in place that have been employed successfully during recent implementation.

GHS employs a batch claims test processing tool whereby real-time claims are captured from the pharmacy telecommunication switching companies. These are used to build a file of test claims that are used to perform simulated real time processing. This process provides us with the ability to perform "what if scenarios" on benefit plan changes, test quality assurance, and performance and regression testing.

GHS Uses a number of different tools to facilitate, document, and otherwise support testing activities:

[redacted]

- FireShot – Screen image capture utility.
- Snagit – Screen image capture utility.
- Jama Contour – Create, manage and execute test cases.

Release Management/Change Control:

Deployment / Implementation are executed only after successful completion of acceptance testing (as well as Pilot Testing and Parallel operations / testing where applicable) and deployment approval from the customer. Exit criteria for each testing phase are defined and documented for each project or change request.

The following table describes, at a high level, our release management workflow. The progression through testing phases is highlighted.

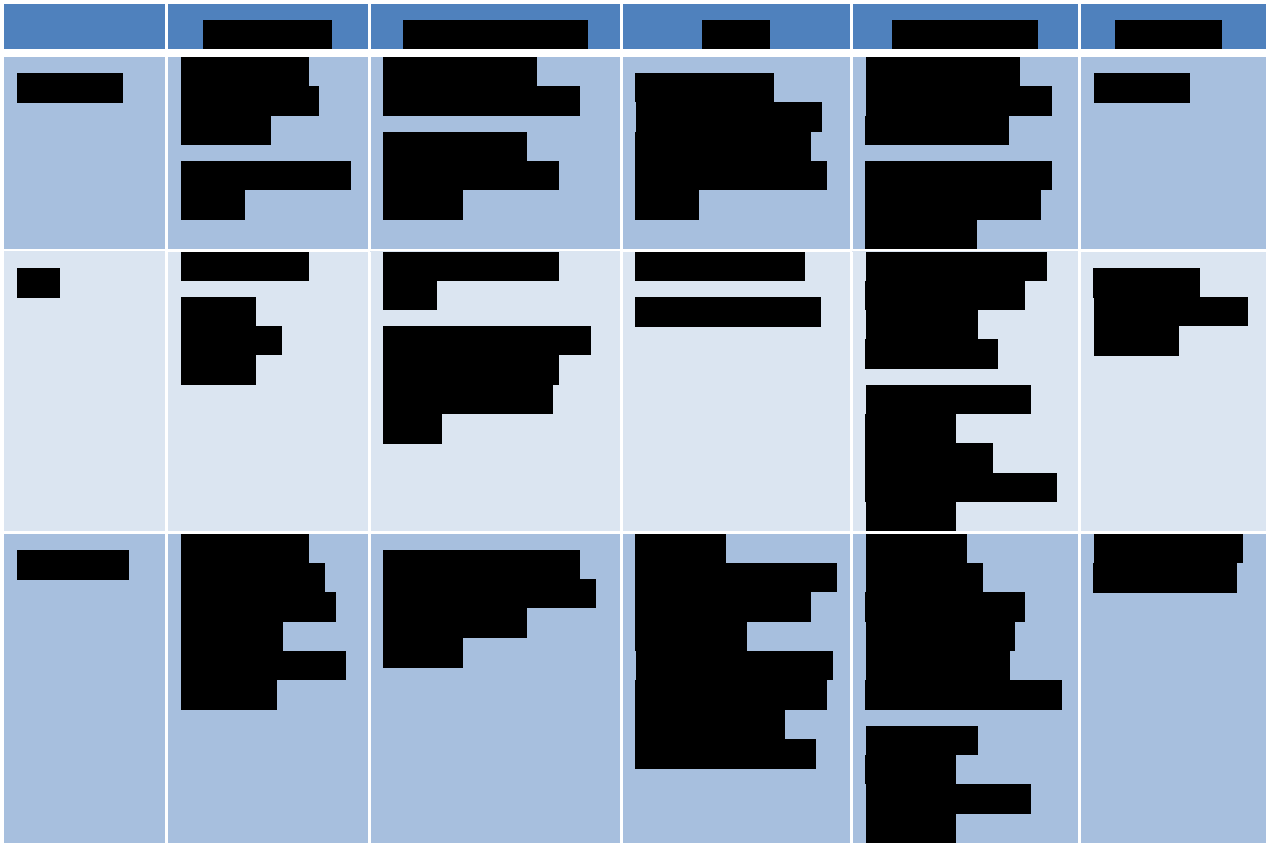

Figure 182: Summary of release management workflow.

I3.2 The Vendor will incorporate the testing approach into a comprehensive Test Plan. The Test Plan will include the procedures for documenting the completion of each test phase, test scripts, test conditions, test cases, and test reports. Detailed test plans will be created for the following testing areas:
- Integration Testing
- Security Testing
- Performance Testing
- User Acceptance Testing
- Operations Acceptance Testing

All Integrated System Testing will be performed on the Enterprise Testing platform while the UAT will be performed on the Staging platform. No testing may be conducted on the production platform and all testing must be completed prior to deployment.

Testing performed by GHS is a methodical process, starting with requirements definition and concluding with operational readiness testing. As already demonstrated with the successful implementation of GHS' existing PBM solutions, GHS understands the necessity of involving all stakeholders in the process and the importance of receiving state approvals throughout the testing process. We will ensure that our approach to and methodologies for testing throughout the DVHA PBM project are formally captured in the formal Test Plan.

There are several phases of testing GHS performs during the DDI phases of a project, which align with the phases indicated in this specific DVHA requirement. These testing phases are:

- Unit Testing
- Systems / Integration Testing
- Data Conversion Testing
- User Acceptance Testing (UAT)
- Operational Readiness Testing (ORT), collectively, which consists of:
    - Parallel Testing;
    - Pilot Testing
    - Security Testing
    - Load / Stress Testing; and/or
    - Performance Testing.

GHS will tailor testing process and plans for each type of testing indicated above to reflect the needs and requirements of the DVHA PBM Implementation. The testing process will ensure that the DVHA PBM solution meets the design specifications and performance requirements as approved by the Department and their overall expectations. The figure below shows the conceptual traceability between the initial requirements, the designs, and confirmation of requirements in various testing phases.

Figure 183: Test Planning Overview

Testing is conducted to ensure that the business rules and edits are correctly implemented as defined in designs, specifications, and requirements. Generally, testing serves the following functions:

- Verification that the system functions as designed

- Validates that the external interfaces to both the current MMIS and to external telecommunications vendors are working correctly
- Tests the required reports
- Validates that all users can perform their functional activities and obtain expected results
- Validates that the system can meet or exceed capacity, peak load and response time thresholds

For security testing of websites and web-based applications we use Accunetix for any that are published outside of GHS' internal intranet. If required by the State, we will participate in independent third-party testing of our systems. We will work with the State towards a mutually agreed upon security testing approach.

I3.3 The Test Plan must, at a minimum, include the following areas:
- Test philosophy (including objectives, required levels or types of testing, and basic strategy (developing, testing and release of major subsystems/components).
- Procedures and approach to ensure the testing will satisfy specific objectives and demonstrate that the requirements are met.
- Procedures and approach to ensure that each phase of the testing is complete, and how formal reports/debriefings will be conducted for each phase of testing.
- Approach to define tested workload types (performance testing) and test data
- Overview of testing facilities, environment and specific testing tools to be used.
- Overview of processes and procedures that will be used by the Vendor for releasing testing results and review of test results.
- Process and procedures for tracking and reporting for results/variances/defects will be tracked and reported.
- State resources required for testing during the development life cycle for each testing area.
- Method for review of test cases and procedures
- Configuration management of the test environment
- Describe User Acceptance Testing and User Sign-Off
- Plan and deliverables for each testing area described above
- Vendor is responsible for providing detailed instructions in modifying any desktop configuration settings prior to the commencement of System testing.

GHS will develop the DVHA Test Plan that directly addresses the topics outlined in this requirement. The above topics align with GHS' testing methodology and the Test Plans we've developed for past PBM services implementations. After contract award, GHS will work with the Department to review and confirm requirements for the following topics:

- Test philosophy (including objectives, required levels or types of testing, and basic strategy (developing, testing and release of major subsystems/components).
- Procedures and approach to ensure the testing will satisfy specific objectives and demonstrate that the requirements are met.
- Procedures and approach to ensure that each phase of the testing is complete, and how formal reports/debriefings will be conducted for each phase of testing.
- Approach to define tested workload types (performance testing) and test data
- Overview of testing facilities, environment and specific testing tools to be used.
- Overview of processes and procedures that will be used by the Vendor for releasing testing results and review of test results.
- Process and procedures for tracking and reporting for results/variances/defects will be tracked and reported.
- State resources required for testing during the development life cycle for each testing area.

- Method for review of test cases and procedures
- Configuration management of the test environment
- Describe User Acceptance Testing and User Sign-Off
- Plan and deliverables for each testing area described above
- Vendor is responsible for providing detailed instructions in modifying any desktop configuration settings prior to the commencement of System testing.

I3.4 The Test Plan will provide a detailed description of each test required to ensure that all of the System components, interfaces, and components comply with the requirements and specifications.

Test cases and test scenarios will provide detailed descriptions of each test required to ensure that all of the System components, interfaces, and components comply with the requirements and specifications. Our approach to developing test cases and scenarios will be provided in the formal Test Plan. The Test cases and scenarios themselves are highly detailed, and will be provided to testers, with final results supplied to the Department and other stakeholders for review and formal approval.

I3.5 Testing and Development will have their own environments, separate from Production. Testing or development will not be performed in the production environment.

GHS's development and testing distribution methodology is consistent across all software development technologies and platforms. The GHS approach is based on the use of several programming and testing environments. GHS uses multiple software environments consisting of isolated work platforms each independent and scaled to be responsive for the type of system and testing being conducted. Environments used during the design, development, and implementation phases of a project parallel the Software Development Life Cycle (SDLC). Other environments are used in the operations phase of a project. These environments, their primary functions, and their general relationships to one another are shown in the diagram below.

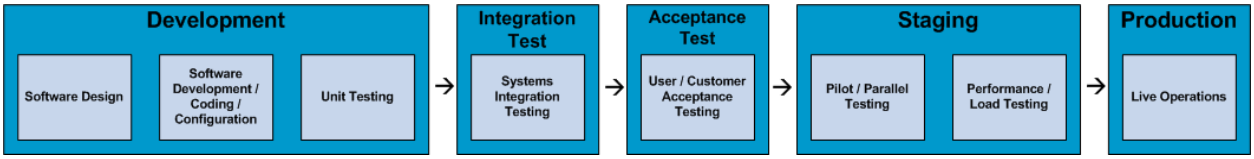

Figure 184: GHS PBM Technical Environments

Supporting our rigorous testing, GHS employs automated testing tools, such as Selenium and other industry-standard testing tools where appropriate. We have effective established testing procedures in place that have been employed successfully during recent implementations.

Development Environments:
The GHS development environment is unique from both test and production environments as it interacts with the change management and source control system to allow multiple developers to contribute to development simultaneously. This environment allows the coder to develop and unit test independent of other developer's changes, or directly against the changes of other developers.

Testing Environments:
The integration test environment is where all developers' changes are integrated and interact as a system in the form of a software build. Test scripts are introduced here and the software is tested

against the expectations of the requirements. Software defects are recorded in the change management ticket and routed back to the developer(s) for review and correction. GHS' SDLC provides for a separation of responsibility between development and system testing.

The User Acceptance Test (UAT) environment begins the interaction of the customer and/or end user with the software in an operational environment. Rigorous UAT scripts are applied to 'real-life' test scenarios using mock data or, in most cases, a copy of actual production data derived from the production system and de-identified, as appropriate.

Staging Environment:
The staging environment is a pre-production state of a system build approved for implementation. It is effectively a production system, with the exception that it does not yet receive live transactions. The staging environment is also typically used for parallel testing, pilot testing, load testing, security testing, and performance testing when necessary.

Production Environment:
The production environment is simply where the most current implementation of any product performs activities and processes transactions. It is the 'live' operational environment. The production environment includes secondary and tertiary backups, all mirrors of the current primary production system. Development and testing is never performed in production environments.

I3.6 The Vendor will repeat the test life cycle when a failure occurs at any stage of testing.

GHS takes a proactive stance with regard to defects, identifying them during all testing phases and correcting them before changes are moved to the next phase in the SDLC. Any test cases or scenarios that do not pass (fail) identify a defect and are then tracked and returned to the development team for resolution. After defect resolution has been completed, each failed test case/scenario is re-tested in order to establish a passed status. GHS is experienced and committed to deploying only fully tested and accepted changes, mitigating the risk of defects in production systems. We will commit to review of all releases through our documented communication processes with State approval required prior to deployment.

I3.7 The Vendor will be responsible for building test plans, executing test plans, and creating reports. The State will evaluate the Vendor test plans, and Vendor test results, and may validate the testing done by augmenting it with State testing.

GHS will undertake the development of test plans, the execution of test plans (including test cases / scenarios), and generating reports documenting the results of testing activities. GHS understands that the State will evaluate these documents and may request additional augmented testing.

I3.8 The Vendor will document the testing tools, test configurations and related documentation. The Vendor will provide all necessary performance testing scripts with input from the State's Business Units. The State will have the final say on what is an acceptable performance. Performance testing to be completed by the Vendor with input from the EA Office and the Business Lead. The Staging Platform to be used for all performance testing. Benchmark reports to be issued to Business Lead and EA Office.

The DVHA PBM Test Plan developed by GHS will document all testing tools, testing configurations, and related information. GHS will work with the State's business Units to develop appropriate test scripts for performance testing, with the goal of confirming that tested performance areas meet the State's expectations and requirements. GHS understands that the State will have the final approval of what is acceptable performance for each tested area. GHS conducts all performance testing on staging platforms according to our own policy and procedure.

GHS will work with the State to define benchmark reports.

I3.9 The Vendor will provide the State with the test scripts, test results and quality reports.

GHS will provide the State with all test scripts, test results, and any quality reports produced during the testing of the DVHA PBM solution.

I3.10 The Vendor will provide staff to the State to answer questions and address any problems that may arise during testing conducted by the State.

Appropriate members of our Development and/or Testing / QA teams will be available to the State to answer questions and address any problems that may arise during any testing conducted by the State. We expect that the State will provide GHS with the results of any testing they conduct, particularly if it identifies a real or potential defect. The methods for these communications will be documented in the Test Plan.

I3.11 The Vendor will refine the test documents, procedures, and scripts throughout development and through full System acceptance to reflect the as-built design and current requirements.

GHS considers all project documents, including the Test Plan and its supporting documents, to be 'living documents', which will be revised as needed and appropriate throughout the DVHA PBM project. We will refine the test documents, procedures, and scripts throughout development and through full System acceptance to reflect the as-built design and current requirements.

I3.12 The Vendor will allow the State to run validation and testing software against externally facing Internet applications to help identify potential security issues, and must agree to repair any deficiencies found during this testing.

GHS will establish a pre-production staging environment to allow authorized State users to execute validation and testing against externally facing Internet applications, with the goal of identifying potential security issues. For obvious security reasons, GHS will populate these applications with de-identified and 'dummy' date sets. GHS will repair any deficiencies found during these tasting activities prior to releasing these applications to the production environment.

I3.13 As System events contain date and time-sensitive elements, the testing infrastructure must provide a method of altering and synchronizing the System date throughout each test phase. This requires the ability to change the System date and time in some scenarios.

GHS has full control over our all our development, testing, production, and other environments. This provides us the ability to, on request, change the system time of databases, services, and/or

applications. Changing the date/time of data during testing to evaluate items such as 'on time', 'warning/concern', 'overdue' is supported by our development and testing platforms. However this is generally not recommended as there are various controls (NTP protocol, audit records) that may become confusing, requiring additional effort to understand what issues may be caused by a system time change, and how to mitigate and resolve those issues.

I3.14 The Vendor must develop a comprehensive Defect resolution Management Plan that describes the approach to be taken in managing all problems discovered during any testing phase and in production.

GHS recognizes the importance of maintaining our PBMS solution functionality and the impact that the services will have on all stakeholders. GHS will correct any defective software, functionality or procedures contained within the scope of this procurement at no additional cost to the Department. Any warranty issues discovered during the DDI or operational phases of the project will be addressed using the defect management process, as documented in the Defect Management Plan agreed upon between GHS and the Department.

The ticketing, time management, and reporting tools used by GHS to manage activities allow for application support hours to be tracked separately from warranty or defect-related tasks. All work logged is categorized by several different, fully customizable criteria. The criteria selected can then be used in queries and reporting to, among other things, track warranty/defect effort separately from normal operational support hours.

All managers and staff receive training on the appropriate use of ticketing criteria and following existing policy that dictates the management of defects and warranty-related activity. All activities logged are also monitored by Functional Managers, Team Leads, and/or Project Managers to further ensure appropriate criteria is selected.

GHS is committed to deploying only fully tested and accepted changes, mitigating the risk of defects in production systems. We will commit to review of all releases through our documented communication processes, with State approval required prior to deployment. In the event that a defect is identified, GHS will work to identify the root cause, perform an impact assessment, define a solution and seek Department approval to remediate the defect. Defect resolution processing mirrors the change management process, though defects are typically given a much higher priority and expedited for completion.

I3.15 The Vendor will install and test a single Defect resolution Tracking System that the Vendor and the State will use collaboratively for the tracking of System defects, security, and System issues.

Defect management will be performed following standard operating procedure, supported by Atlassian JIRA and Jama Contour for management of defect-related task.

I3.16 The Defect resolution Tracking System must, at a minimum, include:
- All defects in the System identified during any testing phase must be recorded, prioritized, tracked, and resolved in a timely manner. Each must be assigned a "Defect Level" based on the following definitions:
1. Critical - Results in a complete System outage and/or is detrimental to the majority of the development and/or testing efforts. There is no workaround.
2. Serious - System functionality is degraded with severe adverse impact to the user and there is not an effective workaround.

3. Moderate - System functionality is degraded with a moderate adverse impact to the user but there is an effective workaround.
4. Minor - No immediate adverse impact to the user.
- The Vendor will allow the State full access to the Defect resolution Tracking System.
- The Defect resolution Tracking System will be designed in a manner to allow for the transfer of ownership to the State following contract completion.
- The processes and management of the Defect resolution Tracking System will be addressed as part of the Quality Management Plan.
- The Vendor will address defect as such: Critical and serious defects will require remediation and retesting before the System enters production. Moderate and Minor defects will be fixed and tested to the State' satisfaction prior to System acceptance.

GHS follows an established process for addressing issues to ensure that issues are handled consistently, supported by our Atlassian Jira implementations. The main objectives of the defect identification and resolution process are to:

- Document the defects to be investigated;
- Classify the defect according to the degree of severity;
- Prioritize the defect;
- Develop and implement the corrective action;
- Document the results of the retest; and
- Ensure that the defect is corrected efficiently and correctly.

The level of severity is an objective measure. The impact of the defect should fit into one of the six categories listed in the table below. Issues will be reported at a summary level in the weekly status report as remediations are conducted. If an issue has been assigned a severity level of major, severe or catastrophic, additional detail will be provided in a narrative form in the weekly status report, in addition to verbal reviews of issues during face-to-face meetings.

The following table provides an overview of the issue identification process that GHS proposes using for the DVHA PBM project in the event that an issue, defect, or problem is found. These severity levels mirror closely what GHS already uses internally, and what we've used in the past to support other client projects. GHS is committed to working with DVHA PBM project stakeholders to modify the defect classification system outlined below, if necessary or desired.

[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]

	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

Table 21: Summary of defect severity levels and their application.

GHS will address defect such that critical and serious defects will undertake remediation and retesting before any replacement system, configuration, or changes enters into production. Moderate and Minor defects will be fixed and tested to the State' satisfaction prior to System acceptance. Minimal and Internal defects will be addressed in order of priority with other defects or activities.

I3.17 All components of the System will accommodate leap year processing and daylight savings time start/end dates.

All components of the PBM system are regularly maintained to support daylight savings changes and leap year processing. We will work with the State during requirements definition to understand the desired result of daylight saving times changes (11:59 to midnight of a daylight saving hour shift) as to whether it should be included in duration calculations or excluded.

I3.18 The Vendor will compare and contrast the design of System components to CMS architectural standard. The Vendor will apply a documented and structured Architecture Development Methodology (ADM) for the design of System components. The Vendor will provide all necessary performance testing scripts with input from the State's Business Units. The State will have the final say on what is an acceptable performance.

GHS understands the importance of an Architecture Development Methodology (ASD) documents and the direct relationship between accurate and complete system design documents and a successful technical solution. GHS' design team is comprised of project managers, analysts and system architects. The team working on this project will be able to lend their years of experience and knowledge of Medicaid pharmacy solutions to serve as subject matter experts in the creation of accurate and complete system design documents. Accordingly, the ASD will describe how GHS, working with the Department and other DVHA stakeholders, will approach and deliver a Detailed System Design (DSD) documents.

The ASD and the subsequent DSD documents (collectively) typically include a general system overview detailing the system's intended functionality and an overall approach to the design. Design considerations such as assumptions, interdependencies, general constraints and any applicable policy are also described. This includes but is not limited to required system interfaces, performance requirements, and security standards and how these impact the proposed systems.

GHS will work with the State upon contract award and through the phases of the project to capture, document, and refine technical architecture specifications. These details will be captured in the ADM and subsequent supporting documents. The design and development documents also contain a description of the system architecture, including any design decisions and/or strategies that will affect the overall organization of the system. Generally included in these documents are report definitions, data flow diagrams, and screen mock-ups. GHS will also include all necessary performance testing scripts (with input from the State's Business Units), as required.

9.0 I4-Data Conversion and Migration

The Vendor must provide a narrative overview of how the proposed solution will meet the Vermont PBM Data Conversion and Migration requirements. The approach must, at a minimum, provide details on how the Vendor intends to meet or exceed the Data Conversion and Migration Requirements set forth in Template H – Non-Functional Requirements, Tab I4 Data Conversion and Migration' and describe the approach in the following sections:

I4.1 The Vendor will describe the migration approach and methodology used for the PBM project as per the Migration phase approach outlined in the ADM

Conversion and migration activities are critical to maintaining data integrity and must be planned, beginning with requirements definition and validation. GHS will prepare a Data Conversion Plan for activities needed to support the PBMS solution for the state. GHS understands the importance of the data conversion and migration efforts and will devote the resources and effort necessary to be successful.

GHS will assign a Data Conversion and Migration Manager and Project Manager (as specified in personnel requirements) to oversee the data Conversion and migration process. A Conversion and migration plan and schedule will be developed to reflect dates, activities and persons responsible for tasks related to the data Conversion and migration process. These documents will be modified as necessary during planning and execution of the project.

GHS most recently participated in the conversion and migration of data to support the Utah PBMS and DRMS implementations. Prior to that project, GHS participated in the State of Maine's new MIHMS system data conversion and migration project. We successfully converted legacy MMIS data, MECMS data, and most recently the new MIHMS data into our PBM suite of services. For Vermont, data conversion and migration will provide a rich set of historically complete and contemporarily relevant data be incorporated into the full PBMS and be available for reporting and analysis.

There are several data conversion and migration-related events that will need to occur before the system goes live. GHS will complete a final plan for conversion and migration on a schedule meeting performance requirements. . This plan will include the required steps listed below. Data Architects, Data Analysts, and Pharmacy Subject Matter Experts will be closely examining the format and content of all data feeds during the conversion and migration process to ensure accuracy and quality of all data

converted. GHS' Data Conversion and Migration Plans typically include the following information, but are tailored to the specific conversion and migration project:

- Introduction;
- Approach to conversion;
- Data to be converted ;
- Planned conversion steps;
- Data conversion testing and validation;
- Entry criteria;
- Test script/case creation and execution;
- Exit criteria;
- First time file (test file) – received for testing;
- Data warehouse/data analysis quality assurance;
- POS adjudication staging/test quality assurance;
- Quality assurance of production feeds;
- Issue tracking/resolution;
- Data conversion validation results; and
- State review and approval procedures.

Preparing for Data Conversion and migration:

- Before commencing the data conversion and migration phase, for the existing and replacement MMIS, the following activities must be completed:
- All data feeds and data elements necessary for systems operation must be identified and documented;
- All trading partners supplying a data feed (or feeds) must be identified, and technical and Administrative contacts established;
- Trading partner data sharing agreements must be documented and signed;
- Data formats / layouts must be documented and agreed upon with the respective trading partner providing a data feed;
- Baseline test scripts and scenarios must be available;
- Documented understanding of all Business Architecture rules (what the data is used for); and
- Documented understanding of all Information Architecture rules (what the data represents).

Data Conversion and Migration Processing:

Below is a summary of critical Conversion and Migration steps, which will be tailored as necessary to meet the specific technical requirements of the exiting and replacement MMIS:

1. Confirm all data required to meet scope of work and detailed requirements.
2. All data identified as necessary to meet state requirements will be sent to GHS from the MMIS.
3. Using our Data Integration System, Data will be loaded into the GHS Data Warehouse and verified against specification documentation provided by the MMIS technical team and state.
4. Data will be converted from the MMIS-supplied format to formats supported by GHS, and later extracted for loading into PBMS supporting applications and systems.
    a. If there are missing fields, GHS has the ability in many instances to discern the appropriate default values for the missing fields and populate them.
    b. GHS will request and analyze information from the MMIS to determine what default values would be appropriate for each data field.

5. An extract of converted data will be generated for additional validation by and loading into the POS claims adjudication system.
6. Data Interfaces will be established from the POS claims adjudication system and other GHS Medicaid Enterprise Systems as well as the GHS Data Warehouse.
7. Data interfaces will be established between the GHS Medicaid Enterprise Systems and the MMIS to perform the following:
    a. Transmit to MMIS vendor:
        i. POS Claims File
    b. Receive from MMIS:
        i. Member Eligibility
        ii. Physician / Prescriber / DEA file
        iii. Provider NABP / NPI cross-walk
        iv. Medical claims / Institutional claims data
        v. TPL Carrier file
        vi. Other state data files necessary to support PBMS operations
    c. The MMIS vendor is responsible for updating any codes and controls, as necessary.
8. Analysis on each file will be in the Data Warehouse and then hand off to our Data Analyst team for stringent review. The measures and analysis are tailored for each file type.

Conversion and Migration QA and Analysis:
Analysis on each file will be performed using checks and validations (for example fields lining up) and rules created by subject matter experts (based on business rules / criteria). The measures and analysis are tailored for each file and data type. GHS uses various internal and external quality verification tools ranging from the work plans, data dictionaries, and our internal workflow management tool which confirms completion of each task or activity and facilitates the hand-off between sequential QA steps.

The Data Analysis team performs a comparison analysis on each converted file. There are distinct items that are looked for in each file. The comparison is a full comparison (1:1 sampling) of the data received compared to what is already stored in GHS's data warehouse. Test scripts (i.e. test cases) are constructed and executed for each specific file being converted. Some examples of scripts that would be run on the TPL / Member eligibility records would include:

- TPL Eligibility Carrier ID must also exist in Carrier file;
- TPL Eligibility Cardholder ID must exist in Regular Member Eligibility File;
- Member Eligibility plan code must exist in pre-identified plan code list; and
- Member Eligibility program code must exist in pre-identified program code list.

The analysis verifies all possible check points (via test scripts) and executes the associated remedial action when a failure is identified. For example a warning message is sent and recorded indicating the error location, but processing continues, or processing stops until problem is resolved. All warning and error encounters are recorded in a log file and reviewed after validation processing is complete. All converted records are tested against the test scripts initially, as well as after the correction of any issues that may be found. Testing of random samplings may also be performed if a specific area of trouble within a data set is identified (such as a specific sub-group of records) and if time constraints do not reasonably allow for test of all records within a data set. The same QA processes are also conducted on production feeds.

This QA Process includes:

- Primary keys and unique indexes on the database will alert Data Warehouse staff of duplication of data / duplicate records;
- Foreign keys on the database will alert Data Warehouse Staff of any breaks in continuity between files;
- Data types in the database ensure that columns are being converted accurately;
- Compare record count of what was sent to what was loaded; and
- Other automated and manual processes implemented at GHS to alert Data Warehouse and Network Services staffs of files that have not been loaded in the expected time frame.

Data QA is facilitated by automated scripts, with follow-up by a Data Analyst and Database Administrator when errors or warnings are present.

All automated processes described above create an output file, containing pertinent information regarding the load, regardless of whether it was a success or failure. All issues found during the data Conversion and Migration process will be documented and communicated to the MMIS partner supplying the data, as well as the state when necessary. Detailed information will be communicated to the MMIS technical contact associated with the data, with the requirement that they work with GHS's technical staff to resolve issues in a timely manner.

For issues that GHS can address internally, we will follow our internal communication process, ensuring that all errors are documented, reported to the appropriate teams and corrected. Internal issues will be communicated externally if the timeline of a deliverable or the expected outcome of a deliverable is effected, or under other circumstances when prudent.

GHS will use its internal workflow and issue management tools to record the details, notes, and documents associated with the Conversion and Migration of a given feed. All issues will be tracked from start to completion.

Data Conversion and Migration Exit Criteria:
Prior to exiting the Data Conversion phase, the following criteria must be met to ensure that data conversion was successful and that all clinical and business activities are not negatively impacted by conversion activities:

1. All test cases (through QA and test scripts) must be completed, with successful results, or with clear documentation of corrective action plan to be completed prior to user acceptance testing.
2. The formats and delivery schedules for all data feeds are documented and finalized with trading partners.
3. QA process are in place and tested against a sample feed.
4. All Third-parties receiving a feed from GHS have confirmed successful receipt of test feeds.

Additional exit criteria may be added as necessary during the data conversion process. Data Conversion can be considered complete (Exit) when all success criteria listed in the test / case scenario has been met and verified. The end result of the data conversion process is that the final cutover will contain all of the data needed to operate the PBMS and continue to dependent activities, such as User Acceptance Testing. Converted data will be provided to all testing and production environments to ensure that all data has been thoroughly tested and validated, and to ensure the integrity of the data pertaining to prior clinical and business activities.

Data Conversion and User Acceptance Testing:
Test cases created by GHS to support and prepare for User Acceptance testing will include cases that use the data sets converted and loaded to the POS test and development platforms. If converted data is not present, or was converted incorrectly, this will be evident during testing. The POS claims adjudication system also has independent QA scripts that are processed before any file is loaded to the POS.

I4.2 The Vendor will incorporate a detailed Migration approach into a comprehensive Migration Plan which will be added to other PM plans as part of the PMO. The State anticipates considerable collaboration with the Vendor in the plan's construction, with particular attention to high complexity components of the existing the State systems as well as the proposed System.

GHS will work with the Department to develop a comprehensive Migration Plan. We have successfully migrated full PBM systems for Iowa, Wyoming, Maine and most recently Utah. Through our many deployments we have developed a Migration Plan template that will be used as the basis for the Vermont project. During the DDI phase we will work closely with the Department to update and customize the plan to meet the complexity and requirements needed to successfully migrate to the new Goold PBMS.

Data Conversion Phase Deliverables:	
i. Data Conversion Plan *ii. Implement a Data Migration Environment* *iii. Revise System and User Documentation* *iv. System Test Results Reporting (regarding data conversion)* *v. Data Conversion Test Results Reporting*	
Deliverables Provided as described by the State: • Data Conversion Plan • Implement a Data Migration Environment • Revise System and User Documentation • System Test Results Reporting (regarding data conversion) • Data Conversion Test Results Reporting	Proposed Alternative Deliverables: • GHS does not propose any alternative Deliverables for this phase.

All of the Data Conversion Phase deliverables specifically listed are typical of projects similar in size and scope to the VT PBMS Project. GHS has produced each of the documents (or its functional equivalent) in support of past projects. Our Project Management and Technical teams are experienced in the productions of all types of documentation required to successfully achieve project goals, objectives, and requirements. GHS will work with the State to build robust high-quality deliverables to support the VT PBMS Project, tailored to the specific needs of the project, the Department, and other critical stakeholders.

Most recently GHS developed and revised Data Conversion Phase deliverables for the State of Iowa in support of our PBM re-procurement and POS enhancements project. We worked closely the State and their stakeholders to draft, revise, and finalize all deliverables and documentation. These documents represent the most current versions of each respective deliverable and will serve as the baseline for any subsequent revisions.

GHS can produce samples of any of the listed documentation on request.

I4.3 "Disaster recovery requirements relative to the physical System components and planning for recovery from operational failures are the responsibility of the Vendor. The Vendor will develop an Operational Recovery Plan that addresses the following:
- Areas of the most susceptible to failure or disaster that would result in downtime.
- Recommendations for System recovery processes, or steps to take in the event of a downtime event.
- Recommendations for the State on how to comprehensively and effectively mitigate the risk of a downtime event.
- Recommendations for securing the System components during a period of emergency operation.
- Testing Failover and DR while on Staging Platform after testing has concluded and prior to deployment on Production Platform.
- DR requirements must include networking DR for Datacenter access."

The Pharmacy Point-of-Sale (POS) *Disaster Recovery Plan* addresses the recovery of technology and infrastructure in the event of a natural or man-made disaster. Technical aspects are documented in the Pharmacy POS *Disaster Recovery Plan*, while human and business process aspects are documented within the Pharmacy POS *Business Continuity Plan*. The Pharmacy POS *Disaster Recovery Plan* will focus on the POS system, as this is considered the critical business unit.

The Pharmacy POS Team has disaster recovery procedures in place to ensure contractual obligations are met and help enforce our internal data security procedures. The Pharmacy POS *Disaster Recovery Plan* will be integrated with the current GHS Disaster Recovery Plan. The Pharmacy POS *Disaster Recovery Plan* will be submitted to the Department for approval prior to the implementation of the POS system and whenever changes are required. It will be formally reviewed and tested on an annual basis during operations, as well as immediately following the execution of the *Disaster Recovery Plan*.

GHS maintains a robust system protection and disaster recovery plan for our data center. To mitigate physical and logical disaster, GHS takes state-of-the-industry steps at all levels. We maintain a secure, off-site secondary co-location facility where mission critical data and systems are replicated. Border network security is protected by dual firewalls. Firewall activity is monitored and Intrusion Detection Systems (IDS) lock out IP addresses if hack attempts occur. Our firewall logs are monitored and audited regularly.

GHS performs disaster recovery drills based on our extensive disaster recover policies and procedures. Examples include the failure and recovery of the following: claims processor, database server, application server, pharmacy switching, power or environmental controls.

GHS maintains two offsite facilities to house warm backups of mission critical application and data servers and storage facilities for tape backups. Our tape backup storage facility is located remotely from our home offices in Augusta, Maine. Our server co-location is located in a city outside the city of Augusta, but within a reasonable distance for our network services team to access it in a timely manner in the event of a disaster. Servers within this co-location are mirrored from the production systems throughout the day. Several members of our network services team are trained to bring our server co-location online in the event of a disaster.

Our servers and computer workstations are protected by anti-malware / anti-virus software. Anti-virus definitions are updated at least once daily. Operating systems are patched on a regular basis to ensure known exploits are mitigated.

To mitigate system fault, our systems are back-ended on a redundant SAN (Storage Area Network), database servers are run in high-availability clusters with automatic fail-over, our web and application servers run on virtual machines configured in high-availability mode. All network infrastructures connected to the servers and storage has redundant (multi-homed) connections.

GHS provides redundant services within the primary data center (such as a power failure / interruption or hardware or network failure), which is the first level of automatic failover that is provided. In the event that there is an interruption in services provided by the Primary data center, GHS will initiate failover to the secondary facility. GHS would then work with the pharmacy switch vendors to move their claims network from our primary facility to our secondary facility to continue the adjudication of pharmacy claims. Next, remaining systems, applications, and data stores are switched to the secondary facility as needed. All data and applications are mirrored between the primary and secondary facility, allowing for fast failover that is seamless to external PBMS users.

Once the switch to the secondary facility is complete, and proper operation confirmed, GHS validates the integrity of all data and effected hardware, network, and software components within the primary facility. While identification and corrective actions are being performed, the secondary facility would continue to provide support for normal operations. Before bringing primary facility systems back online, the integrity of data from backups is validated, and new / changed data from the secondary facility is brought over and synchronized to ensure the primary facility has the superset of all records.

To plan for and address service interruptions, GHS maintains a detailed Disaster Recovery and Business Continuity Plan and has policies and procedures in place to address and mitigate all potential failures or disaster events. After contract award, GHS will review and (if necessary) revise these policies and procedures to ensure they meet the standards and requirements of Illinois HFS. The 2 hour Recovery Time Objectives (RTO) and 4 hour Recovery Point Objectives (RPO) performance requirements are well within the abilities of GHS's Data Center and Network Services staff.

GHS' disaster recovery policies and procedures include detailed information on:

- Risks, impacts and mitigation of potential disaster / failure events.
- Priorities regarding business and service deliver function to be restored in response to a disaster event.
- A communications matrix to be used from the onset to conclusion of a disaster event.
- Criteria used to activate contingency plans.
- Exit criteria to be used to determine the successful resumption of business and service delivery functions.
- Procedures for testing.
- Procedures for periodic changes and updates to the Disaster Recovery and Business Continuity Plan.

GHS is confident not only of the thoroughness and extent of our policies and procedures with regard to security and disaster recovery, but of our staff's commitment to them every day.

I4.4	*The Vendor will describe the interface management approach and methodology used for the PBM Project.*

The GHS POS Team will establish transfer protocols with the Department and partnering contractors. Data in motion and remote application access is protected and secured by a number of means. For secure data feed user interfaces, the POS Team presently uses a private WAN connection to facilitate private communications between the POS Team and the Department. We also provide a private WAN connection to the MMIS contractor to facilitate secure communication with them. For secure communications outside these private connections, the POS Team maintains dual redundant internet connections over which are secure, encrypted transport protocols for file exchange and application access. The POS Team establishes secure connectivity through our secure File Transfer Protocol facility PUADO. This system provides automation for secure, encrypted file transport, segregated user storage, file routing, and notification services. Authentication is achieved through encrypted key exchange.

When the POS Team receives a file from a source (e.g., MMIS or trading partner), it is loaded into the data warehouse where the integrity of the file is assessed. If the file passes the initial integrity check, an extract is created and the Operations Team is notified that the file is available. If the file does not pass the integrity check, the data warehouse staff contacts the source and requests a corrected file. Once the corrected file is received, the integrity of the file is re-assessed. If the file passes the integrity check, an extract is created and the Operations Team is notified, as described above. Alternatively, if the file is not received from the source, the data warehouse receives notification of the missing file. The data warehouse staff contacts the source and requests the missing file. If the missing file is received, it is loaded into the data warehouse where the integrity of the file is assessed, as described above. If the missing file is not received, the data warehouse staff sends notification to the Operations Team that the file is not available and will not be loaded as scheduled.

I4.5 "The Vendor will incorporate the interface management approach into a comprehensive Interface Management Plan for all interface mechanisms used for System (e.g. batch, ESB/web services). The Interface Management Plan will be used by the State to document the plan for integrating the PBM System with all systems internal and external to the State. The Interface Management Plan will, at a minimum, document the following areas:
- The approach to developing and managing internal and external System interfaces.
- Technical tools that will be used for data transformation, transport and error recovery.
- A description of how the Vendor's development standards will be reconciled, to reflect use of ESB and web services as wrappers to legacy systems. The Vendor should produce example scenarios for integration reflecting their infrastructure components and toolset.
- Tasks, deliverables and resources necessary to complete interface development and Migration.
- Description of how the System development and test systems will work with the external interfaces.
- References to applicable sections in the relevant design documents that describe how the System System will be synchronized with the specific internal and external interfaces.
- References to applicable sections in the detailed design that describe the mappings between internal and external System data and the System data.
- Descriptions of the process for managing changes to the interfaces, both in the production and non-production environments
- Interface(s) needed for maintaining data synchronization between an interim production System and the final production Migration.
- System interfaces, data format, frequency of updates and expected data volume.
- Process for interfacing and collaborating with interface partners, including roles, responsibilities, deliverables and timelines.
- How the State development and test systems will work with the external non-production interfaces.
- Interface tools

This initial Interface Plan addresses the methodology used to identify the required internal and external interfaces, as well as the data requirements for each interface. However, the execution of the Interface Plan will not begin until the start of the Implementation phase. All planning will have occurred prior to this point. The Goold POS Team will be conducting two interface releases. As the incumbent pharmacy POS system contractor, the Goold POS Team will validate existing interfaces and update related documents. Subsequently, the interfaces will be reviewed and finalized with the new MIDAS MMIS Team in preparation for the Project go-live date.

Interfaces will be managed between stakeholders via an Interface Register as shown in the Figure below. There are more fields than what can easily be shown, such as fields for approval and dates. All interfaces will be recorded, monitored and controlled. Each interface item will have a unique identification number.

The Interface Register will be a “live” document, which will be updated continually throughout the lifecycle of the Project. The Goold POS Team will also communicate any changes to the relevant stakeholders who are involved with the Project. During the interface design sessions, each trading partner will identify the approver or accepter of the interface. As part of the testing and sign-off, the receiving entity will review and accept the layout and dictionary, as well as accept data content as part of the final integration testing.

Figure 185: Sample Interface Register

The Goold POS Team will meet with the Department and with specified teams to identify data elements and business rules for each interface. This will include a discussion on the type of data that needs to be

exchanged, as well as recommendations regarding the changes that need to be made to the existing system interfaces. A data dictionary will be created using a standardized layout and format, which will include details on the types, names and structures of all data elements. Figure 3 outlines the data dictionary concept.

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[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
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[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

Figure 186: Sample Data Dictionary

All interface issues and activities identified by stakeholders will be documented during the design and analysis meetings. Items may arise from various sources, including interface meetings, risk management

meetings, review of stakeholder document registers, approved change requests, as well as needs that are identified as the Project progresses. Those items that require follow-up will be tracked as open action items. Any items affecting the project timelines will be added to the project plan.

The Goold POS Team has identified all current inbound and outbound file interfaces with the legacy system, which are listed in Figure 2. This will be the basis for validating the new interfaces with the Department and with the MMIS Team. The Goold POS Team will involve project, technical, and management staff as needed throughout the DDI phase. As the incumbent contractor, the existing interfaces are well understood and the focus will be on changes to the interfaces or file content.
Part of the transitional activities involve bringing the old system down prior to starting the new system. During this period of approximately 2 days, final file transfers and go-live testing will occur to prepare the system to be brought back up. If the period can be accelerated, the Goold POS Team will send out a communication to providers letting them know the system is ready to resume accepting claims.

I4.6 The Vendor will validate that each interface is working correctly. The Vendor will repair all interface-related problems caused by Vendor-developed interfaces.

Prior to deployment all interfaces will be tested and approved for final deployment. All issues identified during and after go-live will be repaired, tested and confirmed for accuracy.

I4.7 The Vendor will assist the State in identifying root causes for all System interface related problems.

GHS will investigate, document and report to the State all findings related to interface problems and issues.

I4.8 "When functionality is ready to be delivered to the State for User Acceptance Testing (UAT), it will be delivered in the form of a pre-production release (defined as ready for production in every respect but just not yet in production). Since the State will approve all releases into production, a pre-production release is equivalent to a production release and requires the rigor associated with a production release. Upon successful completion of UAT, the State will schedule a release to be moved to the production environment.

Each pre-production release will include the following:
- Release-specific hardware and software System components.
- Release description including architecture or design updates, new functionality introduced, defects fixed, modifications to interfaces with other systems, other changes to existing code, and any software and hardware configuration changes.
- Release contents including a description of the release structure and contents and instructions for assembling and/or configuring the components of the release.
- Test Plan and test execution results.
- Detailed hardware and software configuration information including any software and hardware dependencies and instructions at a level of detail that will enable administration staff to rebuild and configure the hardware environment without outside assistance.
- Database documentation conforming to industry standards.
- Detailed configuration information for any 3rd party hardware and software.
The Vendor will provide updated documentation when System upgrades to software or equipment occurs through the life of the contract."

UAT will include testing of all business processes, COTS products, workflows, and business rules engines. At the appropriate time, GHS will demonstrate readiness to perform all core POS functions and

contractual requirements, including manual processes. GHS understands that UAT will be conducted in a controlled and stable environment. During UAT any change to software or files as a result of reported defects by the State or GHS team members will be published and moved to UAT in a controlled manner. Once UAT is approved no modifications to the software or files in the acceptance test library will be made without prior written approval from the Department.

User Acceptance Testing is designed to:

- Test the existence and proper functioning of edits and audits;
- Confirm accounting and federal reporting;
- Verify the coding accuracy of claim records payment and file maintenance;
- Validate the format and content of all POS outputs, including, those outputs used for external interfacing and report/analysis; and
- Perform "what if" scenarios based on benefit plan changes.

Our development methodology places a high level of emphasis on testing at all levels of system development, including UAT. As part of our project management and system deployment conventions, GHS will provide the State with a test plan that addresses all requirements and test conditions outlined. This plan will include a discussion of the different kinds of testing appropriate to each application GHS provides. The GHS test plan will encompass all system testing and testing environments, including UAT. The GHS test plan will include the following elements:

- Introduction;
- Approach to UAT;
- UAT environment;
- Testing tools by application type;
- State Roles and Responsibilities;
- Test management
- Use cases;
- Edge cases;
- Data interfaces;
- Workflows;
- Performance testing;
- Test results tracking and verification;
- Defect management;
- Acceptance Criteria management
- Defect resolution methodologies;
- Change control and approval procedures; and
- Test reporting.

GHS uses a number of different tools to facilitate, document, and otherwise support testing activities:

- J-Unit –Testing framework for Java environment.
- SOAP UI – Open source cross-platform Functional Testing solution.
- FireShot – Screen image capture utility.
- Snagit – Screen image capture utility.
- Selenium HQ – Create and run test scripts for web-based applications.
- Jama – Create, manage and execute test cases.

GHS understands that the State will be taking an active role in the performance of UAT activities. State roles, responsibilities, and expectations will be clearly documented in the UAT plan. Determine the UAT acceptance criteria and govern the UAT plan. The select collaboration tool Jama Software will allow approved State users to review testing and approve at all phases.

I4.9 Deployment will be iterative from both a business process and applied technology perspective and will be accepted by the State through application of the acceptance criteria in testing plans.

GHS follows industry best practices by using a blend of mature project management, development, testing, and release methodologies. Our Software Development Lifecycle (SDLC) incorporates traditional waterfall methods combined with iterative, agile approaches where appropriate. Through many years of software maturity practices, the GHS SDLC recognizes the common pressure points where the process can go wrong due to incomplete and/or misunderstood requirements, or when the GHS development team and our customer determine that the solution will not meet the desired outcome and requirements. It is at these points that GHS will interject quality review events that provide an opportunity for involvement by the stakeholders who will share in the successes of the project. The GHS SDLC is summarized in the following figure.

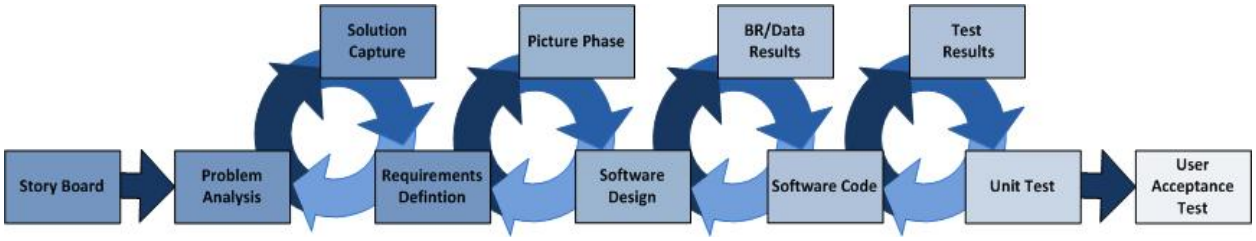

Figure 187: GHS SDLC Summary

Many industry and federal standards influence our software development best practices, particularly the following:

- NCPDP – National Council on Prescription Drug Programs.
- NIST-FISMA – The National Institute of Standards and Technology, Federal Information Security Management Act.
- ADA – Americans with Disabilities Act.
- PMBOK® - The Project Management Body of Knowledge ®, maintained by the Project Management Institute®.
- Pharmacy Provisions of OBRA '90 (Omnibus Budget Reconciliation Act of 1990)
- Health Insurance Portability and Accountability Act (HIPAA)
- Health Information Technology for Economic and Clinical Health (HITECH) Act, a provision of the American Recovery and Reinvestment Act (ARRA).

We also employ State-specific standards into our development practices and application releases when required, or when they add value to our processes and/or end products.

GHS will design, implement, and document detailed test cases for each sub-phase of testing. Test cases will be recorded and maintained in a formal Test Matrix, which will include expected results, actual results (once testing is conducted), and traceability back to original requirements from the RFP and Requirement Traceability Matrix.

I4.10 The Vendor will deliver to the State a requirements traceability matrix for all delivered functionality, showing all testing activities tracing to delivered functionality, and all delivered functionality tracing to requirements in the requirements repository.

GHS will work with the Department to review the capabilities of the GHS requirement management approach. The requirement traceability matrix (RTM) is simply a report that can be generated from the system at any time. The RTM maps the RFP requirement directly to one-to-many business rule clarifications and associated details that define how GHS will meet the requirement of the RFP. Many requirements are phase dependant, meaning that they will only occur during one phase of the project. Requirements that cross phases can be tracked related to the phase of the project and updated to reflect the most current phase. The underlying data structure of the requirement management tool will support mapping to phase now and GHS will capture any specific tracking needs of the Department and update the tool as needed. An example of the data entry screen is below as well as a report output sample layout. GHS will manage all of the data and will create exports for reporting in PDF, Word, Excel or Access.

Testing activities will be tied back to the RTM through the Jama Software collaboration tool and made available to the State for review and approval.

[redacted]

Figure 188: [redacted]

I4.11 The Vendor will assist the State with testing and release preparation in the pre-production environment.

GHS has extensive experience with testing and release preparation. We always go the extra mile to ensure that we work cooperatively with our State clients, partners and other vendors involved in any project. Using lessons and experience from previous projects, we will work closely with the Department, State, and other vendors to ensure seamless project design, development, implementation, and ongoing operations. This includes assisting the State with testing and release preparation in the pre-production environment.

I4.12 The Vendor must produce and execute an Migration Support Plan.

GHS will prepare a Migration Support Plan for activities needed to support the Vermont PBMS solution. GHS understands the importance of the migration efforts and will devote the resources and effort necessary to be successful.

I4.13 The Vendor must provide support staffing information such as the proposed number, ratios, duration, and roles/responsibilities for on-going support (as identified in previously submitted Migration approach and plan).

GHS will provide a support staff information with roles and responsibilities identified for on-going support.

I4.14 The Vendor must assess the pre-Migration readiness of each part of the organization and will document the status in a pre-Migration readiness assessment. The Vendor will conduct an Migration readiness review ten days prior to cutover at each part of the organization.

GHS will do a pre-Migration readiness assessment and document all aspects as presented. The migration readiness review will be presented ten days prior to cutover at each part of the organization as required.

I4.15 "Upon successful completion of the pre-production testing, the Vendor will, in coordination with the State, create a Release Plan that will consist of an updated Pre-Production Release notification to assist the State in successfully releasing and maintaining the System for production business use.

GHS will create a Release Plan with updated pre-production release notifications as indicated in this requirement.

I4.16 The Vendor will describe the approach to pilot the System, including a high-level draft Pilot Plan.

Pilot and Parallel Testing

For parallel testing, GHS employs an automated claims test processing tool whereby real-time claims are captured from the pharmacy telecommunication switching companies. These are used to build a file of test claims that are used to perform simulated real time processing. This tool provides us with the ability to perform “what if scenarios” on benefit plan changes, test quality assurance, and performance and regression testing.

For Pilot testing of our claims processing and ePA module, GHS leverages strategic relationships with pharmacies and pharmacy switching companies to perform comprehensive, true-to-production testing. By setting up a segregated claims processing platform, GHS performs end-to-end pilot test scenarios. This ensures that we are maintaining the integrity of the system apart from production while producing test results as if performed in a production environment.

One of the most important aspects of acceptance testing is to develop test cases which allow the users testing the modified system(s) to gauge the success or failure of the change as compared with the original requirement or goal of a change request. GHS develops test cases based on the information provided by the requirement / change request, with the number of test cases varying depending on the complexity of the change and/or the number of systems the change may affect.

During the user acceptance test phase, modified code is placed within a complete component system with sample production data. Though the system is complete, it is not necessarily connected to any of the external systems or processes with which the production system may interact. Here, operations staff familiar with the functionality of the system tests new features to ensure they operate as expected and required. Once the internal portion of this phase is complete, HFS staff may connect to the system to conduct additional UAT testing for external facing applications.

I4.17 "The Pilot plan will be executed on the Staging platform and, at a minimum, will address the following:
- Pilot locations, users, durations, sequencing and timing
- Pilot support model including roles and responsibilities of the Vendor and the State; number of staff on-site and off-site; and staffing hours
- How the pilot will be representative of staff from each broad category of work reflected in the State and represent the diversity in size of the various offices
- Strategy for testing of all production functionality of the System components including interfaces to external systems
- Reporting in the dual environment
- Training of users and technical staff
- Help desk procedures, functionality and incident reporting
- Problem management procedures
- Help related documentation
- Functionality and operations of interfaces
- Approach for validating worker productivity and efficiency
- Approach for testing and validating mobility
- Readiness planning
- Plan and approach for resolving data corruption issues as a result of conversion
- Change management processes
- Approach for communication and coordination of pilot activities and issues
- Approach and procedures for evaluating user experience and feedback
- Approach and process for evaluation of the pilot against defined pilot success criteria
- Detail process to validate the Migration process and tools and certify the State application, technical environment, and users as ready to move to full production Migration
- Roll-back plan"

Testing Environments

To help maintain the integrity of our production systems, GHS operates multiple segregated development, testing, and production platforms. Our test environment consists of several platforms.

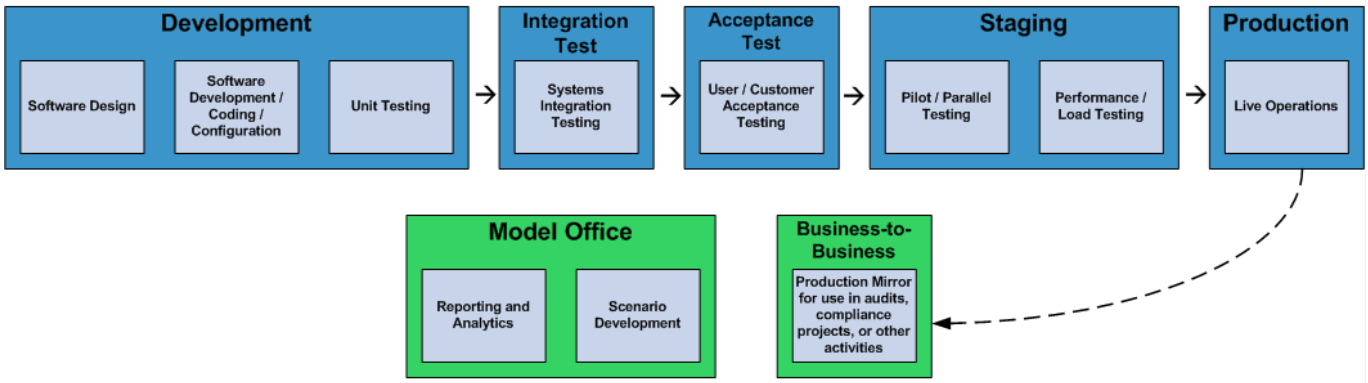

Figure 189: GHS Test Environments

GHS employs a segregated acceptance test staging environment that is isolated and configuration controlled. This system emulates the production environment. GHS offers transparency in testing and has multiple options for the State to access and review testing or test results, if the State so desires. The acceptance test platform can produce the outputs and accept all inputs of the production system. The staging environment has the complete functionality of the production system with the exception of any new changes or modifications. If acceptance testing proves the updates meet requirements and operate properly, the code base is frozen and updates are then moved to the production platform, in accordance with the State-approved cut-over schedule.

Development Environment
The GHS development environment is unique from both test and production environments as it interacts with the change management and source control system to allow multiple developers to contribute to development simultaneously. This environment allows the coder to develop and test independent of other developer's changes and is where software unit testing is performed.

Testing Environments
The integration test environment is where all developers' changes are integrated and interact as a system in the form of a software build. Test scripts are introduced here and the software is tested against the expectations of the requirements. Software defects are recorded in the change management ticket and routed back to the developer(s) for review and correction. GHS' SDLC provides for a separation of responsibility between development and system testing.

The user acceptance test (UAT) environment begins the interaction of the customer or end user with the software in an operational environment. Rigorous UAT scripts are applied to 'real-life' test scenarios using mock data or, in most cases, actual production data derived from the production system and de-identified, as appropriate.

Staging Environment
The staging environment is a pre-production state of a system build approved for implementation. It is effectively a production system, with the exception that it does not yet receive transactions. The staging environment is also typically used for parallel testing, pilot testing, load testing, and performance testing when necessary.

Production Environment
The production environment is simply where the most current implementation of any product performs activities and processes transactions. It is the 'live' operational environment.

Model Office Environment
The model office environment is a set of reporting and analytical tools with access to all reference data sets. Model office can be used to, among other things, determine the impact of specific rules changes using current historic claims data and other reference data.

Business-to-Business Environment
The business-to-business (B2B) environment is mirrored from the current production system to support specific events, such as an audit. It is effectively a copy of the production environment and provides the same features and functions, but any transactions or operations performed on the B2B environment have no effect on production systems or any other environment. A B2B environment may also be established to support other activities such as training or system functionality demonstrations.

Tracking Tools and Issue Tracking
All code is versioned, tested, and approved on the development/test system before being implemented on the production and standby systems. Testing is supported by various tracking and control tools. Components within these applications used by GHS include, but are not limited to:

- A Software Change Management tool such as Source Anywhere or Apache Subversion with check-in / check-out support;
- Task assignment and resource allocation tools;
- User authentication;
- A release / version management workflow; and
- Management reports.

GHS uses an internal issue and change tracking system to facilitate the ongoing maintenance and support of the services we provide. Our current tool is a web-based request/change/issue tracking system that allows management oversight and reporting on activities related to a given project. Links to work tickets related to configuration and maintenance will be created and stored, creating a paper trail of the documented solution and status of each issue being worked. Issues will be tracked throughout the contract duration in a central issues log created for this project. Issues will be identified and documented during internal meetings and interactions with HFS.

Defect Management
Throughout the system testing process, GHS maintains a database of all tests, test results and tracks test results which did not pass testing and require additional testing. Those test cases which do not pass testing are tracked as defects and returned back to the development team for resolution/explanation. After defect resolution has been completed, each case is re-tested in order to establish a passed status.

Test Reporting
GHS employs standard test result reporting procedures. All test results are communicated to HFS using the established communication and sign-off procedures.

Testing Tools
In addition to rigorous user testing, GHS employs automated testing tools, such as Selenium and other industry-standard testing tools where appropriate. We have effective established testing procedures in place that have been employed successfully during recent implementation.

GHS employs an automated claims test processing tool whereby real-time claims are captured from the pharmacy telecommunication switching companies. These are used to build a file of test claims that are used to perform simulated real time processing. This tool provides us with the ability to perform “what if scenarios” on benefit plan changes, test quality assurance, and performance and regression testing.

I4.18 "The pilot(s) will test all System components including at a minimum:
- Training
- Help desk
- Production Support
- Documentation
- Interfaces
- All Functionality
- Reporting
- Security

- Problem escalation
- Change process

GHS has recently completed pilot testing for the deployment of the PBMS solution in Iowa. During this process testing was successfully completed on all aspects of the system as mentioned in this requirement. GHS will employ the same process to assure Pilot testing success in Vermont.

Release Management/Change Control
Deployment / Implementation are executed only after successful completion of acceptance testing (as well as Pilot Testing and Parallel operations / testing where applicable) and deployment approval from the customer. Exit criteria for each testing phase are defined and documented for each project or change request.

The following table describes, at a high level, our release management workflow. The progression through testing phases is highlighted.

	Development	Promotion Policy	Staging	Release Policy	Production
Stakeholder	Developers, Development Manager, Technical Team Leads	Code compiles without any errors. Developer has confidence in the solution.	GHS QA, GHS Release Manager, Customer Release Manager, Technical Writer	Changes have been successfully implemented. Sign off from GHS Business Lead for the project.	End User
Test	Unit Testing, System Integration Testing	Pass existing unit tests. Integrates with other changes and pass other existing unit tests.	System Testing, Acceptance Testing	Upgrades and new functionality was successfully implemented. Changes did not introduce unexpected change in business process.	Pilot Tests, Certification of Release
Versioning	Development Code/Libraries that will never be used in production until promoted.	Code and associated binaries are marked as a particular version.	Identified development/code libraries that are versioned. Although it may not be the final version, there is a clear identifier to track.	Maintain versioning/ marking of the original source code and any associated binaries. Update any manuals associated with changes.	Final/approved code/libraries.

Figure 190: Summary of release management workflow.

I4.19 The Vendor will produce a lessons learned document after conducting the System component pilots and provide recommendations for changes to the Migration process.

GHS will produce a lessons learned document after completing the System component pilots. Recommendations fir changes to the Migration process will be documented and present to the State.

I4.20 The Vendor will ensure smooth flow of data between the various systems interfacing with the PBM System including the MMIS system and others.

GHS has multiple current and historic interactions with State MMIS systems, exchanging data in both directions. Our infrastructure is built around current industry standards and is modified in a proactive manner as relevant standards are added or modified. In GHS' experience, MMIS vendors either operate following industry standards or they don't, and our technical staffs have experience successfully implementing services in both scenarios. In either scenario, GHS will works MMIS technical staff to construct clear interface specifications agreeable to both parties.

GHS assumes that interfaces would be established with the States Enterprise Data Warehouse (described in RFP section 3.1.3.3) to exchange data and that interfacing with the mainframe-based Information Management System (IMS) would not be required. Based on the description of the State's EDW, GHS is confident the interfaces would be developed would operate in a manner similar to interfaces GHS currently maintains to support existing clients. Specifically, all incoming and outgoing data interfaces with external third parties operate using secure FTP over internet connections or by direct, secure connections.

Our highly trained Network Services staffs have experience establishing and maintain data interfaces with external third parties. Specifically, this includes network infrastructure for all internal and external connectivity and the secure File Transfer Protocol (SFTP) processes employed at GHS for operating data interfaces. In addition they automate data feeds, create automated subroutines to drive file processes, conduct file transfer QC, support Data Warehouse and development staff for code deployments, and provide ongoing network support for internal staff, server and network maintenance and monitor systems operations and up-time.

GHS ensures, within its control, smooth flow of data between third parties to include the Vermont MMIS vendor. Issues will be documented and escalated as defined by the State and Goold.

I4.21 The Vendor will provide data conversion from legacy system to new system

GHS will execute the data conversion from the legacy system to the new PBMS system. Upon finalization of the data migration plan, testing and approval, GHS will start the conversion process.

9.1 Data Conversion Strategy, Approach and Timeline

Instructions: Describe what the Vendor believes to be an effective Data conversion strategy and approach for supporting migration of data from the current System(s) to the proposed solution. Describe how the Vendor will ensure data integrity and consistency through all phases of the project.

Conversion activities are critical to maintaining data integrity and must be planned, beginning with requirements definition and validation. GHS will prepare a Data Conversion Plan for activities needed to support the PBMS solution for the Illinois HFS. GHS understands the importance of the data conversion efforts and will devote the resources and effort necessary to be successful.

GHS will assign a Data Conversion Manager and Project Manager (as specified in personnel requirements) to oversee the data conversion process. A conversion plan and schedule will be

developed to reflect dates, activities and persons responsible for tasks related to the data conversion process. These documents will be modified as necessary during planning and execution of the project.

GHS most recently participated in the conversion of data to support the Utah PBMS and DRMS implementations. Prior to that project, GHS participated in the State of Maine's new MIHMS system data conversion project. We successfully converted legacy MMIS data, MECMS data, and most recently the new MIHMS data into our PBM suite of services. For Illinois, data conversion will provide a rich set of historically complete and contemporarily relevant data be incorporated into the full PBMS and be available for reporting and analysis.

There are several data conversion-related events that will need to occur before the system goes live. GHS will complete a final plan for conversion on a schedule meeting performance requirements. . This plan will include the required steps listed below. Data Architects, Data Analysts, and Pharmacy Subject Matter Experts will be closely examining the format and content of all data feeds during the conversion process to ensure accuracy and quality of all data converted. GHS' Data Conversion Plans typically include the following information, but are tailored to the specific conversion project:

- Introduction;
- Approach to conversion;
- Data to be converted ;
- Planned conversion steps;
- Data conversion testing and validation;
- Entry criteria;
- Test script/case creation and execution;
- Exit criteria;
- First time file (test file) – received for testing;
- Data warehouse/data analysis quality assurance;
- POS adjudication staging/test quality assurance;
- Quality assurance of production feeds;
- Issue tracking/resolution;
- Data conversion validation results; and
- State (HFS) review and approval procedures.

Preparing for Data Conversion:

- Before commencing the data conversion phase, for the existing and replacement MMIS, the following activities must be completed:
- All data feeds and data elements necessary for systems operation must be identified and documented;
- All trading partners supplying a data feed (or feeds) must be identified, and technical and Administrative contacts established;
- Trading partner data sharing agreements must be documented and signed;
- Data formats / layouts must be documented and agreed upon with the respective trading partner providing a data feed;
- Baseline test scripts and scenarios must be available;
- Documented understanding of all Business Architecture rules (what the data is used for); and
- Documented understanding of all Information Architecture rules (what the data represents).

Data Conversion Processing:
Below is a summary of critical conversion steps, which will be tailored as necessary to meet the specific technical requirements of the exiting and replacement MMIS:

1. Confirm all data required to meet scope of work and detailed requirements.
2. All data identified as necessary to meet HFS requirements will be sent to GHS from the MMIS.
3. Using our Data Integration System, Data will be loaded into the GHS Data Warehouse and verified against specification documentation provided by the MMIS technical team and HFS.
4. Data will be converted from the MMIS-supplied format to formats supported by GHS, and later extracted for loading into PBMS supporting applications and systems.
    a. If there are missing fields, GHS has the ability in many instances to discern the appropriate default values for the missing fields and populate them.
    b. GHS will request and analyze information from the MMIS to determine what default values would be appropriate for each data field.
5. An extract of converted data will be generated for additional validation by and loading into the POS claims adjudication system.
6. Data Interfaces will be established from the POS claims adjudication system and other GHS Medicaid Enterprise Systems as well as the GHS Data Warehouse.
7. Data interfaces will be established between the GHS Medicaid Enterprise Systems and the MMIS to perform the following:
    a. Transmit to MMIS vendor:
        i. POS Claims File
    b. Receive from MMIS:
        i. Member Eligibility
        ii. Physician / Prescriber / DEA file
        iii. Provider NABP / NPI cross-walk
        iv. Medical claims / Institutional claims data
        v. TPL Carrier file
        vi. Other HFS data files necessary to support PBMS operations
    c. The MMIS vendor is responsible for updating any codes and controls, as necessary.
8. Analysis on each file will be in the Data Warehouse and then hand off to our Data Analyst team for stringent review. The measures and analysis are tailored for each file type.

Conversion QA and Analysis:
Analysis on each file will be performed using checks and validations (for example fields lining up) and rules created by subject matter experts (based on business rules / criteria). The measures and analysis are tailored for each file and data type. GHS uses various internal and external quality verification tools ranging from the work plans, data dictionaries, and our internal workflow management tool which confirms completion of each task or activity and facilitates the hand-off between sequential QA steps.

The Data Analysis team performs a comparison analysis on each converted file. There are distinct items that are looked for in each file. The comparison is a full comparison (1:1 sampling) of the data received compared to what is already stored in GHS's data warehouse. Test scripts (i.e. test cases) are constructed and executed for each specific file being converted. Some examples of scripts that would be run on the TPL / Member eligibility records would include:

- TPL Eligibility Carrier ID must also exist in Carrier file;
- TPL Eligibility Cardholder ID must exist in Regular Member Eligibility File;
- Member Eligibility plan code must exist in pre-identified plan code list; and

- Member Eligibility program code must exist in pre-identified program code list.

The analysis verifies all possible check points (via test scripts) and executes the associated remedial action when a failure is identified. For example a warning message is sent and recorded indicating the error location, but processing continues, or processing stops until problem is resolved. All warning and error encounters are recorded in a log file and reviewed after validation processing is complete. All converted records are tested against the test scripts initially, as well as after the correction of any issues that may be found. Testing of random samplings may also be performed if a specific area of trouble within a data set is identified (such as a specific sub-group of records) and if time constraints do not reasonably allow for test of all records within a data set. The same QA processes are also conducted on production feeds.

This QA Process includes:

- Primary keys and unique indexes on the database will alert Data Warehouse staff of duplication of data / duplicate records;
- Foreign keys on the database will alert Data Warehouse Staff of any breaks in continuity between files;
- Data types in the database ensure that columns are being converted accurately;
- Compare record count of what was sent to what was loaded; and
- Other automated and manual processes implemented at GHS to alert Data Warehouse and Network Services staffs of files that have not been loaded in the expected time frame.

Data QA is facilitated by automated scripts, with follow-up by a Data Analyst and Database Administrator when errors or warnings are present.

All automated processes described above create an output file, containing pertinent information regarding the load, regardless of whether it was a success or failure. All issues found during the data conversion process will be documented and communicated to the MMIS partner supplying the data, as well as HFS when necessary. Detailed information will be communicated to the MMIS technical contact associated with the data, with the requirement that they work with GHS's technical staff to resolve issues in a timely manner.

For issues that GHS can address internally, we will follow our internal communication process, ensuring that all errors are documented, reported to the appropriate teams and corrected. Internal issues will be communicated externally if the timeline of a deliverable or the expected outcome of a deliverable is effected, or under other circumstances when prudent.

GHS will use its internal workflow and issue management tools to record the details, notes, and documents associated with the conversion of a given feed. All issues will be tracked from start to completion.

Data Conversion Exit Criteria:
Prior to exiting the Data Conversion phase, the following criteria must be met to ensure that data conversion was successful and that all clinical and business activities are not negatively impacted by conversion activities:

1. All test cases (through QA and test scripts) must be completed, with successful results, or with clear documentation of corrective action plan to be completed prior to user acceptance testing.

2. The formats and delivery schedules for all data feeds are documented and finalized with trading partners.
3. Production QA process are in place and tested against a sample production feed.
4. All Third-parties receiving a feed from GHS have confirmed successful receipt of test production feeds.

Additional exit criteria may be added as necessary during the data conversion process. Data Conversion can be considered complete (Exit) when all success criteria listed in the test / case scenario has been met and verified. The end result of the data conversion process is that the final cutover will contain all of the data needed to operate the PBMS and continue to dependent activities, such as User Acceptance Testing. Converted data will be provided to all testing and production environments to ensure that all data has been thoroughly tested and validated, and to ensure the integrity of the data pertaining to prior clinical and business activities.

Data Conversion and User Acceptance Testing:
Test cases created by GHS to support and prepare for User Acceptance testing will include cases that use the data sets converted and loaded to the POS test and development platforms. If converted data is not present, or was converted incorrectly, this will be evident during testing. The POS claims adjudication system also has independent QA scripts that are processed before any file is loaded to the POS.

It's important to note, however, that validation during the Data Conversion process and during ongoing operational data feed QA process will identify the vast majority (if not all) of the issues that could possibly be present in the data.

9.2 Data Transition Strategy, Approach and Timeline

Instructions: Describe what the Vendor believes to be an effective Data transition strategy and approach during the roll-over of data from the current System(s) to the proposed solution.

GHS fully understands the critical nature of transitioning a real-time system – it's all about the providers and the recipients and the services which they deserve and expect. GHS has implemented major baseline revisions in the past and has an excellent track record of minimal service disruption to providers and members. Implementing GHS' solution for the Vermont PBMS project will be executed in the same highly effective, successful manner.

GHS understands that the final Vermont PBMS solution must be fully operational no later than January 1, 2015. Typically, GHS performs the DDI phases of a full PBMS solution within six months to one year (12 months). Taking a phased approach to implementation of the full PBM solution would allow the State to have some or all components of the GHS PBMS solution implemented by the January of 2015.

GHS has successfully employed our Implementation Strategy most recently in our successful implementation of the Utah POS and Drug Rebate systems, as well as major enhancements to our Iowa Medicaid Enterprise solution. This methodology embodies a road map of industry best practices that follow a logical progressive path of management plans, checklists, test activities, test plans and reviews, and acceptance plans that will provide a smooth system implementation.

GHS will first work to educate and familiarize the State with the processes involved with a new implementation. Secondly, through early planning sessions, we will work with the State to tailor and customize the GHS Implementation Strategy. Our Implementation Strategy is a flexible framework that allows for our customers to determine their level of involvement in the plan and what should be the exit criteria and ultimate success points. The Implementation Strategy provides the overall management plan for the process and spells out in detail the activities as they fall along a typical implementation timeline. The following lists some of the major activities documented in the Implementation Strategy:

- Implementation Strategy and Management;
- Communications;
- Risk Mitigation;
- Contingency Plan / Back-Out Strategy;
- Activity Management:
    - Roles and Responsibilities
    - Timelines
    - Checklists
    - Quality / Validation Points
- Pilot Testing;
- Parallel Testing; and
- Implementation/Readiness Testing and Evaluation;
- Defect Management / Mitigation;
- Acceptance Criteria; and
- Regression Test Analysis / Feedback Loop.

GHS prepares for operations using a number of testing phases and training activities, each designed to ensure compliance with specific performance requirements and service level agreements. We will formally document this information in an Implementation Strategy tailored to the Vermont PBMS project.

GHS supplies operational, technical, end-user, and other support documentation reflecting the operational state of all systems, services, and workflows. These documents are typically supplied during training, when specified in the Training Plan, with any revisions required implemented prior to the start of operations. GHS has processes, procedures, and tools in place to maintain documentation throughout the operational period, which will be shared with the Department.

A readiness test/evaluation will be executed according to the Implementation Strategy supplied by GHS and approved by the State. Criteria for assessing readiness will be captured in the Implementation Strategy, based on facility specifications and performance requirements documented in the Local Facility and Data Center Facility plans. GHS will compare all facilities, functions, and work groups against the criteria supplied in the RFP prior confirming operational readiness. If any criteria are not met, GHS will put in place corrective action(s) and re-evaluate ensure an appropriate level of readiness.

Final Production Cutover will be executed according to the Implementation Strategy supplied by GHS and approved by the Department. The Strategy (Plan) will capture the specific deliverables and activities required of the Vermont PBMS cut-over, as well as the approach to the scheduling of specific activities, and cutover entry criteria. GHS will work closely with all Department stakeholders and the Vermont provider community to document and communicate the activities and timeline for production cut-over (implementation).

The above described activities align with production cutovers and implementation GHS has performed in the past, and we will leverage the documentation and lessons learned from these activities in support of the Vermont Pharmacy production cutover.

9.3 Implementation/Rollout Planning

Instructions: Describe the Vendor's methodology, tools, and techniques for implementation/rollout planning. What specific staging, readiness and deployment techniques will the Vendor use to determine the proper phasing and sequencing of deployment processes and functions required for successful implementation?

GHS' Implementation and Rollout planning will incorporate PMI methodology, tools, and techniques. All of our implementation experience is similar in size and scope to the VT PBMS Project. GHS has produced each of the documents (or its functional equivalent) in support of past projects. Our Project Management and Technical teams are experienced in the productions of all types of documentation required to successfully achieve project goals, objectives, and requirements. GHS will work with the State to build robust high-quality deliverables to support the VT PBMS Project, tailored to the specific needs of the project, the Department, and other critical stakeholders.

Most recently GHS developed and revised Implementation and Rollout Phase deliverables for the State of Iowa in support of our PBM re-procurement and POS enhancements project. We worked closely the State and their stakeholders to draft, revise, and finalize all deliverables and documentation. These documents represent the most current versions of each respective deliverable and will serve as the baseline for any subsequent revisions.

10.0 I5-Quality Management

Instructions: Describe the Vendor's quality assurance practices as well as how the Vendor incorporates each customer's unique requirements. The response shall describe the Vendor's internal quality management program referencing the use of any specific methodologies. The approach must, at a minimum, provide details on how the Vendor intends to meet or exceed the Quality Management Requirements set forth in Template H – Non-Functional Requirements, Tab I5 Quality Management Requirements'.

I5.1 The Vendor will describe the quality management approach and methodology used for the System with input from the Business Units.

GHS has developed a comprehensive Quality Management approach that is a cornerstone of each of our projects. Quality begins with the planning and proposal development phase of each project. We follow a set of defined and repeatable processes that enable us to monitor our project management and business projects in a manner that promotes continuous quality improvement at the company level and personal development and growth for each individual. For every contract GHS maintains, operations and administrative staff have collaborated to develop quality control and assurance strategies to provide monitoring of all operations related to a given contract. This ensures that all contractual obligations are being met to the satisfaction of the contracting entity.

GHS currently participates in annual SSAE 16 (formerly SAS 70) audits that include review of these controls. GHS is committed to continuous quality improvement. Our goal is to constantly measure our

performance, identify opportunities for improvement based on analysis of established metrics, and then implement changes in our activities designed to achieve measurable improvements. This is not a new concept for GHS: it is a part of our organizational culture. This dedication to ongoing monitoring and improvement will be rigorously applied to the work completed for the State of Vermont.

Internally, GHS performs several types of audits ranging from physical access audits, Intrusion Detection System (IDS) audits, server and workstation recourse audits, software audits, application audits, etc. to insure the integrity of its physical and logical infrastructure. GHS uses industry standard Firewalls, IDS, and Proxy Servers to protect its Network infrastructure from outside entities.

GHS has received positive feedback regarding our documentation standards, audit trails, and performance on audits previously conducted both by customers and by CMS.

I5.2 "The Vendor will develop a Quality Management Plan to describe the approach they will use to ensure the quality of the Service and the work it performs. The Plan will include at least the following items:
• The State's management of the requirements. This includes the identification of inconsistencies between the requirements, and the project's plans and work products.
• The State's requirements traceability matrix that will be used for requirements management, and will map where in the software a given requirement is implemented.
• The practices and procedures that will be followed for reporting, tracking, and resolving problems or issues identified in System Testing, System Migration, and System Operations.
• The business process changes resulting from the System.
• The quality of work products developed and delivered by Vendor's sub-Vendors/partners, if applicable.
• A metrics process that describes how measurements will be identified, collected, and analyzed to ensure that quality goals, including management and the System goals, are being met. It should also describe the types of project metrics used.
• The Vendor's organizational structure, and the roles and responsibilities of Vendor staff as they relate to quality management.
• Description of the processes and management of the Defect and Issue Tracking System for System of items and, if applicable, how corrective action plans will be developed to address more significant issues."

GHS will Develop a Quality Assurance Control/Quality Management Plan (by business activity and/or functional area) to address the needs and specific opportunities for quality improvement throughout the Contract period. The Quality Assurance Control/ Quality Management Plan will be developed and maintained to reflect GHS's experience and commitment to:

- Methodology for maintaining quality of the code, workmanship, project schedules, Deliverables, and any subcontractor activities.
- Quality in systems design, testing, and implementation.
- Process design and staff training.
- Performance standards development and measurement.
- Customer satisfaction measurement and analysis.

The plan shall be delivered to the Department for review and approval during the Initiation and Planning Phase, and may be revised through the duration of the project as needed to address change.
GHS is committed to continuous quality improvement. Our goal is to constantly measure our performance, identify opportunities for improvement based on analysis of established metrics, and then implement changes to achieve measurable results.

I5.3 The Vendor must, subject to review by the Department as needed, implement and document quality assurance processes and procedures to ensure integrity of services and of the processing and storage of the Vendor's data including, but not limited to, the following:

I5.4 a. Maintain separate testing environments, emulating the production environment, where users can test systems changes, edits, and pricing without affecting the production systems

GHS's development and testing distribution methodology is consistent across all software development technologies and platforms. A copy of current production data is available to all testing and staging platforms allowing for effective simulation of a production environment. The GHS approach is based on the use of several programming and testing environments. GHS uses multiple software environments consisting of isolated work platforms each independent and scaled to be responsive for the type of system and testing being conducted. Environments used during the design, development, and implementation phases of a project parallel the Software Development Life Cycle (SDLC). Other environments are used in the operations phase of a project. These environments, their primary functions, and their general relationships to one another are shown in the diagram below.

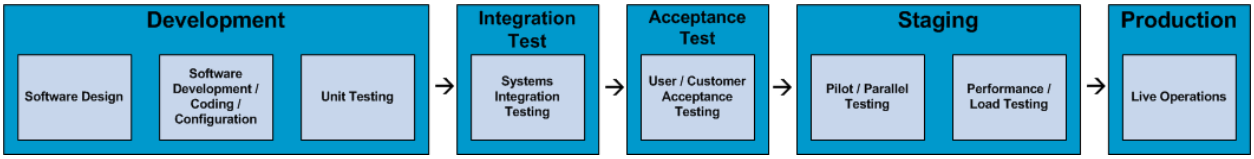

Figure 191: GHS PBM Technical Environments

I5.5 b. Allow online update and inquiry of all data repositories in the test environment(s) to simulate the production environment

A copy of current production data is available to all testing and staging platforms allowing for effective simulation of a production environment.

I5.6 c. Generate test results to evaluate the fiscal impact of changed edits or other test conditions

GHS currently has a robust process in place for evaluating the fiscal impact of any changes to the existing rules and conditions. Once a rule change, edit or other test condition is developed and unit tested, the changes get promoted to a test environment running in parallel with but totally separate from the production environment. All the changes and test conditions are tested in test environment with replicated current production data. The test results are collected and reported then compared against the results of the production system to measure the fiscal impact of a given edit or test condition.

I5.7 d. Validate and document internal systems by balancing input and output data execute batch jobs appropriately, and generate outputs appropriate for the executed cycle

The data flow among GHS applications undergoes thorough monitoring and analysis. When data streams through a series of applications and data feeds, the inputs and outputs at each stage of data exchange are compared, validated and recorded. Batch job results are monitored, analyzed and recorded

appropriately. The outputs at the end of each execution cycle are analyzed and validated against the initial input data and the applied conversions or transformations at each stage.

I5.8 e. Comply with the requirements of the Payment Error Rate Measurement (PERM) program and other quality assurance programs as specified by CMS, the State, and the Department

GHS is familiar with and has and will assist the Department with the PERM program. GHS will continue to provide screen shots from the POS and any other documentation necessary for use in PERM audit activities.

Pursuant to the Improper Payments Information Act (IPIA) of 2002 and federal regulations at 42 CFR Parts 431 and 457, all states are required to participate in the measurement of improper payments in the Medicaid and CHIP programs.

GHS has participated in the PERM audit process for its client States Maine, Iowa, and Wyoming. The work was done at the direction of the CMS PERM contractor and the states' respective Program Managers. The work completed by GHS included Creation of a pharmacy paid claims universe for analysis by the CMS contractor and responding to requests for additional follow-up data for specific financial quarters. GHS has the ability to create these extracts, based on the specifications provided by the CMS PERM contractor.

I5.9 f. Maintain internal quality control procedures for functionality and data integrity

To maintain data integrity, GHS has implemented systems, policy, and procedures to support:

- Monitoring – Proactive triggers that alert administrators of real or potential integrity issues. Administrators will use expert judgment and standard procedure to determine the required action for any monitoring trigger.
- Tracking – Recording transactions and related data elements for scheduled reporting or audits, and analysis to address specific concerns or issues.
- Auditing – Retroactive review of transactions by GHS staff / processes or an external entity to confirm compliance over time. The primary purpose of auditing is to ensure systems and data are maintained according policy, procedure, industry standard, or other criteria. Audits may result in corrective action to be taken by GHS.

GHS currently participates in annual SSAE 16 (formerly SAS 70) audits that include review these controls. We also participate in State-specific audits at regular intervals (typically annually) and on an ad-hoc basis. GHS is committed to continuous quality improvement and participation in audits helps us identify future improvements.

11.0 O1-System Administration and Disaster Recovery

Instructions: The Vendor must provide a narrative overview of how the proposed solution will meet the System Administration and Disaster Recovery requirements. The approach must, at a minimum, provide details on how the Vendor intends to meet or exceed the System Administration and Disaster Recovery Requirements set forth in Template H – Non-Functional Requirements, Tab O1 System Administration and Disaster Recovery'.

GHS will provide the Department with a complete Business Continuity and Disaster Recovery (BC/DR) Plan for review and approval prior to the DVHA PBM project's implementation phase. We are prepared to and are fully capable of meeting or exceeding all of the State's requirements with regard to disaster recovery, business continuity, and contingency planning. At the start of any new services contract, we compare the standards and requirements of our clients with our own, identifying where updates or enhancements are necessary. We understand that the Department requires GHS to address the following specific requirements in the BC/DR Plan for the DVHA PBM Project:

- Disaster recovery planning for non-production and production environments;
- Hot failover / fallback capabilities for the PBM System environment;
- Provision of a PBM System Help Desk;
- Provision of an escalation plan for technical issues;
- Generation of administrative alerts;
- SLA and event Monitoring;
- Data archiving capabilities;
- Version control capabilities;
- Error and exception logging;
- Monitoring and reporting of unauthorized access;
- Encryption of communications;
- Maintenance of user privacy;
- Protection of data integrity;
- Identity management;
- Maintenance of security levels; and
- Security controls.

GHS internally maintains a detailed BC/DR Plan and has policies and procedures in place to address and mitigate all potential failures or disaster events. For each client, GHS tailors a disaster recovery and business continuity plan specific to the supporting systems and services provided. GHS' disaster recovery and business continuity policies and procedures include detailed information on:

- Risks, impacts, and mitigation of potential disaster / failure events;
- Priorities regarding business and service delivery function to be restored in response to a disaster / failure event;
- A communications matrix to be used from the onset to conclusion of a disaster / failure event.
- Criteria used to activate contingency plans;
- Exit criteria to be used to determine the successful resumption of business and service delivery functions;
- Procedures for scheduled testing of failover capabilities; and
- Procedures for periodic review and updates to the BC/DR Plan.

The DVHA PBM solution GHS is proposing, including all supporting systems and data, will be available to authorized users 24 hours a day, 7 days a week, and 365 days a year with over 99.99% uptime, with the exception of approved maintenance windows. Our infrastructure and business continuity policy procedure ensure up-time is maintained meeting all client-specific performance requirements, such as those specifically outlined in this requirement, as well as those defined by NIST and FISMA.

GHS leverages both its technology and PBM platform stacks to maintain a high Service Level Agreement (SLA) environment. For example, GHS has the ability to switch the POS claims adjudication from a

primary server to a secondary or tertiary server though mirroring technology, which provides automatic failover and high availability. Our data center is also engineered for redundancy at all levels of operation:

- Power;
- Battery backup;
- Cooling;
- Internet/firewall;
- Network core;
- Distribution and access layers;
- Virtual and physical servers;
- Storage Area Network (SAN) and storage arrays; and
- Database and application systems.

Recent improvements to our data center upgraded our classification from a Tier 2 to a Tier 3 data center based on the criteria of the Uptime Institute. The GHS data center facility is equipped with backup generator power and FM-200 gas fire suppression systems. These minimize the risk of failure due to power outages or fire, the most likely of potential disaster scenarios for our Data Center. Testing of the network Uninterrupted Power Supply (UPS) and generator is fully automated. A failure in any of the tested components triggers a notification to be sent to all network services employees. Since the testing occurs during regular business hours, any deficiency that is found can be resolved quickly. In addition to weekly maintenance, maintenance of backup power systems is scheduled twice a year, at six-month intervals.

O1.1 The PBM Vendor will have recovery plans in place for the non-production environments of the PBM System enterprise (Development, Testing, Staging, Model Office and Business to Business environments.)

The Business Continuity and Disaster Recovery (BC/DR) Plan developed for the DVHA PBM Project will specify procedures for non-production environments, such as Development, Testing, Staging, Model Office and Business to Business environments. While important, these environments are not considered 'mission critical' and will therefore have their BC/DR policies and procedures managed accordingly. Primarily, this means that that they will not be included in the hot failover/fallback capabilities that are required of the production or 'mission critical' systems and environments.

The BC/DR implementations we currently have in place will be able to return non-production environments back into full operation within the span of a few minutes to a couple hours. This time-frame varies widely depending on the potential disaster/failure scenario. The most likely failure scenarios related to non-production systems are resolved in a manner that is seamless to any end-users.

O1.2 The PBM Vendor will have a Disaster Recovery Plan in place for the production PBM System environment in the event of a catastrophic disaster at either the primary or secondary sites.

The Business Continuity and Disaster Recovery (BC/DR) Plan developed for the DVHA PBM Project will specify procedures for all production environments, including the PBM system environment and any other systems and data sources considered 'mission-critical'. Primarily, this means that they will be included within our hot failover/failback capabilities, which are described further in response to O1.3, below.

O1.3 The PBM Vendor will be required to supply hot failover and fail back capability for the production PBM System. This capability will be invoked during system maintenance of the PBM System at the primary production site and during any production outage at the primary site and/or Secondary Network back up to primary Data Center should primary circuit fail but Data Center is Ok. At a minimum, this failover functionality will be tested each quarter of the year for the duration of the contract. If no system maintenance or outages have occurred during a quarter to exercise this capability, then the PBM Vendor will schedule a test failover and fail back to occur within the month following the end of such quarter.

GHS will maintain a secondary facility of DVHA PBM production systems and data sources such that 'hot failover' coverage will be provided in the event of a failure in the primary PBM production system(s). GHS will configure the failover to return capability to the primary production facility once failures are addressed.

Our secondary data center facility is currently at a location in a different region of the country from our primary data center in Augusta, Maine. The secondary facility meets or exceeds the Tier II and N+1 specification that GHS mandates, with a preference towards meeting or exceeding the facility performance of our primary data center in Augusta, Maine (Tier III or IV)). The secondary facility houses hot failover system and other system and data backups. Additional VPN connections are be established at the secondary facility to connect with pharmacy switching companies in the event a failover occurs.

Effectively, the secondary facility will be a mirror of the primary facility, allowing pharmacy switching companies to quickly re-establish a connection in the event the primary facility is unavailable for any reason. Depending on the capabilities of the switching companies this could be done automatically or could require a notification from GHS.

GHS has established methods to periodically test the hot failover capability, particularly incoming / outgoing connectivity and claims adjudication. Periodic and scheduled tests (simulated failures) are established to run automatically (or manually if necessary), producing reports of results and alerts to Network Services staff in the event of a real or potential issue. For the DVHA PBM project, we will schedule this testing at least quarterly.

The mirroring technology GHS has implemented designates which system is primary and which is the secondary (backup) system. The backup system synchronizes data in real time with the primary, and both communicate with each other via an agent that identifies the health of both systems and assists during the failover process. In the event that the health of the primary system is compromised, the agent's secondary system will elect a new primary system. That elected system will become the primary system, and the other backup systems will start mirroring their systems from newly elected system.

In addition to providing high availability, our POS platform's mirroring technology allows GHS to take into account planned downtime. For instance, if maintenance needs to be performed on our POS platform, mirroring allows GHS to make a secondary server available to take claims, while the system is being updated or otherwise maintained, and then seamlessly fall back to the primary server once the maintenance is complete. This greatly reduces workflow and user disruption.

The failover from the primary system to a secondary system could happen for several reasons, and we have specific procedures in place to address each:

- Network or communication disruption that caused connectivity issues;
- A PBMS application becomes unresponsive;

- Physical server or hardware component issue;
- Manual operator intervention to switch from primary to backup servers;
- Hardware or software maintenance; and/or
- Emergency or Disaster protocols.

O1.4 The PBM Vendor will be required to supply a PBM System Help Desk that is available during regular business hours (Monday – Friday, 8:00 a.m. – 7:00 p.m. Eastern Time and Saturdays from 8:00 am – 5:00 pm Eastern Time) to assist with usability questions, problem analysis and for reporting technical issues

Our skilled technical and business operations staff are available to address any questions or problems related to the operation of our system during the business hours mandated by our clients. To ensure technical issues are addressed expeditiously, GHS takes a comprehensive approach to supporting our customers. Each member of our support staff is highly trained in their area of expertise and understands when issues need to be routed or escalated to another functional unit within GHS. All technical issues are tracked in our issue tracking system, and are followed through until properly resolved.

GHS is prepared to supply Pharmacy Help Desk support during the business hours indicated in this requirement for prescribers, pharmacies and members to access help regarding the pharmacy program, claim processing, or technical assistance. In addition, Department staff will have access to the Pharmacy Services Account Manager and Project Manager and other key staff assigned by GHS to the project and ongoing operations. GHS provides 24/7/365 emergency support for technical and business operations to all current PBMS clients. GHS is prepared to provide full but requirements for the DVHA PBM solution. The emergency contact may be used to report outages in the event that one occurs.

O1.5 The PBM Vendor must have a defined escalation plan for technical problems that cannot be addressed by the PBM System Help Desk. The escalation plan must include a definition of severity levels and specific escalation procedures based upon the severity of the technical problem.

Our organization's structure is designed to provide effectiveness and rapid escalation of issues. Each member of our support staff is highly trained in their area of expertise and understands when issues need to be routed or escalated to another functional unit within GHS. All issues are tracked in our help desk ticketing system, and are followed through until properly resolved.

GHS will work with the DVHA after contract award to define and document the technical issue escalation process in a Technical Problem Escalation Plan. We will ensure that the escalation process is aligned and coordinated with the State's own Escalation Plan. Our organization's structure is designed to provide effective and rapid escalation of issues to the appropriate parties. For the DVHA PBM project, the escalation of technical issues will be overseen by the Project Manager, and be facilitated using the issue management tools described in 6.5 Issue Management. Our process applies to any technical, including matters related to roles, responsibilities, and/or unmatched levels of service.

O1.6 The System will have the ability to generate administrative alerts and warnings when statistics indicate an impact or potential limits on system performance and availability. These alerts will need to be communicated through various mechanisms including SMS, Phone and Email

Members of our Network Services team are alerted by SMS, phone, and/or email when specific system events occur within the data center infrastructure. Specifically we receive notifications on system

infrastructure and when certain system or infrastructure thresholds are reached or exceeded (ex., CPU, disk, network utilization). These alerts are configured to generate alerts and other types for warnings when monitoring systems indicate an impact or potential limits on system performance and availability. When an alert is received, the issue is reviewed and a specific procedure followed for the type of alert.

O1.7	*The System will provide SLA monitoring and reporting capabilities.*

GHS has systems in place in our data center that all SLA monitoring a reporting capabilities, which will be used to support the DVHA PBM implementation.

The following screen shots demonstrate typical processing times as reported by the soft switch monitoring tools used by GHS. The examples show reporting related processing times.

NOTE: The columns highlighted in orange represent the average system response times in milliseconds.

Figure 192: Claims Switch Monitoring

[redacted]

Figure 193: Claims Soft Switch Monitoring

[redacted]

Figure 194: Benchmark Claim Response Time

Figure 195: Benchmark Claim Response Time, cont.

O1.8	*The System will provide event management and monitoring functionality according to ITIL best practices.*

GHS solutions, policies, and procedures provide event management and monitoring functionality. These reflect the best practices presented in the ITIL, in particular those covering security, high availability, capacity planning, change management, validation and testing, service and incident management, and knowledge transfer. These core attributes allow GHS to provide high levels of service continuity within a secure, rapidly scalable, and efficient data center core, while also resolving event and application requests in a timely and efficient manner. Our practice of continual improvement extends to the management of our Data Center and reflects the business needs of our clients, our potential clients, and the functional requirements of GHS itself.

O1.9	*The System will provide Data archiving capabilities based on State defined criteria.*

GHS will configure our data archiving capabilities for all DVHA PBM systems and data sets based on State-defined criteria.

Generally speaking, data that is not being used to actively support existing contractual obligations is archived following documented policy and procedure, and in agreement with the client. Procedures exist for archiving both electronic and hard-copy documentation. Electronically archived data is stored within our data center infrastructure on space provisioned meeting the size, access, and other requirements of the data being archived. Whenever possible, GHS converts paper-based documents to indexed, searchable electronic records using our internal data capture processes and Enterprise Data Management System (EDMS).

GHS has automated procedures in place in its Data Warehouse and Data Center to archive all historic (i.e., no longer current) versions of reference data. Upon receipt of new and updated reference data, the Data Warehouse automatically updates existing records and archives the previous value with a date/time indicating when the updated record becomes effective. This effectively builds a history with effective dates for all updated records, which can then be accessed for a variety of purposes such as data remediation, reporting, or retroactive transaction processing.

All historical claims made available to GHS, as well as all historical versions of reference data (i.e. eligibility, formulary, PDL, provider files, drug reference files, etc.) will be captured and stored in the Data Warehouse and available for retrieval as needed. GHS has the ability to capture and store as much historic pharmacy claims and reference data as other DVHA stakeholders and the State are capable of

providing, and our systems are capable of capturing, in and electronic format. All raw source files are kept and archived as long as required by the State. All data loaded to databases within the Date Warehouse have a full audit history maintained, which includes previous historical values for all attributes, as well as effective start and end date/time indicators.

Access to archived data is supplied through reporting and analysis tools and our Data Warehouse. GHS has experience in the ongoing compliance with State and Federal record and data retention standards for all current clients. Any data that is not being used actively by any services or systems can be archived according to the standards and requirements of our clients, either automatically according pre-configured threshold, or at the conclusion of a particular service.

O1.10 The System will provide version control capabilities to ensure the integrity of all software releases.

GHS uses the following source control systems to address Source Code Management and Version Control:

- Apache Subversion and
- Dynamsoft SourceAnywhere

All database and development platforms used by GHS capture all changes with a time/date stamp and user ID. In the event of a record change or update to computer code (logic), the historic value is retained so that we can easily revert to a previous value or code instance. This provides a full record of 'who, what, when, and where' with regard to any change. GHS has experienced through years of software maturity that the best version control software is a solution that natively fits best with the development technology being used.

Many technologies are used within GHS to manage version control depending on the type of system or application under development, and all meet the same performance requirements regarding capturing audit data for any change. Each system has the ability to produce reporting on code / record modification activities, allowing them to be reviewed periodically or exported for audit purposes.

GHS has experienced through years of software maturity that the best version control software is a solution that natively fits best with the development technology being used. Many different technologies are use within GHS to manage version control depending on the type of software under development. GHS currently uses Source Anywhere and Apache Subversion version control systems.

GHS will maintain documented version control procedures that include the performance of regression tests whenever a code change or new software version is installed, including maintaining an established a baseline of regression test cases, to be executed before and after each update, to identify any differences.

O1.11 The System will provide logging, reporting for accessing errors and exceptions.

GHS system security provides full audit trails such that all system activity can be traced to a specific user or process. This provides the logging and reporting necessary for assessing errors and exceptions.

At a minimum, audit information captured includes the user ID of the person or process accessing, the time/date of access , and a record of the data replaced (for updated records) or activity performed.

Additional fields are also available for capture in specific components to support any custom reporting functionality that may be necessary. This allows for detailed reporting and tracking of distinct events or activities for specific auditing requirements. These audit reports are typically made available to State users through the standard reporting module, and additional customized reports can be provided through the ad hoc reports module when necessary.

O1.12 The System will monitor and provide reports on any unauthorized access.

GHS has system and user activity logs that allow members of our Network Services team to view the activities of all users as well as failed logins and unauthorized access attempts. GHS has established safeguards to protect against unauthorized access to or use of covered data and information.

O1.13 The System will track unusual or out of normal system operations usage or user access.

GHS' systems have the ability to track unusual operations usage or user access. Audit trails are kept and this information can be made available to the State.

O1.14 All system communications will be protected by at least 128-bit encryption.

All data communications moved between GHS and business partners is encrypted using, at a minimum, 128-bit encryption. For transmission to and from our data center not made through a web interface we use 1024 bit DSA SSH Version 2 encryption. Data Exchanges outside GHS only take place according to strict HIPAA policy and procedures between GHS and State-approved trading partners.

O1.15 The System will maintain the privacy and participant consent requirements of the participants.

GHS will work with the DVHA during the requirements definition activity to document the State required participation and consent requirements for systems participants and end users.

O1.16 The System will protect the integrity of the data across all interfaces. Data will be accurate and timely.

The integrity and quality of data is maintained in a number of ways. First, all data are stored by our robust server and storage infrastructure. Second, our data schemas are designed to maintain multiple aspects of data integrity including: relational, value, data type, and transactional. Third, all data feeds are checked for value and data type integrity before loading into our systems.

To maintain data integrity, GHS has implemented systems, policy, and procedures to support:

- Monitoring – Proactive triggers that alert administrators of real or potential integrity issues. Administrators will use expert judgment and standard procedure to determine the required action for any monitoring trigger.
- Tracking – Recording transactions and related data elements for scheduled reporting or audits, and analysis to address specific concerns or issues.
- Auditing – Retroactive review of transactions by GHS staff / processes or an external entity to confirm compliance over time. The primary purpose of auditing is to ensure systems and data are maintained according policy, procedure, industry standard, or other criteria. Audits may result in corrective action to be taken by GHS.

For all backend database systems, GHS uses modern, contemporary relational database management systems (RDBMS) including MS SQL Server, InterSystems Cache, and MySQL. All data are stored via modern Relational Database Management Systems (RDBMS), including all application, operational, and Data Warehouse data stores. GHS' database design standards follow best practices for proper keying, and indexing, and referential integrity. All data designs are reviewed and explicitly approved by Senior DBA staff before being promoted from the development environment. Our EDMS systems are designed using the same principles of referential integrity so that document files and associated META information are congruent at all times.

Furthermore, GHS applies the following technical functions to help facilitate record maintenance:

- Regular index management to mitigate index fragmentation, using a smart-detection algorithm to defragment indexes when prudent.
- Database compression.
- Monitoring of various resources used by a database (i.e., tempdb, IO wait states, disk IO performance, etc).
- Regular checking for data corruption.
- Maintaining backups and backup logs of all databases.
- Archiving of data no longer in active operational use.

GHS is committed to safeguarding and protecting all DVHA PBM data within our infrastructure. GHS' infrastructure, architecture, and products are designed to maintain the confidentiality, integrity, and accessibility of data in the areas of physical security, information management, and computer system and network security controls.

GHS currently participates in annual SSAE 16 (formerly SAS 70) audits that include review these controls. We also participate in State-specific audits at regular intervals (typically annually) and on an ad-hoc basis. GHS is committed to continuous quality improvement and participation in audits helps us identify future improvements with regard to the maintenance of data integrity.

O1.17 The System will provide role-based user and identity management.

GHS utilizes a methodology of Information Security Components focusing on Confidentiality, Integrity and Availability (CIA) for securing its logical and physical assets and infrastructure. We utilize several tools for authentication ranging from Lightweight Directory Access Protocol (LDAP) via Windows Active Directory and Linux LDAP to access lists encrypted into the applications. Each user id and password conforms to GHS' User ID and password policies which define the minimum complexity, number characters, and acceptable letter combinations of a password.

Authorized administrative users will have the ability to edit, create, and implement role-based and group-based security at the individual data field level for all authorized users based upon individual characteristics or group memberships.

GHS uses a minimum access necessary model for both physical and logical access determined by an individual's job responsibilities and duties. This is intended to ensure that only authorized individuals have access to information required as part of their job. GHS protects its information using logical and physical security, hardened computerized infrastructure, policies and procedures, and information backup schemas.

O1.18 The System will maintain a level of security that is commensurate with the risk and magnitude of the harm that could result from the loss, misuse, disclosure, or modification of information.

GHS will maintain a level of security that is commensurate with the risk and magnitude of the harm that could result from the loss, misuse, disclosure, or modification of information. GHS has an internal Security management Plan which specifically addresses the systems, application, data, and facility security controls. GHS considers security and confidentiality to be of the utmost importance in the handling of all our customers' information. To protect the confidentiality, integrity, and availability of information, GHS has in place appropriate physical site and data security measures. GHS is compliant with HIPAA and all other State / Federal / Client mandates regarding the confidentiality of Protected Health Information (PHI), including the Federal Information Processing Standards (FIPS) indicated in this RFP requirement.

The primary goal of our Security Management Plan is to make data available to users with the proper authorization while supporting data confidentiality and integrity by maintaining a 'minimum necessary' access policy. To comply with access control requirements, the following safeguards have been implemented:

- Unique user IDs are required for all users of the system. No shared user IDs have been or will be established.
- Emergency access procedures are implemented and enable access to the data should an emergency arise.
- Automatic logoff has been implemented.
- Encryption and decryption can be used for all Protected Health Information (PHI) transferred between GHS and its clients.

Systems at GHS have multiple layers of security on the components of the system, including:

- Networks
- Operating systems
- Firewalls
- Application systems and their programs
- Files and their data elements

Internal to GHS and/or our client systems, access to applications, data, and systems is based on an employee's job descriptions and day-to-day work responsibilities. No employee will be granted any access that is outside the scope of their current responsibilities, particularly where PHI and other confidential information is involved. Access to externally-presented applications (such as web portals) is controlled through a formalized access request and review process, often tailored to client specific requirements and variables.

Access to specific menus or features within an application can be restricted at the user group level, or even at the individual user level on an exception basis. GHS manages access to menus and screens at the user group level, as groups are a logical method for organizing users based on their functional responsibilities. For example, help desk technicians, pharmacists, and project managers call all have access to an application, but may have access to different screens and menus based activities they need to perform within the application.

Access to records supplied in an application can be restricted at the user group level, or even at the individual user level on an exception basis. Like access to menus and screens, GHS manages access to records, in aggregate, at the user group level. The same methodology applies when addressing specific fields within a record type. Screens and query results tables are selective with regard to fields within a record displayed on a screen, depending on the purpose of the screen and its intended users.

Access to reports and inquiry tools is, again, based on an employee's job descriptions and day-to-day work responsibilities. Different reports and queries are intended for different audiences and access to any given report is provided based on intended users and their roles / responsibilities.

O1.19 The System will implement security controls in accordance with Federal and State security policy and regulations.

GHS has an internal Security Management Plan which specifically addresses the systems, application, data, and facility security controls we use across our enterprise. This Plan aligns with the specific control requirements of CMS and our client states:

- Management Controls;
- Operational Controls; and
- Technical Controls.

After contract award, GHS will work with the Department to develop a Security Management Plan specifically tailored to the exact requirements of the DVHA PBM project.

12.0 P1-Performance

Instructions: Describe the Vendor's approach for the proposed solution to meet performance standards. The approach must, at a minimum, provide details on how the proposed Solution intends to meet or exceed the Performance Requirements set forth in the Template H – Non-Functional Requirements, Tab O2 SLRs and Performance.

Performance measurement consists of quantitative or qualitative measures of capacities, processes or outcomes relevant to the assessment of a performance indicator. GHS believes that performance measurement is a central element to any performance management approach. GHS understands that performance management is the strategic use of performance standards, measures, progress reports and ongoing quality improvement efforts to ensure desired results are achieved.

Performance measurement is most meaningful within a performance management system that has the following elements:

- Objective standards of performance with targets or benchmarks to be met.
- Reliable reporting of measures to intended users of the indicator data.
- A program or process to manage change and quality improvement in policies, programs, processes or infrastructure based on performance standards, measures and reports

GHS understands that in order to determine what performance measures lead to improvement of performance, certain activities must occur. GHS believes the following activities are essential for selecting performance measures and managing project performance:

1. Define project goals;

2. Determine how best to measure organization progress against those goals.
3. Identify and collect the data related to those measures.
4. Make the data available to the individuals and systems that will be used to analyze it.
5. Summarize and analyze that data to turn it into performance information.
6. Communicate that information to the individuals who will use it to make to decisions.
7. Interpret that information so implications are understood.
8. Based on the interpretation of the information, decide the appropriate interventions to improve future performance.

GHS' performance management process includes financial planning, operational planning, reporting, analyzing, and monitoring of key performance indicators (KPIs) linked to the defined project goals. GHS is committed to performance improvement. We will execute the appropriate performance management activities to monitor, analyze, report and manage acceptable performance to ensure continued compliance with service levels throughout the term of the contract.

12.1 System Availability and Response Times

P1.1 The PBM System will be operational every calendar day of the year and 24 hours every day. The Vendor will meet a 99.90% PBM System availability requirement. This includes end-to-end System availability of all software, hardware and communications interfaces between the PBM System and all ancillary systems. The Contractor must measure and report its performance on this SLA monthly.

All systems, applications, and reference data sources supporting our Pharmacy solution are available to authorized users 24 hours a day, 7 days a week, and 365 days a year with a 99.99% uptime. GHS will ensure that any maintenance that requires PBM support systems to be taken off-line is scheduled to occur during the time of least activity. GHS will work with the State to ensure that all performance requirements are captured and formally documented in the Operations Performance Management Plan. Compliance with this requirement will be established using a combination of internal procedures and rules-based configurations.

P1.2 The Vendor's PBM System response time be no greater than 8 seconds and must average 3 seconds or less for all interactive system transactions other than the reporting-related system interactions covered by the next 4 SLRs. The response time is measured as the time from when the users presses enter until the screen refresh in response is complete.

GHS can guarantee PBM Systems response time no greater than 8 seconds with an overall average of no more than 3 seconds for all interactive system transactions other than the reporting-related system interactions. GHS will measure response times from when the users presses enter until the screen refresh in response is complete.

GHS has monitoring and reporting tools within its infrastructure that monitor the up-time of all PBM and supporting components. Reporting: In the event of recurring response times that are outside of the established SLRs, our network services staff are notified. Performance issues are also reported by end users, following documented procedures.

Proactively, GHS ensures that our data center and facilities have sufficient capacity to handle typical and expected activity volumes, as well as sufficient excess capacity to handle spikes in activity. In the event

that response times are shown to be consistently getting longer, GHS will implement a plan to add capacity and/or make changes to the system or application to address the issue.

P1.3 The maximum response time for search and lookup performance is 3 seconds for 95 percent of the time. Maximum response time shall not exceed 15 seconds except for specified and agreed to exclusions.

GHS can guarantee search and look-up response times no greater than 3 seconds for 95 percent of search and look-up requests. GHS will work with the DVHA to identify any necessary exclusions, such as requests where a user provides criteria which returns an exceptionally large number of records. GHS has monitoring and reporting tools within its infrastructure that monitor the up-time of all PBM and supporting components.

In the event of recurring search and lookup response times that are outside of the established SLRs, our network services staff are notified. Performance issues are also reported by end users, following documented procedures.

Proactively, GHS ensures that our data center and facilities have sufficient capacity to handle typical and expected activity volumes, as well as sufficient excess capacity to handle spikes in activity. In the event that response times are shown to be consistently getting longer, GHS will implement a plan to add capacity and/or make changes to the system or application to address decrease the length of response times.

P1.4 The maximum response time for a Dashboard report is 5 seconds, 95% of the time.

GHS can guarantee dashboard report load times no greater than 3 seconds for 95 percent of requests. Since dashboard reports typically accept little or no user-supplied criteria, they can be optimized to load quickly. GHS has monitoring and reporting tools within its infrastructure that monitor the up-time of all PBM and supporting components.

In the event of recurring dashboard response times that are outside of the established SLRs, our network services staff are notified. Performance issues are also reported by end users, following documented procedures.

Proactively, GHS ensures that our data center and facilities have sufficient capacity to handle typical and expected activity volumes, as well as sufficient excess capacity to handle spikes in activity. In the event that response times are shown to be consistently getting longer, GHS will implement a plan to add capacity and/or make changes to the system or application to address decrease the length of response times.

P1.5 The maximum response time for a Static Standard report is 5 seconds, 95% of the time.

GHS can guarantee static / standard report load times no greater than 5 seconds for 95 percent of requests. Since static and standardized reports typically accept little or no user-supplied criteria, they can be optimized to load quickly. GHS has monitoring and reporting tools within its infrastructure that monitor the up-time of all PBM and supporting components.

In the event of static / standard report response times that are outside of the established SLRs, our network services staff are notified. Performance issues are also reported by end users, following documented procedures.

Proactively, GHS ensures that our data center and facilities have sufficient capacity to handle typical and expected activity volumes, as well as sufficient excess capacity to handle spikes in activity. In the event that response times are shown to be consistently getting longer, GHS will implement a plan to add capacity and/or make changes to the system or application to address decrease the length of response times.

P1.6 The maximum response time for a parameter-based report is 20 seconds.

GHS can guarantee parameter-based report response times no greater than 20 seconds. GHS will work with the DVHA to identify any necessary exclusions, such as requests where a user provides criteria which returns an exceptionally large number of records report. GHS has monitoring and reporting tools within its infrastructure that monitor the up-time of all PBM and supporting components.

In the event of parameter-based report response times that are outside of the established SLRs, our network services staff are notified. Performance issues are also reported by end users, following documented procedures.

Proactively, GHS ensures that our data center and facilities have sufficient capacity to handle typical and expected activity volumes, as well as sufficient excess capacity to handle spikes in activity. In the event that response times are shown to be consistently getting longer, GHS will implement a plan to add capacity and/or make changes to the system or application to address decrease the length of response times.

P1.7 The PBM Vendor must take immediate action to ensure that the System downtime does not exceed 15 minutes per occurrence and take necessary action to meet End-to-End System Availability and Response times as agreed to in the contracted service level agreements.

GHS will guarantee that any system down-time will not exceed 15 minutes per occurrence, and that that all related system availability and response time SLRs are met accordingly. GHS has system monitoring tools in place that record the active / inactive status of any technical component within our data center or facility infrastructure, in particular the pharmacy POS claims adjudication system.

Key members of our Network Services staff manage system down-time (scheduled and unscheduled) very closely, and have alerts and monitoring tools in place to ensure all necessary actions are taken when these events occur. In the case of the POS and other mission-critical systems, operations are automatically failed over to our secondary facility, ensuring zero perceived down-time to end users. GHS will work with the DVHA to put in place procedures to notify the State when an issue such as this occurs.

In the event we do not meet the required measurement, we will undertake an assessment to determine the cause of the discrepancy. Once identified, we will devise and implement a plan to prevent the issue from occurring again, though updated procedure and/or updates to our technical infrastructure.

P1.8 Unscheduled System down time per occurrence- The amount of time that the PBM Service has an unscheduled downtime will not exceed 2 hours per occurrence, and no more than 2 incidents per year.

GHS will guarantee that the amount of time that the PBM Service has an unscheduled downtime will not exceed 2 hours per occurrence, and that there will be no more than 2 occurrences annually. GHS has system monitoring tools in place that record the active / inactive status of any technical component within our data center or facility infrastructure, in particular the pharmacy POS claims adjudication system.

Key members of our Network Services staff are alerted immediately upon failure of a primary system. In the case of the POS and other mission-critical systems, operations are automatically failed over to our secondary facility, ensuring zero perceived down-time to end users. GHS will work with the DVHA to put in place procedures to notify the State when an issue such as this occurs.

In the event we do not meet the required measurement, we will undertake an assessment to determine the cause of the discrepancy. Once identified, we will devise and implement a plan to prevent the issue from occurring again, though updated procedure and/or updates to our technical infrastructure.

12.2 System Disaster Recovery Performance Measures

P1.9 Recovery Time Objective (RTO) will be within 4 hours. In case of a disaster that effects the PBM operations, the entire service shall be restored within 4 hours

GHS will guarantee a Recovery Time Objective (RTP) of no more than 4 hours for all systems and components of the DVHA PBM solution in the case of a disaster. This will be achieved by leveraging redundant systems within our home data center and (in the event of a catastrophic failure or disaster event) our secondary data center location. Our secondary facility is a mirrored backup of key systems within our data center, with support for automatic failover of mission-critical PBM components, such as the POS claims adjudications system. GHS leverages both its technology and PBM platform stacks to maintain a high Service Level Agreement (SLA) environment for all our current clients. For example, GHS has the ability to switch the POS claims adjudication from a primary server to a secondary or tertiary server (both within our own data center and to our secondary data center location) though mirroring technology, which provides automatic failover and high availability.

All recoveries are actively monitored and executed by our Network Services team following documented procedures.

P1.10 Recovery Point Objective (RPO) will be no more than 1 hour of data loss. In case of a disaster that effects the PBM operations, 1 hour of data inputs to the system (but no more) may be lost and need to be re-entered.

GHS will guarantee a Recovery Time Objective (RPO) of no more than 1 hour of data loss for all systems and components of the DVHA PBM solution in the case of a disaster. Critical systems, such as the POS claims adjudication system, have secondary and tertiary systems within our primary data center that mirror data from the primary production system. For all system, GHS performs data backup onsite and offsite through SAN and system replication.

12.3 Call Center Performance Measures

P1.11 First Call resolution Rate will be 95% or greater. First contact completion applies when the first person the customer reaches either answers the question, resolves the problem, or dispatches service where appropriate.

GHS will guarantee a first call resolution rate of 95% or greater GHS will work with the State to document the exact criteria for determining when a call can be considered resolved. We will then develop reporting to measure these criteria and report activity to appropriate stakeholders. Reporting of call resolution rates and activities will be provided through standard reporting. The report will specifically identify outliers that may indicate a need for remediation.

Proactively, GHS will ensure call center staff are well trained and have sufficient access to the information they need to answer regarding POS / provider operations. If a trend of unsuccessful call resolutions is discovered, we will discover the root cause and implement training to address this.

P1.12 Call Answering Time - 95% of all calls entering the hold queue will be answered within 30 seconds by an agent with 90% of those answered within 20 seconds and the remaining answered within 40 sec.

GHS will work to ensure help desk agents answer 90% of all incoming calls entering the hold queue within 20 seconds, 95% within 30 seconds, and any remaining within 40 seconds. The Cisco Unified Contact Center Enterprise phone system used by GHS measures the amount of time from the call entering our system to being answered by an agent. Standard phone system reporting can be configured to measure the average length of time needed to answer calls, as well as outliers that a beyond any performance requirement.

GHS will ensure sufficient staff is available to answer calls, adding staff when necessary at times of expected high call volume. We continually assess our staffing levels, and a consistent increase in duration in call answer times would indicate the need for additional staffing and/or revised call center procedures.

P1.13 Call abandonment Rate will be 3% or less. This is the % of calls that are disconnected/abandoned after entering the hold queue.

GHS will work to ensure that the call abandonment rate is no greater than 3% after entering the hold queue. The Cisco Unified Contact Center Enterprise phone system used by GHS tracks abandoned calls. Standard phone system reporting can be configured to measure the abandon rate of calls.

GHS will ensure sufficient staff is available to answer calls, adding staff when necessary at times of expected high call volume. We continually assess our staffing levels, and a consistent increase in abandoned calls would indicate the need for additional staffing and/or revised call center procedures.

12.4 POS System SLRs

P1.14 The POS system provided to the Pharmacies will operate with 24x7x365 availability no less than 99.9% of the time – except for Vendor scheduled downtime approved by the State of Vermont

GHS will provide full help desk support for the DVHA PBM solution with 24x7x365 coverage no less than 99.9% of the time, with the exception of scheduled downtime approved by the State. GHS currently provides 24/7/365 emergency support for technical and business operations to all current PBMS clients. In addition, Department staff will have access to the Pharmacy Services Account Manager and Project Manager and other key staff assigned by GHS to the project and ongoing operations during regular business hours.

GHS will work with the DVHA to document the appropriate methods for request and approval of help desk downtime.

P1.15 Average POS response time of three seconds or less on all transactions. (Response time means the time from when the claim is received by the Vendor's processor to the time the results are transmitted from the Vendor's processor and includes all procedures required to complete claim adjudication.)

GHS will support a 3-second or less pharmacy claim adjudication response time, as calculated from the time our POS receives the claim form the pharmacy switch until the adjudicated claim response is delivered from our POS back to the pharmacy switch. We will ensure that all pharmacy switch vendors connected to the Pharmacy POS system provided by GHS maintain a Service Level Agreement with GHS to support this requirement.

Currently, ninety-five percent of all pharmacy claims adjudicated by GHS (once received from the pharmacy switch), including those with complex PA avoidance criteria, process on average in under 250 milliseconds (1/4 second), while the remaining 5% of claims process on average in under 500 milliseconds (1/2 second).

P1.16 The Vendor must notify staff designated by the State of Vermont of performance issues impacting POS adjudication within 15 minutes of the Vendor's knowledge of the system problems. The State of Vermont will provide procedures for after-hours contact during the Design, Development, and Implementation phase of the Contract.

GHS will notify staff designated by the State of any real or potential performance issues impacting the POS within 15 minutes of discovery. The initial report will include all information known at the time of the incident, with follow-up reports provided as more information is discovered and/or confirmed. Working with the Department, GHS will document the process for reporting problems such as this and related impacts in the Communication Management Plan, including procedures for after-hours contact.

In the event that any real or potential issue is identified, GHS will work to identify the root cause, perform an impact assessment, define a solution, and (when necessary) seek Department approval to remediate the issue. The issue / problem / defect resolution processing follows a similar workflow to the change management process, though defects are typically given a much higher priority and are expedited for completion.

P1.17 99% of enrollment eligibility data and provider enrollment data is updated within _____ of receipt of the eligibility and provider information, including electronic file transfers and manual updates.

GHS will update 99% of enrollment eligibility data and provider enrollment data daily, in coordination with the current ACCESS system (initially) and (later) the planned replacement integrated eligibility

system. GHS quantifies the success of file updates by performing compares between the original data file(s) and their condition after being loaded to the staging (pre-production) platform. QA reports play a critical role in our ongoing process for performing reference data updates. Our operations staff review these reports to ensure there are no errors prior to updating reference data in production systems.

Proactively, GHS has file update tools and procedures that ensure updates are made in a timely manner and with greater than 99% accuracy. In the event we do not meet the required measurement, we will undertake an assessment to determine the cause of the discrepancy. If it's determined that the inaccuracy is the fault of a GHS procedure, tool, or employee, we will ensure that training and/or an enhancement is put in place to mitigate the chance of recurrence.

GHS understands that the State is currently providing enhancements to the current eligibility system and procuring a new integrated eligibility system. During the development of the new state eligibility system, GHS will work with the Department and the replacement eligibility system vendor to establish an eligibility update process that will occur as close to real time as possible after final implementation.

P1.18 99.9% of all prescription claims will be processed accurately.

GHS will process and adjudicate 99.9% of all prescription claims accurately. GHS conducts POS claims adjudication to ensure accuracy in excess of 99.9%. Any inaccuracies in claims payment are typically discovered through post-payment analysis, either by GHS (using standard reporting), the MMIS, State, or other party. GHS will work with the DVHA to establish a procedure for reporting claim payment errors, as well as post payment QA reports.

Proactively, GHS conducts POS claims adjudication and maintenance activities to ensure accuracy greater than 99.9%. This is achieved through rigorous QA and testing. In the event that a claim is found to have paid in error, we will first determine if it's the result of an error in the claim data, reference data, and/or an error in the POS claims adjudication system itself. For errors originating from the claim, the claim can simply be reversed and re-processed with the correct information to resolve the issue. For inaccuracies resulting from reference data, we will work with the source of this data (whether internal or external to GHS) to correct the data. Once the reference data is corrected, it is loaded using the normal reference data update processes, then the claim reversed and re-processed. For inaccuracies resulting from an error in the POS, GHS will first resolve the underlying error in the POS, then reverse and re-process the original claims. In these last two scenarios we would also identify all other claims paid improperly as a result of the error and reprocess those, with the State's approval.

P1.19 99.9% of all prescription claims will be processed accurately.

GHS will process and adjudicate 99.9% of all prescription claims accurately. GHS conducts POS claims adjudication to ensure accuracy in excess of 99.9%. Any inaccuracies in claims payment are typically discovered through post-payment analysis, either by GHS (using standard reporting), the MMIS, State, or other party. GHS will work with the DVHA to establish a procedure for reporting claim payment errors, as well as post payment QA reports.

Proactively, GHS conducts POS claims adjudication and maintenance activities to ensure accuracy greater than 99.9%. This is achieved through rigorous QA and testing. In the event that a claim is found

to have paid in error, we will first determine if it's the result of an error in the claim data, reference data, and/or an error in the POS claims adjudication system itself:

- For errors originating from the claim, the claim can simply be reversed and re-processed with the correct information to resolve the issue.
- For inaccuracies resulting from reference data, we will work with the source of this data (whether internal or external to GHS) to correct the data. Once the reference data is corrected, it is loaded using the normal reference data update processes, then the claim reversed and re-processed.
- For inaccuracies resulting from an error in the POS, GHS will first resolve the underlying error in the POS, then reverse and re-process the original claims.

In these last two scenarios we would also identify all other claims paid improperly as a result of the error and reprocess those, with the State's approval.

12.5 Other SLRs

P1.17 The PBM Vendor will notify the State according to HIPAA requirement of any security or data breach including PHI or PII data breach and will follow and be responsible for the incident response procedures and activation.

GHS will notify the State according to HIPAA requirement of any security or data breach including PHI or PII data breach. We will then assess the breach and execute incident response procedures to correct the underlying issue and mitigate any damage that may have been caused by the breach. GHS uses a number of methods and procedures for measuring compliance with federal legislation. This is primarily done through planning and ongoing monitoring, though some regulations can be monitored through reporting. A breach of any key federal regulation, including HIPAA, will be reported to the State in a timely manner. GHS will work with the State to document the desired process for reporting any breach of compliance.

Proactively, GHS has procedures implemented to ensure that federal compliance is met and maintained. In the event a breach in compliance is discovered, GHS will undertake an assessment to determine the cause of the breach. Once identified, we will devise and implement a plan to prevent the issue from occurring again and mitigate any damage caused by the breach.

P1.18 The PBM Vendor will be required to correct any Federal or State audit findings specific to the PBM System environment in the time frame specified in the audit report.

GHS is prepared to address the findings of any audit in a timely manner consistent with DVHA requirements and any guidelines set forth by the audit itself. This would include those specifically regarding the DVHA PBM system environment.

GHS is accustomed to participating in industry, state and federal audits and certifications and is prepared to work with the Department to any federal audit required. It is standard procedure for GHS, in consultation with the client, to create and implement a mitigation strategy for any deficiencies found as the result of an audit. GHS is prepared to provide the same level of service to Vermont. GHS currently

participates in annual SSAE 16 (formerly SAS 70) audits that include review of controls specific to the PBM systems environment.

P1.19 The PBM Vendor will provide a detailed approach to Operational Management in line with the State's strategy. Additionally, the Vendor will provide detailed Operational information on automated and manual tools as well as details on processes that will be performed by the PBM Vendor to ensure effective system control, reliability, documentation, and recovery.

GHS will provide a detailed approach to Operational Management in line with the State's strategy. We will develop an Operations Management Plan specifically for the DVHA PBM project, including all provide detailed Operational information on automated and manual tools as well as details on processes that will be performed by the PBM Vendor to ensure effective system control, reliability, documentation, and recovery.

GHS has a relatively simple but highly effective approach to ongoing operations. Our primary goals are to meet or exceed the States requirements with regard to operations activities and performance and assure we're capable of facilitating changes that will inevitably occur. We achieve a high-quality operational environment using the following methods and techniques:

- Operating facilities and housing staff within the States to whom we provide services, close to State offices;
- Maintaining internal and client-specific product enhancement plans for all our solutions;
- Refining and executing plans to achieve higher levels of MITA Maturity;
- Monitoring, State, Federal, and related industry standards and planning for any forthcoming updates to policy or standards effecting pharmacy benefit management;
- Maintaining and following a detailed Operations Change Management Plan and related policy, workflow, and procedures;
- Hiring and training capable staff, re-hiring the knowledgeable staff that operated the past PBM solution when appropriate; and
- Monitoring Service Level Agreements and Key Performance Indicators (SLA/KPI), reacting in a timely manner in the event that indicators are near to or below minimal standards or requirements.

All GHS functional teams have experience supporting ongoing operations, including all deliverables and activities specified in the DVHA PBM RFP. We perform operations support in 4 states, each similar scope to the DVHA PBM project. Clear specifications for operations services and related requirements will be documented in an Operations Management Plan, reflecting the requirements presented in the RFP and the procedures and best practices GHS follows internally. This will reflect all requirements specified in the Requirements Traceability Matrix as they apply to ongoing operations and any clarifications or updates captured during development, operations readiness, or during/after implementation and the start of ongoing operations.

P1.20 Provide the capability to track, monitor, and report on all activities as defined within SLAs.

GHS has the capability to track, monitor, and report on all activities defined within the SLAs for our current clients. These SLAs should align with those of the State of Vermont, in which case they can be configured and implemented with little risk. We can also configure and develop new reporting to address any new SLA reporting that may be required.

P1.21 Provide an automated real-time capability to track and monitor performance of all system components (End-to-End).

Provide an automated real-time capability to track and monitor performance of all system components (End-to-End). GHS will Our Data Center and Network have systems in place to monitor performance and alert Systems Administrators of real or potential issues in real-time. This encompasses all components that will make up the operational DVHA PBM solution.

P1.22 The PBM Vendor will meet all HIPAA standards for the protection of PHI and PII data and will be held responsible to remediate any system breach that results in identify theft. The Vendor will be responsible for all fines and damages related to any breach of PHI or PII data security.

GHS currently meets all HIPAA standards for the protection of PHI and PII data, and will do so for the DVHA PBM Project. GHS understands that this organization will be responsible for remediation of any system breach that results in identify theft, including any resulting fines and damages. GHS uses a number of methods and procedures for measuring compliance with HIPAA requirements. This is primarily done through planning and ongoing monitoring, though some laws and regulations can be monitored through reporting.

A breach of any HIPAA requirement, including PHI or PII data will be reported to the State within 2 hours of becoming known to GHS. GHS will work with the State to document the desired process for reporting any breach of HIPAA requirements. Once resolved, the State will be provided with a full report of the issue and its resolution.

Proactively, GHS has procedures implemented to ensure that compliance HIPAA regulations is met and maintained. In the event a breach in HIPAA compliance is discovered, GHS will undertake an assessment to determine the cause of the breach. Once identified, we will devise and implement a plan to prevent the issue from occurring again, and address any damage that may have been done.

P1.23 The PBM Vendor will meet all federal mandates and deadlines for compliancy as defined the Regulatory and Security tab. All Security efforts, to bring the PBM System under compliance, will not be considered as separately payable under the PBM System Application Support arrangement but should be factored into the overall cost for providing the system to State.

GHS has methods and procedures in place to ensure the DVHA PBM solution will meet all federal mandates and deadlines for compliancy as defined the Regulatory and Security tab of RFP Template I. The specific detail regarding our approach are addressed in Section I, subsection 3.0 A3-Regulatory and Security.

We understand that Security efforts, to bring the PBM System under compliance, will not be considered as separately payable under the PBM System Application Support arrangement but will be factored into the overall cost for providing the system to State.

P1.24 Facilitate the continued improvement of performance and process efficiency by providing reporting that includes both current values and historical data with sampling frequencies and timeframes.

GHS will facilitate the continued improvement of performance and process efficiency by providing reporting that includes both current values and historical data with sampling frequencies and timeframes. We currently develop a variety of reports such as these for our current clients, and typically take the form of standardized reports produced on a regular schedule. We also use outlier reports and ad-hoc reports for specific issues.

P1.25 Provide an automated performance monitoring system to measure operational performance against defined Service Level Agreements and report results using a Scorecard.

GHS' automated performance monitoring system will measure operational performance against defined SLAs. We will work with the State during DDI to define these metrics.

P1.26 The System will have the ability to generate administrative alerts and warnings when statistics indicate an impact or potential limits on system performance and availability. This includes alerts from every System component including the Database.

Members of our Network Services team are alerted by SMS, phone, and/or email when specific system events occur within the data center infrastructure. Specifically we receive notifications on system infrastructure and when certain system or infrastructure thresholds are reached or exceeded (ex., CPU, disk, network utilization). Alerts can be configured for any system within the data center or network infrastructure, including databases. These alerts are configured to generate the alerts and other types for warnings when monitoring systems indicate an impact or potential limits on system performance and availability. When an alert is received, the issue is reviewed and a specific procedure followed for the type of alert until it is resolved.

P1.27 The Vendor must notify staff designated by the Department of performance issues impacting PA processing within 30 minutes of the Vendor's knowledge of system problems.

GHS will notify any staff designated by the Department of performance issues impacting PA processing within 30 minutes of the Vendor's knowledge of system problems. This will be followed by additional details as they are discovered. Once resolved, the State will be provided with a full report of the issue and its resolution.

P1.28 100% of the monthly and quarterly standard management reports shall be available and delivered to the Department within 30 days after the end of each quarter.

GHS will deliver all quarterly reports within 30 days of the end of the quarter. GHS will deliver all monthly reports on the schedule mandated by the Department (we assume they will need to be delivered within a specified time-frame from the end of the month, not the end of a quarter).

12.6 Account Management

P1.29 85% of all calls are resolved within two business days of receipt

NOTE: GHS assumes that this requirement applies to calls other than those directed to the Call Center / Provider help desk, as this requirements indicates a less stringent performance measure.

GHS will resolve 85% of all calls related to account management within two business days of receipt.

P1.30 All written inquiries will be responded to within two business days

GHS will respond to all written inquiries (whether electronic or sent through the mail) within two business days.

P1.31 Ongoing change requests including programming changes requested the Department, are completed within 20 business days or 30 calendar days of receipt of the request, unless other time parameters are agreed to by the Department.

GHS will complete change requests in a timeframe that assures that all activities can be completed successfully and in agreement with the Department. If necessary, GHS can fast track changes on an exception or emergency basis, though this will likely increase the risk to ongoing operations or concurrent activities / change requests. Because the scope and complexity of change requests can vary greatly, GHS cannot affirm that all possible change request will be completed within 30 days of receipt: they must be addressed with the Department on a case-by-case basis.

P1.32 The Vendor guarantees a satisfaction rating of at least 100 for satisfied or very satisfied. The Vendor will survey Department staff and report results back to DVHA.

GHS is prepared to meet the Department's required satisfaction rating of at least 100 for satisfied or very satisfied, resulting from surveys of department staff. All results will be reported to the DVHA

12.7 Legal/ Contracting

P1.33 The Vendor guarantees the timing of response to the Department comments of the contract draft within 10 business days of the receipt of the contract requested changes.

GHS will use commercially reasonable efforts to respond to the Department comments of the contract draft within 10 business days of the receipt of the contract requested changes.

13.0 Service Level Requirements – Business Process Performance Measures

Instructions: Describe the approach to ensuring the Vendor processes and solution are able to meet the following Service Level Requirements. Include in this response the Vendor approach to measuring and reporting on these requirements, the process for remediating any non-compliant components. The Vendor may suggest alternate or additional SLR's that they deem appropriate.

Business Process Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach**	**Frequency of Measurement**
1. File Updates	Performs required file updates – eligibility, provider, drug coverage – as required based on the frequency established by the State, with 99% accuracy.	**Measurement:** GHS quantifies the success of file updates by performing compares between the original data file(s) and their condition after being loaded to the staging (pre-production) platform. **Reporting:** QA reports play a critical role in our ongoing process for performing reference data updates. Our operations staff review these reports to ensure there are no errors prior to updating reference data in production systems. **Remediation:** Proactively, GHS has file update tools and procedures that ensure updates are made in a timely manner and with greater than 99% accuracy. In the event we do not meet the required measurement, we will undertake an assessment to determine the cause of the discrepancy. If it's determined that the inaccuracy is the fault of a GHS procedure, tool, or employee, we will ensure that training and/or an enhancement is put in place to mitigate the chance of recurrence.	Monthly

Business Process Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach**	**Frequency of Measurement**
2. Point-of-Sale Network System Downtime	Unscheduled system downtime will be no greater than 2 hours per incident; not to exceed 2 times per contract year	**Measurement:** GHS has system monitoring tools in place that record the active / inactive status of any technical component within our data center or facility infrastructure, in particular the pharmacy POS claims adjudication system. **Reporting:** Key members of our Network Services staff are alerted immediately upon failure of a primary system. In the case of the POS and other mission-critical systems, operations is automatically failed over to our secondary facility, ensuring zero perceived down-time to end users. GHS will work with the DVHA to put in place procedures to notify the State when an issue such as this occurs. **Remediation:** In the event we do not meet the required measurement, we will undertake an assessment to determine the cause of the discrepancy. Once identified, we will devise and implement a plan to prevent the issue from occurring again, though updated procedure and/or updates to our technical infrastructure.	Monthly

Business Process Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach**	**Frequency of Measurement**
3. Prior Authorizations	All requests for Prior Authorization shall be acted upon within 72 hours	**Measurement:** Our clinical PA determination system time and date stamps every activity that occurs in the workflow, from receipt of the PA request through return of the PA determination notification, as well as any follow-up activity that may occur. **Reporting:** GHS regularly produces scheduled reports that identify the overall average PA determination time, as well as outliers that are outside of any SLR. **Remediation:** Proactively, GHS has procedures implemented to ensure that PA requests are assigned to a Technician in the order in which they are received. In the event that a PA is not assigned within the period of time indicated in the SLR, GHS will undertake an assessment to determine the cause of the error. Once identified, we will devise and implement a plan to prevent the issue from occurring again, though updated procedure or enhancements to the PA system.	Monthly

Business Process Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach**	**Frequency of Measurement**
5. Retail Point-of-Sale Claims Adjudication Accuracy	Financial accuracy rate of at least 99% for all pharmacy claims processed at point-of-sale.	**Measurement:** GHS conducts POS claims adjudication to ensure accuracy far greater than 99% **Reporting:** Inaccuracies in claims payment are typically discovered through post-payment analysis, either by GHS, the MMIS, State, or other party. GHS will work with the DVHA to establish a procedure for reporting claim payment errors. **Remediation:** Proactively, GHS conducts POS claims adjudication and maintenance to ensure accuracy far greater than 99%. This is achieved through rigorous QA and testing. In the event that a claim is found to have paid in error, we will first determine if it's the result of an error in the claim data or an error in the POS claims adjudication system itself. For errors originating from the claim, the claim can simply be reversed and re-processed with the correct information to resolve the issue. For inaccuracies resulting from an error in the POS, GHS will first resolve the underlying error in the POS, then reverse and re-process the original claims. In this scenario we would also identify all other claims paid improperly as a result of the error and reprocess those, with the State's approval.	Monthly

Business Process Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach**	**Frequency of Measurement**
6. Payment Accuracy	The MMIS and PBM Vendor to quickly identify, correct and report to DVHA any erroneous payments from the MMIS, and ensure that no overpayments or underpayments are made from State or Federal funds	**Measurement:** Erroneous payments will be identified through post-payment analysis, which GHS will coordinate with the MMIS and the State. **Reporting:** GHS will work with the DVHA and the MMIS vendor to document a process for reporting the discovery of erroneously paid claims to the appropriate parties, in a timely manner. **Remediation:** GHS will coordinate with the State and MMIS to reverse and re-bill any claim that is determined to be underpaid or overpaid.	Monthly
7. First Call Resolution	First call resolution rate will be 95% or greater. First contact completion applies when the first person the customer reaches either answers the question, resolves the problem, or dispatches service where appropriate.	**Measurement:** GHS will work with the State to document the exact criteria for determining when a call can be considered resolved. We will then develop reporting to measure these criteria and report activity to appropriate stakeholders. **Reporting:** Reporting of call resolution rates and activities will be provided through standard reporting. The report will specifically identify outliers that may indicate a need for remediation. **Remediation:** Proactively, GHS will ensure call center staff are well trained and have sufficient access to the information they need to answer regarding POS / provider operations. If a trend of unsuccessful call resolutions is discovered, we will discover the root cause and implement training to address this.	Monthly

Business Process Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach**	**Frequency of Measurement**
8. Call Answering Time	95% of all calls received will be answered within 30 seconds	**Measurement:** The Cisco Unified Contact Center Enterprise phone system used by GHS measures the amount of time from the call entering our system to being answered by a technician. **Reporting:** Standard phone system reporting can be configured to measure the average length if time needed to answer calls, as well as outliers that a beyond the SLR. **Remediation:** GHS will ensure sufficient staff is available to answer calls, adding staff when necessary at times of expected high call volume. We continually assess our staffing levels, and a longer duration in call answer time would indicate the need for additional staffing and/or revised call center procedures.	Monthly

Business Process Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach**	**Frequency of Measurement**
9. Call Abandonment Rate	Not more than 3% of all calls will be abandoned	**Measurement:** The Cisco Unified Contact Center Enterprise phone system used by GHS tracks abandoned calls. **Reporting:** Standard phone system reporting can be configured to measure the abandon rate of calls. **Remediation:** GHS will ensure sufficient staff is available to answer calls, adding staff when necessary at times of expected high call volume. We continually assess our staffing levels, and a consistent increase in abandoned calls would indicate the need for additional staffing and/or revised call center procedures.	Monthly

Business Process Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach**	**Frequency of Measurement**
10. Federal Compliance	Compliant with key Federal legislation (e.g. HIPAA, ADA, OSHA, etc.) in all activities	**Measurement:** GHS uses a number of methods and procedures for measuring compliance with federal legislation. This is primarily done through planning and ongoing monitoring, though some regulations can be monitored through reporting. **Reporting:** A breach of any key federal regulation will be reported to the State in a timely manner. GHS will work with the State to document the desired process for reporting any breach of compliance. **Remediation:** Proactively, GHS has procedures implemented to ensure that federal compliance is met and maintained. In the event a breach in compliance is discovered, GHS will undertake an assessment to determine the cause of the breach. Once identified, we will devise and implement a plan to prevent the issue from occurring again.	Monthly

Business Process Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach**	**Frequency of Measurement**
11. State Compliance	Compliant with Vermont Law in all activities	**Measurement:** GHS uses a number of methods and procedures for measuring compliance with applicable laws of our client states. This is primarily done through planning and ongoing monitoring, though some laws and regulations can be monitored through reporting. **Reporting:** A breach of any Vermont State law will be reported to the State in a timely manner. GHS will work with the State to document the desired process for reporting any breach of compliance. **Remediation:** Proactively, GHS has procedures implemented to ensure that compliance with laws is met and maintained. In the event a breach in compliance is discovered, GHS will undertake an assessment to determine the cause of the breach. Once identified, we will devise and implement a plan to prevent the issue from occurring again.	Monthly

Business Process Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach**	**Frequency of Measurement**
12. Privacy and Security	Compliant with all HIPAA requirements for privacy and security in all activities, breaches will be reported within 2 hours of becoming known by the Vendor	**Measurement:** GHS uses a number of methods and procedures for measuring compliance with HIPAA requirements. This is primarily done through planning and ongoing monitoring, though some laws and regulations can be monitored through reporting. **Reporting:** A breach of any HIPAA requirement will be reported to the State within 2 hours of becoming known to GHS. GHS will work with the State to document the desired process for reporting any breach of HIPAA requirements. Once resolved, the State will be provided with a full report of the issue and its resolution. **Remediation:** Proactively, GHS has procedures implemented to ensure that compliance HIPAA regulations is met and maintained. In the event a breach in HIPAA compliance is discovered, GHS will undertake an assessment to determine the cause of the breach. Once identified, we will devise and implement a plan to prevent the issue from occurring again, and address any damage that may have been done.	Immediately

Business Process Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach**	**Frequency of Measurement**
13. Data Breach	Breaches in data access will be reported within 30 minutes of becoming known by the Vendor	**Measurement:** GHS uses a number of methods and procedures for monitoring for breaches in data access. This is performed using monitoring systems within our technical infrastructure. **Reporting:** In the event of a real or potential breach in data access, key members of our network services team are notified immediately. Within 30 minutes, GHS will notify the State with all information about the breach known at the time. This will be followed by additional details as they are discovered. Once resolved, the State will be provided with a full report of the issue and its resolution. **Remediation:** Proactively, GHS has security protocols and procedures in place to mitigate the possibility of a breach in data access. In the event a breach is discovered, GHS will undertake an assessment to determine the cause of the breach. Once identified, we will devise and implement a plan to prevent the issue from occurring again, and address any damage that may have been done.	Immediately

Business Process Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach**	**Frequency of Measurement**
16. Breach Notifications	Breaches in data access regulations shall be made known to the State	**Measurement:** GHS uses a number of methods and procedures for monitoring for breaches in data access. This is performed using monitoring systems within our technical infrastructure. **Reporting:** In the event of a real or potential breach in data access, key members of our network services team are notified immediately. Within 30 minutes, GHS will notify the State with all information about the breach known at the time. This will be followed by additional details as they are discovered. Once resolved, the State will be provided with a full report of the issue and its resolution. **Remediation:** Proactively, GHS has security protocols and procedures in place to mitigate the possibility of a breach in data access. In the event a breach is discovered, GHS will undertake an assessment to determine the cause of the breach. Once identified, we will devise and implement a plan to prevent the issue from occurring again, and address any damage that may have been done.	Monthly

14.0 Service Level Requirements – System Performance Measures

Instructions: Describe the approach to ensuring the Vendor processes and solution is able to meet the following Service Level Requirements. Include in this response the Vendor approach to measuring and reporting on these requirements, the process for remediating any non-compliant components. The Vendor may suggest alternate or additional SLR's that they deem appropriate.

System Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach to Measurement and Reporting**	**Frequency of Measurement**
1. On-line Availability	All Solution components as delivered shall be available 99.9% of the time.	**Measurement:** GHS has monitoring and reporting tools within its infrastructure that monitor the up-time of all PBM and supporting components. **Reporting:** In the event of a real or potential issue effecting system performance network services team are notified immediately. **Remediation:** Proactively, GHS ensures that our data center and facilities infrastructure has built in backups and redundancies that will trigger without human intervention, where reasonable and appropriate. This includes automatic fail-over to backups systems, such as the POS claims adjudication system. In the event a failure does appear, our staff follow standard procedures to address the issue identified and ensure it is resolved in a timely manner.	Monthly

System Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach to Measurement and Reporting**	**Frequency of Measurement**
2. On-line PBMS Application Response Times	The Vendor's PBM System response time will be no greater than 8 seconds and must average 3 seconds or less for all interactive system transactions, including claims processing, other than the reporting-related system interactions covered by the next 4 SLRs. The response time is measured as the time from when the users presses enter until the screen refresh in response is complete.	**Measurement:** GHS has monitoring and reporting tools within its infrastructure that monitor the up-time of all PBM and supporting components. **Reporting:** In the event of recurring response times that are outside of the established SLRs, our network services staff are notified. Performance issues are also reported by end users, following documented procedures. **Remediation:** Proactively, GHS ensures that our data center and facilities have sufficient capacity to handle typical and expected activity volumes, as well as sufficient excess capacity to handle spikes in activity. In the event that response times are shown to be consistently getting longer, GHS will implement a plan to add capacity and/or make changes to the system or application to address the issue.	Monthly

System Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach to Measurement and Reporting**	**Frequency of Measurement**
3. On-line Search and Lookup queries Response Times	The maximum response time for search and lookup performance is 3 seconds for 95 percent of the time. Maximum response time shall not exceed 15 seconds except for agreed to exclusions.	**Measurement:** GHS has monitoring and reporting tools within its infrastructure that monitor the up-time of all PBM and supporting components. **Reporting:** In the event of recurring search and lookup response times that are outside of the established SLRs, our network services staff are notified. Performance issues are also reported by end users, following documented procedures. **Remediation:** Proactively, GHS ensures that our data center and facilities have sufficient capacity to handle typical and expected activity volumes, as well as sufficient excess capacity to handle spikes in activity. In the event that response times are shown to be consistently getting longer, GHS will implement a plan to add capacity and/or make changes to the system or application to address decrease the length of response times.	Monthly

System Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach to Measurement and Reporting**	**Frequency of Measurement**
4. Dashboard Report Response Times	The maximum response time for a Dashboard report is 5 seconds from all user locations with a high-speed network connection (greater than 768KB), 95% of the time.	**Measurement:** GHS has monitoring and reporting tools within its infrastructure that monitor the up-time of all PBM and supporting components. **Reporting:** In the event of recurring dashboard response times that are outside of the established SLRs, our network services staff are notified. Performance issues are also reported by end users, following documented procedures. **Remediation:** Proactively, GHS ensures that our data center and facilities have sufficient capacity to handle typical and expected activity volumes, as well as sufficient excess capacity to handle spikes in activity. In the event that response times are shown to be consistently getting longer, GHS will implement a plan to add capacity and/or make changes to the system or application to address decrease the length of response times.	Monthly

System Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach to Measurement and Reporting**	**Frequency of Measurement**
5. Static Standard Report Response Times	The maximum response time for a Static Standard report is 5 seconds from all user locations with a high-speed network connection (greater than 768KB), 95% of the time.	**Measurement:** GHS has monitoring and reporting tools within its infrastructure that monitor the up-time of all PBM and supporting components. **Reporting:** In the event of recurring standard report response times that are outside of the established SLRs, our network services staff are notified. Performance issues are also reported by end users, following documented procedures. **Remediation:** Proactively, GHS ensures that our data center and facilities have sufficient capacity to handle typical and expected activity volumes, as well as sufficient excess capacity to handle spikes in activity. In the event that response times are shown to be consistently getting longer, GHS will implement a plan to add capacity and/or make changes to the system or application to address decrease the length of response times.	Monthly

System Performance Measures			
SLR Name	**Service Level Requirement**	**GHS Approach to Measurement and Reporting**	**Frequency of Measurement**
6. Parameter-based Report Response Times	The maximum response time for a parameter-based report is 20 seconds.	**Measurement:** GHS has monitoring and reporting tools within its infrastructure that monitor the up-time of all PBM and supporting components. **Reporting:** In the event of recurring search and lookup response times that are outside of the established SLRs, our network services staff are notified. Performance issues are also reported by end users, following documented procedures. **Remediation:** Proactively, GHS ensures that our data center and facilities have sufficient capacity to handle typical and expected activity volumes, as well as sufficient excess capacity to handle spikes in activity. In the event that response times are shown to be consistently getting longer, GHS will implement a plan to add capacity and/or make changes to the system or application to address decrease the length of response times.	Monthly

15.0 Non-Functional Requirements Assumptions

Item #	Reference	Description	Rationale
Item #	Reference	Description	Rationale
1	2.0, A2.1 Interoperability and Integration	GHS assumes that security techniques used are expect to be complaint with standards and policies of the industry that are acceptable to the State and Federal policies and requirements	Security should be standardized and based on Health care standards to assure privacy for the members
2	2.0, A2.5 Interoperability and Integration	GHS is assuming cooperation with third party systems and vendors to assure successful interface connections	Full participation required by all parties to assure timing and connectivity for interfaces and file transfers
3	3.0 Regulatory and Security	GHS assumes that Vermont understand HIPAA and current privacy policies that as associated with security breach resolutions	Security breach prevention and resolution policy must be firmly defined and understood by all participants
4	3.1 A3.17 General Section	GHS assumes that Vermont has evaluated their current system under the guidelines of the CMS MITA maturity model	Understanding the MITA maturity of Vermont Medicaid will provide GHS with the intended timeline for future enhancements and integrations
5	4.0 A4-User Interface	GHS assumes that all parties using the User Interfaces in the PBMS solution will have industry standard compatible hardware and software	Hardware and software systems must be able to connect to a network and/or the internet and have the ability to use a standard web browser
6	5.0 BI and Reporting	GHS assumes that the selected State or third party persons using the software will have the skills to run reports and analytics	Business Intelligence and Reporting will require a level of skill and understanding of the data sets
7	6.0 Project Management	GHS assumes that the State selected Project Management team will have training and understanding of Microsoft Project software and PMI standards	MS Project is an industry standard for project management tracking and requires a medium knowledge base to read and understand
8	6.5 Issue Management	GHS assumes that the State will have defined staff to accept issue reporting from Vendor and authority for approval of resolution process	A State representative will be given access as an approver in the Vendor's issue management software solution
9	7.1 Change Management	GHS assumes that the State will have defined staff to accept change requests from Vendor and authority for approval of change requests	A State representative will be given access as an approver in the Vendor's change management software solution

10	8.0 I3-Testing and Validation	GHS assumes that the State will make available knowledgeable staff to participate in acceptance testing	An expected level of understanding of the business processes is needed to accurately test the system prior to release to production
11	9.0 I4-Data Conversion and Migration	GHS assumes that the prior vendor will participate and supply necessary direction and data dictionaries for a successful migration of the State's existing data	Cooperation between vendors is paramount to the timely success of deployment
1.	I1.9	When referring to "internal communications" assumes 'internal' means all staff directly participating in the DVHA PBM project, including GHS, the DVHA, and other primary stakeholder groups requested by the State.	The term is somewhat subjective and depends on context.

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Section J – Work Plan

1.0 Instructions

The Vendor must submit an Implementation Phase Work Plan that will be used to create a consistent and coherent management plan. This Work Plan will demonstrate that the Vendor has a thorough understanding for the scope of work and what must be done to satisfy the project requirements and implement a pharmacy benefit management system and services that meet the requirements of the State.
The Work Plan must include detail sufficient to give the State an understanding of how the Vendor's knowledge and approach will:
☐ *Manage the Work;*
☐ *Guide Work execution;*
☐ *Document planning assumptions and decisions;*
☐ *Facilitate communication among stakeholders; and*
☐ *Define key management review as to content, scope, and schedule.*
At a minimum, the Vendor's Work Plan must include the following:
☐ *Work breakdown structure;*
☐ *High Level Project schedule for all project deliverables and milestones;*
☐ *Who is assigned responsibility for each deliverable within the work breakdown structure to the level at which control will be exercised;*
☐ *Identification of deliverables that require a more prompt State acceptance than described in the RFP including the proposed acceptance period for the deliverable;*
☐ *Performance measurement baselines for technical scope and schedule;*
☐ *Major milestones and target date(s) for each milestone that are consistent with this RFP's dates;*
☐ *Description of the Vendor's proposed organization(s) and management structure responsible for fulfilling the Contract's requirements and supporting the work, in terms of oversight and control;*
☐ *Definition of the review processes for each milestone and deliverable (e.g. mandatory design review) and a description of how the parties will conduct communication and status review;*
☐ *Description of the project issue resolution process including an escalation plan, where the escalation plan includes contact information for each person identified in the proposed problem reporting and escalation procedure and describes the amount of time elapsed before a problem is escalated within their organization; and*
☐ *If the Vendor chooses to use subcontractors, this part of the Vendor's proposal must describe its approach to managing its subcontractors effectively.*

Our draft work plan and schedule for the DVHA PBM project is provided on the following pages. This work plan provides a work breakdown structure, project schedule as well as project milestones and deliverables. After contract award GHS will work with the State, DVHA, and other key stakeholders to further refine the details of the Project Work Plan until it is a full, complete, and accurate representation of the intended DVHA PBM project.

The work plan contains a proposed approach to project deliverable review and acceptance, which is also described in greater detail in section 6.0 I1 Project Management of this proposal. Included with the work plan is a draft Project Management Plan template, which GHS typically uses to capture the organization and management structure, oversight and control methods, communication management, as well as issue resolution and management. This template will be populated with information during the start-up phase of the project and will be tailored to the needs of DVHA and in accordance with the project management standards promoted by Vermont's EPMO. Detailed descriptions of the above items and GHS' approach to each are also contained in Section I, subsection 6.0 I1 Project Management of this proposal.

Draft DVHA PBM Project Work Plan and Schedule

The Draft DVHA Project Work Plan and Schedule has been provided with the printed copies of this proposal. With the electronic version of this response and electronic copy of the Project Work Plan and Schedule has been included. With the printed copies, they are provided on the following pages.

Project Management Plan Template

A Project Management Plan Template for the DVHA PBM project is provided on the following pages.

Agency of Human Services
Department of Vermont Health Access (DVHA)

Project Management Plan

Template for Submission with RFP Response

Prepared by Goold Health Systems, an Emdeon company
November 15, 2013

Project Management Plan	
Document Author:	Project Manager
Document Reviewer:	Account Manager
Date Submitted:	MM/DD/YYYY
Deliverable Title:	Project Management Plan
WBS ID:	
File Name:	

Prepared by Goold Health Systems for RFP Submission
Company Confidential and Proprietary
This document is software revision controlled. Printed version may not be current.

Revision Log

This chart contains a history of this document's revisions. The entries below are provided solely for purposes of illustration. Entries should be deleted until the revision they refer to has actually been created.
The document itself should be stored in revision control. Revisions do not need to be described elsewhere in the document except inasmuch as they explain the development plan itself.

Version	Primary Author(s)	Description of Version	Date Completed
Draft	TBD	Initial draft created for distribution and review comments	TBD
Preliminary	TBD	Second draft incorporating initial review comments, distributed for final review	TBD
Final	TBD	First complete draft, which is placed under change control	TBD
Revision 1	TBD	Revised draft, revised according to the change control process and maintained under change control	TBD
Revision 2	TBD	Revised draft, revised according to the change control process and maintained under change control	TBD
etc.	TBD	TBD	TBD

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Executive Summary

The paragraphs written in blue italics style are for the benefit of the person writing the document and should be removed before the document is finalized.

The purpose of this document is to outline the methodology for handling new projects, both internal and external to the company. The intent is to base the methods and processes after the Project Management Body of Knowledge – Fifth Edition (ANSI/PMI 99-001-2013) and IEEE Standard 16326-2009 (was IEEE 1058-1998) for Systems and Software Engineering, Life Cycle Processes, Project Management, as applicable to our unique needs.

Projects will be broken into 5 major sections, Initiate, Plan, Execute, Monitor & Control, and Close. Executive sign-off will be required after key milestones and deliverables are completed as part of the process. Each project shall have an executive sponsor.

Areas of the templates not used shall be stricken out and included as part of executive and management sign-off. Similarly, areas needing to be expanded upon shall be added where appropriate prior to sign-off.

The Executive Summary is intended to give a high level overview of the project scope and the approach that will be taken to management of this project.

Project Outline

Areas of the templates not used shall be stricken out below and any references or tables deleted.

Initiate
Develop project charter (authorize project)
Identify Project Sponsor / Initiator
Define Preliminary Work Statement / Contract

Plan
Develop project management plan
Scope planning
Scope definition
Create WBS
Activity Sequencing
Activity resource estimating
Activity duration estimating
Schedule development
~~Cost estimating~~
~~Cost budgeting~~
Quality planning
Human resource planning
Communication planning
Risk management planning
Risk identification
Risk analysis
Risk response planning
Plan purchases and Acquisitions
Plan contracting

Execute
Direct and manage project execution
Perform quality assurance
Acquire project team
Develop project team
Information distribution
Request seller responses
Select sellers

Monitor and Control
Monitoring and controlling project work
Integrated change control
Scope verification
Scope control
Schedule control
~~Cost control~~
Perform quality control
Manage project team
Performance reporting
Manage stakeholders
Risk monitoring and control
Contract administration

Close
Close project
Contract closure

Related Documents

(to be located in same folder as project plan):
[Project Plan Name].MPP

1 Initiate

This section should describe the project and the product(s) delivered. No text is necessary between the heading above and the heading below unless otherwise desired.

1.1 Project Background and Rationale

Description of project motivation and goals.

1.2 Define Project Sponsor(s)

Who is requesting the project? What high level backing is there? Who will ultimately resolve resource conflicts?

Executive Sponsor:	<enter name and title>	**Executive Stakeholders:**	<enter name>
Project Sponsor:	<enter name and title>		<enter name>
	<enter name and title>		<enter name>
	<enter name and title>		

1.3 Responsibility

Project Manager	<enter name and title>	**Reviewers:**	<enter name >
Approvers:	<enter name and title>		<enter name>
	<enter name and title>		<enter name>
	<enter name and title>		<enter name>
	<enter name and title>		<enter name>
	<enter name and title>		<enter name>
	<enter name and title>		<enter name>
	<enter name and title>		<enter name>
	<enter name and title>		<enter name>

1.4 Preliminary Work Statement

What specific problem is this project trying to solve and what would constitute an acceptable solution? How will the infrastructure be different once the project is successfully completed?

2 Plan

2.1 Scope

Identify project boundaries, what's included, and what is not covered by this project.

2.2 Project Deliverables

Bulleted list all of the major items to be delivered, delivery dates, delivery locations, delivery method and quantities necessary to satisfy the project's requirements, with links to RFP requirements, if necessary.

2.3 Work Breakdown Structure

The work breakdown structure (WBS) is a method of representing, in a hierarchical manner, the component parts of a process or product. A product WBS partitions a large entity into its components. Each component and its interfaces are identified, resulting in a clearer identification of the larger system.

The project should be de-composed into at least three levels of detail with the lowest level being the tasks to be assigned to individual contributors. The WBS is located on the WBS tab in [Project Plan Name] Master Tables.xls

2.4 Activity Sequencing, Resource Estimating, Schedule Development

See [Project Plan Name] Master Tables.xls and [Project Plan Name].mpp

Activity sequencing, resource estimating, and schedule development should occur after the WBS is created. They are related to each other, but WBS item 1.1.2 is not necessarily followed by 1.1.3 chronologically.

2.5 Milestones

Bullet List those significant points that will occur during the execution of the project that can be used to assess its progress.

2.6 Schedule

Describe the schedule for the various project functions, activities, and tasks, taking into account the various dependencies and required milestone dates and deliverable dates. You can express schedules either as absolute calendar dates or as times relative to key project milestones (e.g., "requirements signed off + 60 days").

- See[Project Plan Name].MPP

2.7 Business Case

State whether a business case has been prepared or not and if one has been developed provide a reference to the document. Indicate whether the business case was approved.
Is this project to be gated or not? If so, what is the composition of the gating committee?

2.8 Organizational Structure

Describe the internal management structure of the project. Use an organization chart to describe the lines of authority and communication within the project.

2.9 Quality Plan

Document what is required to control quality.

2.10 Human Resource Planning

See [Project Plan Name] Master Tables.xls

Use a RASCI chart to identify who is responsible for what within the scope of this project. For each activity required by the project, identify who is responsible for doing the work (R); who is accountable for getting the work done (A); who must be consulted prior to completing the work (C); who must provide support in the creation and delivery of the work products (S); and who needs to be informed after the fact (I). These people are the project's stakeholders.

2.11 Communication Planning

Create a communications need chart based on project stakeholders identifying type of communication, how often it is needed, and when formal reviews will take place. Link to Communication Plan, if appropriate.

2.12 Risk Management Planning

Create a risk matrix that outlines the known risks through planning. Identified risks should have clear descriptions. Based on the analysis of known risks, they should be ranked and mitigation plans should be developed for any high-level risks. Note that any Positive risk should also be included here, such as taking the risk of implementing a new software product with the expectation it will perform better, even if the project only requires the currently released version. Risks with assigned mitigation plans should have tasks owners and be added to the project plan for visibility.

Link to Risk Management Plan, if appropriate.

2.13 Purchases, Acquisitions, and Contracting

Create a summary that outlines all required purchases and acquisitions. If contract or consultants have been identified as being required through Human Resource Planning, then the information should be included in the table.

3 Execute

3.1 Assumptions, Dependencies, and Constraints

Describe the assumptions upon which the project plans are based, the dependencies of the project plans, and the constraints upon the project plans (e.g., schedule, budget, quality, functionality, etc.) An assumption is something that can effect the project but you cannot control.

3.2 Perform Quality Assurance

Document quality audits or actions based on the Quality Plan.

3.3 Acquire and Develop Project Team

Based on project needs as outlined in Human Resource Planning, work with management and team leaders to identify all project team members and their roles. This information can then be fed back into the RASCI chart that previously may have had only functional titles (programmer, analyst, etc).

3.4 Information Distribution

Document distribution of significant information as outlined in the Communications Plan.

4 Monitor and Control

Describe how project, schedule, quality, and functionality will be tracked throughout the project. How often will the reviews take place, with whom?

4.1 Change Control Plan

A simple change control process must be established. A sample is available.
A simple change log should be kept; a template is provided.
Link to Change Management Plan, if appropriate.

Project Name:					
Change No.	Requested by:	Description	Action I D R	Target Date	Date Completed/Comme

I – Implement D – Defer R - Reject

4.2 Project Support Functions

If the project requires supporting processes such as configuration management, problem management, Help Desk support, etc, identify who is responsible for providing the function.

4.3 Additional Components

Include additional components needed to manage your specific project. Possibilities include subcontractor management plans, security plans, training plans, hardware/software procurement plans, facilities plans, installation plans, and maintenance plans.

4.4 System Documentation

List the documents that will be developed for the project, including, reviews, and signoffs for each document.
Two kinds of documentation are necessary; those that are outputs of the delivery process, and those that are fundamental to the project management process. Some of these documents may not be relevant for every project
The documentation list from the delivery process might include (this is not an exhaustive list):

- *System Requirements Specification*
- *System Design*
- *Test Plan*
- *Installation Plan*
- *Transition/Cut over Plan*
- *Service Level Agreement*
- *Operations Manual*
- *User Manual*

The project management process has only two principal documents:

- *Project Charter/Plan (this has many embedded documents)*
- *Project Status and Tracking Report*

Link to relevant documentation, as appropriate.

5 Close

5.1 Close Project

Document ant steps necessary to close the document

5.2 Lessons Learned

Document and file lessons learned

6 Appendix

1. Change Control Sheet
2. Weekly Status Report
3. Stakeholder Analysis
4. Action Item Tracking

Appendix 1: Change Control Sheet

Change Request
Generic Template for RFP Submission
Pharmacy Benefits Management System

<<Project>> Change Request Form	
SCOPE SUMMARY – *<short description of scope>*	
Requestor:	Date of request:
Description / Specifications of Work:	
Additional Stakeholders:	
Constraints:	Anticipated Delivery Date:
Total Estimated Effort (hrs):	
Related Tickets:	
DELIVERABLES	
Deliverable Description:	Due Date:
1:	
COST ESTIMATE	
GHS WORK APPROVAL (GHS team lead or designee)	
Accepted ☐ Rejected ☐ Deferred ☐	By: Date:
Approval Signature:	
Comments:	
DHHS WORK APPROVAL (Official designee)	
Accepted ☐ Rejected ☐ Deferred ☐	By: Date:
Approval Signature:	
Comments:	

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Company confidential and proprietary.

Page 1 of 1

Appendix 2: Weekly Status Report

<<Project Name>>

Weekly Project Status Report

Period:	**1/27/14 – 2/2/14**		
Submitted By:	Account Manager		
Project:	Pharmacy Benefits Management Solution		
Distribution:			
Project Status Summary:	GREEN		
Date:			
Status Item	**Current Status**	**Prior Status**	**Comments**
Project Status	GREEN	GREEN	No overall project concerns at this time
Scope	GREEN	GREEN	No scope concerns at this time
Resources	GREEN	GREEN	No resource concerns at this time
Change Management	GREEN	GREEN	No change management concerns at this time
Risks / Issues	GREEN	GREEN	No critical risks or issues at this time

GREEN = on schedule / time / budget / scope
YELLOW = behind schedule/scope slipping, may impact results
RED = behind schedule or expansion of scope, requires attention

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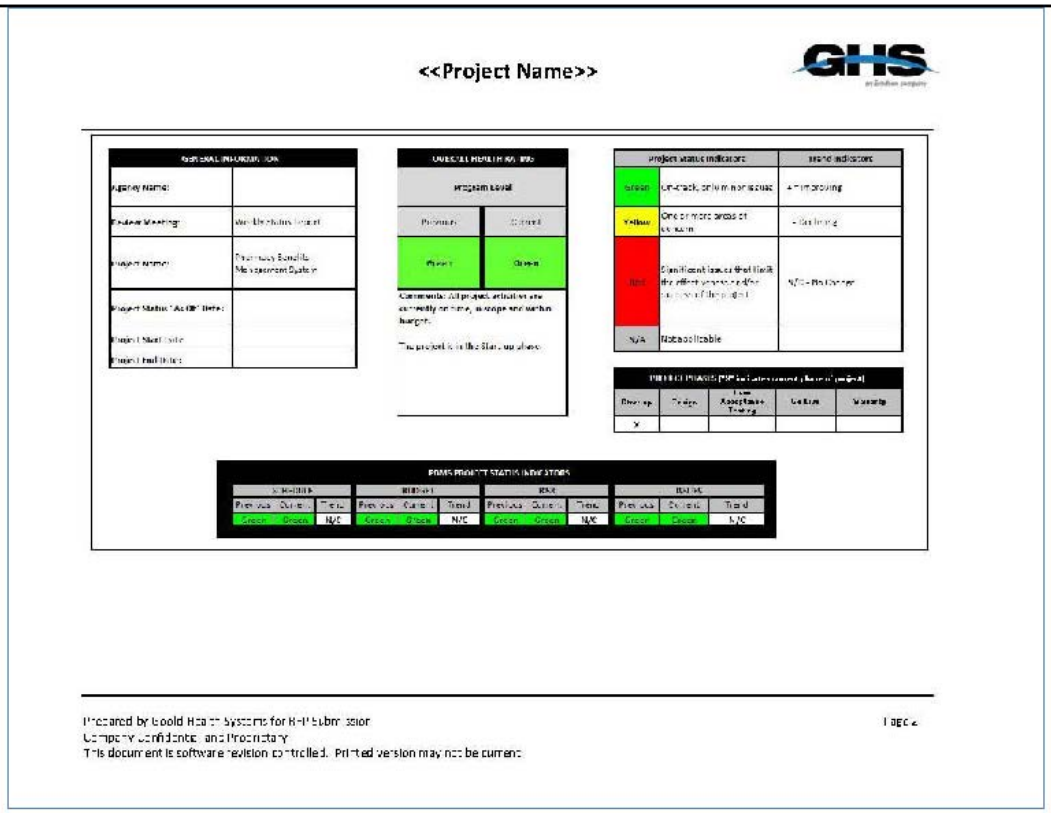

<<Project Name>>

GENERAL INFORMATION	
Agency Name:	
Project Manager:	Pharmacy Benefits Management Quality
Project Status / Audit Date:	
Project Start Date:	
Project End Date:	

OVERALL HEALTH INDICATOR	
Program Level	
Previous	Current
Green	Green

Comments: All project activities are currently on time, on scope and within budget.

The project is in the Start up phase.

Project status indicators		Trend indicators
Green	On-track, only minor issues	→ Improving
Yellow	One or more areas of concern	→ Declining
Red	Significant issues that likely will affect the success of the project	N/A – No Change
N/A	Not applicable	

PROJECT PHASES (%Complete / Current phase in yellow)				
Discovery	Design	User Acceptance Testing	Go Live	Warranty
X				

PBMS PROJECT STATUS INDICATORS											
SCHEDULE			BUDGET			RISK			ISSUE		
Previous	Current	Trend	Previous	Current	Trend	Previous	Current	Trend	Previous	Current	Trend
Green	Green	N/C	Green	Green	N/C	Green	Green	N/C	Green	Green	N/C

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Project Timeline

<<Insert Scheduling Report>>

Start-up Activities

-

Drug Rebate Activities

-

POS Activities

-

Workflow Activities

-

Budget

-

<<Project Name>>

Key Phase Activities/Progress Completed		
ID	TASK	COMPLETED
1	Weekly status Reports, Action Items & Weekly Project status Review Meeting	11/22/13
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		

Upcoming Activities		
ID	TASK	DUE
	<<Reporting period, i.e. Week Ending 2/2/14 or February 2, 2014>>	
1		
2		
3		
4		
5		
	<<Reporting period, i.e. Week Ending 2/2/14 or February 2, 2014>>	
6		
7		
8		
9		

Issues/Risks/Late Activities		
ID	TASK	DUE
1		
2		
3		
4		
5		

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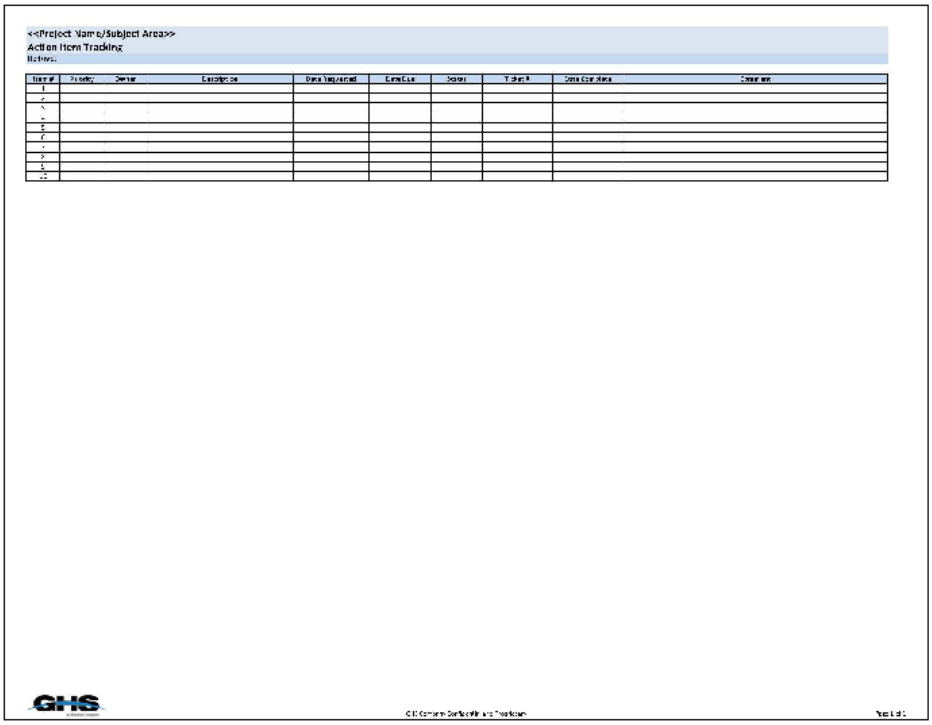
Appendix 3: Stakeholder Analysis

The purpose of stakeholder analysis is to inform the project manager and sponsor who should contribute to the project, where barriers might be, and the actions that need to be taken prior to detailed project planning.

Stakeholder	Their interest or requirement from the project	What the project needs from them	Perceived attitudes and/or risks	Actions to take

Appendix 4: Action Item Tracking



2.0 Assumptions

Item #	Reference	Description	Rationale
1.	RFP Section 1.3 Procurement Schedule, Page 5, Table 1 and Section 2.1 Overview, page 31, paragraph 1.	The go live date for this project must occur prior to December 31, 2014. The procurement/contracting schedule will be dictated by the need to begin DDI no later than May 1, 2014.	The proposed timeline for implementation is 7 ½ months. Any delay in contract start would create a risk that the go live date of 12/31/14 would not be attainable.
2.	RFP Section 2.7 Scope of Work, Page 62-63, Table 7-8	The tasks listed in the scope of work section will be used to designate the project phases. These phases will be allowed to overlap, e.g. formal completion approval is not required to move from one task/phase to the next.	The items listed as tasks correspond to GHS' typical project phases. These phases will overlap to allow for timely delivery of products and services.

Section K – Proposal Checklist and Supplements

The Vendor must complete the following table in order to verify that all the RFP response requirements as part of Templates A-L have been completed as instructed.

Template	Proposal Response Item	Completed and Provided as Instructed??		Reference to Proposal Response Section
A	Cover Letter and Executive Summary	YES ☒	NO ☐	Section A
B	Vendor Experience	YES ☒	NO ☐	Section B
C	Vendor References	YES ☒	NO ☐	Section C
D	Organization and Staffing	YES ☒	NO ☐	Section D
E	Staff Experience	YES ☒	NO ☐	Section E
F	Functional Requirements	YES ☒	NO ☐	Section F
G	Functional Requirements Approach	YES ☒	NO ☐	Section G
H	Non-Functional Requirements	YES ☒	NO ☐	Section H
I	Non-Functional Requirements Approach	YES ☒	NO ☐	Section I
J	Work Plan	YES ☒	NO ☐	Section J
K	Response Checklist	YES ☒	NO ☐	Section K
L	Cost Workbook	YES ☒	NO ☐	Section L

2.0 Vendor Response Checklist

The Vendor must complete the following table identifying all the other documents (outside of the Templates A-L) that are being attached as part of the RFP response. The Vendor may add more rows as necessary.

Item #	Attachment Name	Attachment Provided?		Reference to Proposal Response Section
1	Appendix 1 – Goold W-9	YES ☒	NO ☐	2.0 Submission Cover Sheet
2	Appendix 2 – Goold Audited Financial Statements	YES ☒	NO ☐	Section B – Vendor Experience

Section L: Cost Proposal

GHS has included our cost proposal in Package 2, per RFP instructions.

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Appendix 1: Goold W-9

Form **W-9**
(Rev. August 2013)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)
Goold Health Systems, an Emdeon company

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification:
☐ Individual/sole proprietor ☐ C Corporation ☑ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶

☐ Other (see instructions) ▶

Exemptions (see instructions):
Exempt payee code (if any)
Exemption from FATCA reporting code (if any)

Address (number, street, and apt. or suite no.)
P.O. Box 1090

Requester's name and address (optional)

City, state, and ZIP code
Augusta, Maine 04330

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
☐☐☐ – ☐☐ – ☐☐☐☐

Employer identification number
0 1 – 0 4 7 5 1 3 4

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below), and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here Signature of U.S. person ▶ Date ▶ 01/28/2014

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. The IRS has created a page on IRS.gov for information about Form W-9, at *www.irs.gov/w9*. Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

Cat. No. 10231X Form **W-9** (Rev. 8-2013)

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Appendix 2: Goold Audited Financial Statements

Printed copies of our audited financial statements have been includes with the printed copies of our RFP response. An electronic copy has also been supplied with the electronic materials.

Our audited financial statements are confidential.