

Request for Proposal

for

Prescription Drug Management

RFP# 26-019



ARKANSAS
TECH
UNIVERSITY

Russellville Arkansas

Advisors:

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May 8, 2026

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SECTION I

A. INTRODUCTION TO Arkansas Tech University (ATU)

Arkansas Tech University is a state university established in 1909 with programs at the technical certification, associate, baccalaureate and graduate levels. The University has campuses in Russellville, Arkansas, and Ozark, Arkansas. The institution also operates Arkansas Tech Career Center (ATCC), a career and technical training initiative headquartered in Russellville with satellite locations at Clarksville, Danville, Ozark and Paris.

ATU Russellville-Offers 120 undergraduate degree programs and more than 25graduate degree options.

ATCC-Serves over 1,000 students from 19 school districts across 9 program areas.

ATU Ozark-Serves over 2,100 students in 29 technical and associate programs.

ATU has approximately **780 full-time employees** located on three campuses –Russellville, Ozark and the Arkansas Tech Career Center (ATCC). ATU also provides benefits to pre-65 Retirees and post-65 Retirees.

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A. INTENT OF PROPOSAL:

Arkansas Tech University (CLIENT) has the desire to provide its approximate 980 eligible employees a “Pass-Through Pricing” pharmacy program. Respondents need to consider this solicitation is for a two (2) year transparent contract. By offering this, CLIENT will be able to better direct its members in controlling their pharmacy expense. With this goal, CLIENT is seeking the best service and net value through this RFP process. With the intent of a more open arrangement, CLIENT is requesting quotes with a total Transparent and “Pass-Through” Pricing strategy.

B. CONTRACT RATE GUARANTEE PERIOD:

The period concerning this RFP begins January 1, 2027 and ends December 31, 2028. There will be potential for continuation of the contract through subsequent periods.

C. PROPOSAL CONFIDENTIAL INFORMATION:

This is a confidential marketing effort. All information, including the RFP questions and spreadsheets should be treated as confidential business documents and may not be shared with outside parties without the prior written approval of **STEPHENS INSURANCE**. Do not contact CLIENT or any employee of CLIENT regarding this RFP or the selection process.

D. EVIDENCE BASED FORMULARY MANAGEMENT

Plan Sponsor or Stephens Insurance may implement an evidence based formulary management program using custom drug exclusions, step therapy, prior authorization and dose optimization to save money without sacrificing patient safety.

Coordinated implementation of clinical recommendations includes, but is not limited to:

- Applying approved changes into PBM adjudication system and testing for accuracy
- Supplying physician/prescriber addresses for physicians of affected members
- Providing NCPDP post-adjudicated claims files
- Providing prior authorization placement and claims history review functionality via online access to prescription claims adjudication system

E. RIGHT OF REFUSAL:

CLIENT reserves the right to accept or reject any and all responses submitted to this RFP. CLIENT reserves the right to withdraw the RFP at any time. This RFP document should in no way be construed as a commitment to purchase on the part of CLIENT. All decisions are made by CLIENT and are final.

F. PROPOSAL PROCESS INFORMATION:

ATU must receive an electronic copy and hard copy no later than June 8, 2026, at 5:00 p.m. Stephens Insurance must receive an electronic copy and one hard of your proposal no later than June 8, 2026 at 5:00 p.m. This includes the completion of the following questionnaires and exhibits:

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Timeline Process Event	Target Date
Issue RFP with Data	May 8, 2026
Questions due from PBMs by	May 15, 2026
Response to PBM questions due	May 20, 2026
Proposals Due	June 8, 2026
Finalist Interviews	As needed
Contract Effective Date	January 1, 2027

All questions regarding this proposal should be directed to David Keisner.

David Keisner, PharmD

Vice President | Pharmacy Benefits Analyst

Stephens Insurance, LLC

111 Center Street, Suite 100 | Little Rock, AR 72201

Direct (501) 377-8208 | Toll Free (800) 852-5053

david.keisner@stephens.com | stephensinsurance.com

Secure Fax (501) 537-6059

Please provide an electronic copy of your response via email to:

David Keisner

Stephens

david.keisner@stephens.com

AND

Jennifer Warren

Director of Procurement

514 West M Street

Russellville, AR 72802

jwarren2@atu.edu

G. CONTACT INFORMATION:

Please provide the following responses about your organization. Provide separate responses for retail, specialty and mail service if applicable.

Name	
Street Address	
City	
State	
Zip Code	
Web Address	
Contact for this Proposal	

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Contact E-mail Address	
Contact Phone Number	

Please list any companies and complete contact information as outlined above to which you subcontract services, this includes but is not limited to Specialty Pharmacy services, Rebate Services and Mail-Order facilities.

SECTION II QUESTIONNAIRE

A. GENERAL INFORMATION:

1. List the information CLIENT is required to provide for implementation of an account.
2. Do you process your own claims? Please describe your claims adjudication process. What software do you use to process claims? Do you own your own claims adjudication software? If not please explain in detail who owns the software and what part you play in the plan set up, changes in plan set up and where the software resides. If you do not own your claim adjudication software please describe in detail what arrangement you have to access the claims adjudication software and the claims data produced by the adjudicated claims.
3. Do you process your own rebates? Do you hold manufacturer rebate contracts with drug manufacturers? Do you utilize a rebate aggregator to process rebates? If so, who is your rebate aggregator? Are you able to provide NDC level rebate data? Please describe your rebate collection and payment process. Please provide a detail timeline.
4. Do you own your mail order facility? If not, who do you contract with for that component?
5. How do you facilitate/implement the conversion from a group's current PBM to you?
6. Are you willing to pay an implementation fee to cover cost of implementation to be determined at the discretion of CLIENT including but not limited to mailing of ID cards and implementation packets?
7. You will be required to provide network and/or formulary disruption reports prior to award of contract. Please outline in detail this process and the data necessary to perform the disruption reports. Are you able to utilize Pharmacy NABP and/or NPI numbers?
8. Will you provide at no charge a member ID card where the medical and pharmacy is combined? Will you allow CLIENT to print their ID Cards containing PBM information in-house or via the TPA? If so, how do you assist in that process?

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9. Please describe your Account Team set-up and management hierarchy. Please include names and contact information.
10. Post go-live implementation, please certify that you will provide a dedicated PBM representative be available triaging calls the first 30 days.
11. Please confirm that you will assist with member communication materials including but not limited to any SPD language requested by Sponsor at no additional charge.
12. How many clients and lives do you have under administration, broken down among client type: employer, TPA, health plan etc?

B. CLINICAL PROGRAMS:

1. Provide a description of your Drug Utilization Review (DUR) programs to include retrospective, concurrent, and prospective programs. Are there additional fees for any of these services? Please be specific. Please include any additional fees in Exhibit B of the services Agreement.
2. What other programs do you have that promote cost-effectiveness? Please provide sample reports demonstrating your ability to substantiate savings and associated costs.
3. Can you develop a CLIENT specific formulary? Will you be able to conduct a formulary disruption report prior to changes? This report must verify and communicate any changes to rebate guarantees.
4. Can you provide online member access to a specific formulary?
5. Will a specific formulary change the rebate guarantees? If so, please explain. Are you able to document relative rebate difference between medications within a therapeutic category?
6. What are the limitations to CLIENT's ability to customize quantity limits or days supply for specific medications?
7. How will clinical criteria be applied to mail order?
8. What is your prior authorization approval percentage as it applies to your book of business? If possible, provide approval percentage by type of PA (administrative, therapeutic, etc.)
9. Please list the clinical reports that are available and at what intervals they will be provided to CLIENT and STEPHENS. Please provide sample Reports and include in *Attachment 12*. Are there additional fees for any of these services? Please be specific.
10. What programs are available to maximize saving to plan via manufacture coupons? Please describe the program and any cost associated with it.

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11. What other programs are available to maximize cost savings? Provide a description and estimated savings if possible.

C. PHARMACY NETWORK:

1. Describe your proposed pharmacy network in terms of size and nationwide coverage.
2. Please detail the number of Arkansas pharmacies currently in the network. What Percentage of Arkansas pharmacies are in your available networks?
3. Describe any unique network options, e.g., regional, nationwide, narrow, a specific network for one client.
4. Describe the function of your Customer Service Department, times available, training, certified pharmacy techs and contact info for head of department.
5. What is your position on the following pharmacy network pricing criteria?
 - a. Do you use more than one source of AWP? What references are used and what criteria are used to select a specific AWP among sources?
 - b. Can you support different pharmacy network pricing for the same employer group?
 - c. Can you support unique contract parameters, i.e., \$2.50 minimum reimbursement or a 50% co-payment plan?
 - d. Are there any system limits to calculating lesser prices between?
 - i. AWP discount and dispensing fee
 - ii. Usual and Customary Pricing
 - iii. Maximum Allowable Cost (MAC) and dispensing fee
6. What options do you have for pricing prescriptions less than the member's copay?
7. Do you capture and compare the usual and customary charge with each retail claims submission?

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8. How do your mail-order and retail prescription claims processing systems integrate? Please be specific how retail and mail services integrate concerning Refill Too Soon parameters.
9. Can you support non-traditional dispensing units, i.e., home infusion companies?
10. Is your specialty pharmacy program in-house or outsourced? If it is outsourced, who is the provider? If multiple provides please list all providers.
11. Please describe any pricing advantages available by using an exclusive Specialty Pharmacy.
12. Please describe the process a member would undergo to utilize the specialty pharmacy program.
13. Describe the audit process of the provider pharmacies in your Retail Network. How are discrepancies reported and CLIENT reimbursements made? Please verify that you will audit at least 3% of your pharmacy network per year.

D. CLAIMS PROCESSING & BENEFIT PLAN DESIGN AND IMPLEMENTATION:

1. Describe how long it takes to set up a new benefit design with:
 - i. Initial benefit design
 - ii. One change compared to an existing plan
 - iii. Multiple changes
2. Can your system support maximum out-of-pocket per member and per family plan designs? Please describe in detail how you work with TPA's or other third parties to integrate medical and pharmacy out-of-pocket. Are there additional fees for any of these services? Please be specific. Please include any additional fees in Exhibit B of the services Agreement.
3. Can your system support maximum quantity edits for quantity or dose unit limitations?
4. Can you maintain a tier co-payment for maintenance supply of 90 days?
5. How much paid history do you retain, for reporting, clinical editing and for third party claims audit purposes?
6. Describe your use of MAC Lists. How many drugs are listed and what is the effective percentage of all generics covered? Do you use multiple MAC Lists and if so, which will be used for CLIENT? MAC List Name? Please be specific.
7. Please certify you are willing to implement one MAC Price Each for each GCN, GSN or GPI for all network pharmacies and it will be utilized in all channels of distribution. If not, please explain why.

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8. This response requires an estimated effective AWP % discount for MAC pricing and an effective AWP % discount for generics. Verify you willing to guarantee an overall generic discount.
9. Please certify that an historical MAC List including MAC price each, with GCN, GSN or GPI will be available within 15 days of request for audit purposes as outlined in Appendix 7.
11. Given CLIENT requests a total “Mandatory Generic” plan design, meaning CLIENT would be responsible only for the generic cost of any substitutable brand claim, please describe in detail your processing and pricing procedure for both retail and mail claims with the following criteria:
 - a). DAW 0, 1 or 2 claim for a substitutable brand, not on the MAC List.
 - b). DAW 0, 1 or 2 claim for a substitutable brand on the MAC List.
 - c). DAW 0, 1, or 2 claim for a substitutable brand that will result in a “zero net balance” to CLIENT.
11. With a Mandatory Generic Logic plan, does your system have the potential to reject a DAW 0 submission for a substitutable brand, requiring the assignment of DAW 1 or 2?
12. After a new benefit plan is designed and implemented, what audit steps are taken to verify proper design and how much will CLIENT be involved in this audit process.
13. Will CLIENT have the capability of viewing on-line how plans are configured? Are there additional fees for any of these services? Please be specific.
14. Please certify that the pricing quote for this RFP utilizes the AWP values provided by Medispan after September 26, 2009. Please verify Medispan is your current AWP source and that you would use Medispan if awarded this contract.
15. Describe your pricing methodology for compounded medications. Please provide detail of the fields provided to audit compound claims. Is compound ingredient detail provided on clinical reports?
16. Please certify your acceptance of the methodology of calculating “Discount Guarantees” as shown below and as outlined in the accompanying services agreement.

The Guaranteed Average Retail 30 Rates, Guaranteed Average Retail 90 Rates, and Guaranteed Average Mail Order Rates shall be calculated based on all drugs dispensed through Participating Pharmacies except those: (i) priced based on U&C. Drugs shall only be priced based on U&C if said U&C price is lower than the same drug’s price based on the contractually agreed discounted AWP for that pharmacy, or PBM’s MAC; (ii) over-the-counter products; (iii) compound drug products; and (iv) Specialty Drugs. Drugs shall only be priced based on MAC if the MAC is lower than the same drug’s price based on AWP

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discount. No Member shall pay in excess of the appropriate contract rate and no Member shall be subject to a minimum charge amount.

PBM shall measure Generic Drug and Brand Drug discounts off AWP ("Discount Guarantees") in a methodology that includes the following procedures. For Generic Drugs, all Generic Drugs (MAC List and non-MAC List generics) including Zero Balance Claims as adjudicated at point-of-sale that are filled during each Contract Year quarter will be included ("Generic Measurement Period. For Brand Drugs, all Brand Drugs including Zero Balance Claims as adjudicated at point-of-sale that are filled during each Contract Year quarter will be included ("Brand Measurement Period") (Brand Measurement Period and Generic Measurement period collectively, "Measurement Period". Discount Guarantees will exclude claims for over-the-counter products, U&C, compound drug products, and Specialty Drugs. Ingredient cost also excludes Taxes and Dispensing Fees. Furthermore, Sponsor's results will be measured and reported quarterly. In the event the achieved discount for any guarantee in any channel is less favorable for Sponsor than the Discount Guarantees, PBM shall credit Sponsor's invoice for the difference between the Discount Guarantees and the achieved discount within thirty (30) days of the PBM's completion and CLIENT's acceptance of each quarterly measurement.

17. Please describe in detail how you determine brand and generic drug designations. Please include all algorithms and include First Data Bank or Medispan fields utilized in that determination.
18. Please describe in detail your methodology for determining your refill to soon edit along with any automated or pharmacy generated overrides programed or allowed into your adjudication process.

E. REPORTING

1. Please certify you will provide quarterly written evaluations of cost and utilization of the prescription drug plan with recommendations for improvement within 15 days following the end of each quarter at no additional charge.
2. Along with the standard reporting, please verify CLIENT reports will include national benchmarks and comparisons to your book of business?
3. Please certify you have on-line query tools available so CLIENT can run a claim-level therapeutic detail report. Please verify results from a PBM generated ad hoc report may be downloaded to CLIENT. Please certify there are no additional fees for any of these services.
4. Please describe all ad hoc reporting capabilities available to a consultant or an employer on-line and any charges associated with these services.
5. How often will CLIENT be billed for pharmacy claims, how is that transaction initiated and what are the payment terms? Will CLIENT have the capability of viewing claims, paid, pended and denied, online? Are there additional fees for any of these services? Please be specific.

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6. Will CLIENT and Consultant be able to enter prior authorizations via online portal?
7. Please certify CLIENT's right to audit claims and savings programs as outlined in the pass-through contract agreement including look back periods allowed in the provided PBM Services Agreement as well as timelines associated with those audit requests.

F. MEMBER SERVICES

1. Will your member service center be accessible via a toll free number 24 hours a day, 7 days a week and on-lin?. If not, please list the hours of the member service center.
2. In the previous year, what percent of member service calls did a representative answer in 20 seconds or less?
3. In the previous year, your call abandonment rate was what percent?
4. Your standard for placing terminations in the system is how many hours after receiving correct information?
5. Does your company provide a member accessible website? Please list all client and member capabilities available *as of today* on your website.
6. Will CLIENT have a designated member services representative answering member calls?

G. ELIGIBILITY

1. Does your system have the capability to allow for manual, real-time, online updates to eligibility? How is eligibility information transferred?
2. How are eligibility files transmitted (i.e. FTP, website, etc.)? When loading the CLIENT eligibility file, what are your procedures for a high error rate?
3. Please describe how eligibility files are processed? i.e. Full load each time a file is sent? Compare files and only load changes?
4. How often are files picked up from CLIENT's site to be processed into your system?

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5. Please certify Member Packets will be provided to all employees at no charge prior to the effective date? What is included in the enrollment packets? Please include samples in Attachment 2.
6. Will CLIENT have the capability to transfer deductible from one member ID number to another, update group #, update effective and termination dates, and enter overrides and authorizations on-line?

H. REBATES

1. How does your organization ensure that the formulary generated is based strictly on available evidence, versus cost and rebates? Describe the process to optimize rebates should CLIENT develop a custom formulary.
2. Please certify the greater of the rebates received from manufacturers or aggregators or the guaranteed rebates will be paid to CLIENT within 180 days after the end of the calendar quarter in which they were processed. Also please certify the total rebates received from manufacturers or aggregators will continue to be paid to CLIENT at the end of the calendar quarter in which they were received.
3. On what percentage of drugs on your formulary are rebates paid out?
4. Define any percentages or fees taken from *total monies* received from manufacturers that result in revenue to PBM, a PBM subsidiary, or a subcontracted entity.
5. Describe the process for identifying 340b claims. Are there separate pricing limits available for these claims?

I. DISEASE MANAGEMENT PROGRAMS /PROVIDER INITIATIVES

1. Describe all disease management programs included in your proposal. Be specific as to topic, identification process for member, provider and member intervention, outcome assessment process, number of lives currently enrolled, fees associated, and direct and indirect savings to date with each program.

J. HIGH DEDUCTIBLE AND HSA TYPE PLANS

1. Are you able to provide exchange of data reflecting member deductible satisfaction for both medical and Rx as it relates to CDHP plans or any other plan desired by CLIENT?
2. HSA accounts or any other plan desired by CLIENT – How do you send CLIENT pharmacy accumulator information and on what frequency? Please provide the standard format you use for transferal of accumulator information.
1. HSA accounts or any other plan desired by CLIENT – How do you receive CLIENT pharmacy accumulator information and on what frequency? Please provide the standard format you use for transferal of accumulator information.
2. For an HSA-compatible benefit with combined Medical and Pharmacy deductibles and out-of-pocket limits:

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- a. Is your organization able to administer this type of benefit design?
- b. Describe your data interchange procedures for this administration.
- c. For how many clients do you currently administer an HSA-compatible benefit?

K. MEDICARE PART D

1. Describe the services and support your company can provide to the Plan with regards to Medicare Part D. Outline any additional fees associated with these services. Include whether or not your company will provide the actuarial attestation of creditable coverage status.
2. If the Plan chooses to file for a subsidy, indicate what roles in the RDS process your company can fill, i.e., account manager, retiree file submission, etc.
3. Describe your company's ability to coordinate benefits with Medicare Part D, both as primary and secondary coverage. If the Plan's coverage is secondary, can coordination be handled at the point of sale, without prior knowledge of the individuals Part D enrollment status?
4. Detail any member-level assistance your company provides to retirees trying to choose a Medicare Part D plan.

L. FORMULARY

Please certify that Sponsor and Stephens Pharmacy Practice shall have the right to make changes in the Formulary, as Sponsor deems appropriate. Should Sponsor consider any such Formulary changes, PBM shall be obligated to provide information to Sponsor concerning (a) the safety and efficacy of any such Formulary change; and (b) any changes in Financial Benefits that may result from Sponsor's Formulary changes. Please certify that if the Sponsor decides to add or delete a drug from the formulary that other than the possible change in Financial Benefits Sponsor will not incur any further charges or fees including but not limited to custom formulary management fee.

M. PERFORMANCE OBJECTIVES

Stephens recommends performance measures be included in the contract and be used to manage and evaluate performance.

Performance Guarantees: Please certify your agreement with all Performance Guarantees as outlined in the provided PBM Services Agreement in the areas of plan implementation, eligibility accuracy, claims payment, customer service, access to data and account management. Please include how CLIENT would audit each guarantee. Please indicate which Performance Guarantees are Book of Business and which are client specific.

For purposes of responding to the RFP, you should assume that CLIENT would work jointly with your organization to develop a measurement methodology. Please describe the time line associated with following up on the performance guarantees and potential payment for non-compliance.

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Have you had to pay any financial penalties to a client in the last year? If so, please explain circumstance.

PBM agrees to measure all contracted and promised performance guarantees and report results to CLIENT within 30 days after each term year. Payments calculated are due with the report. Please certify all Performance Guarantees are subject to Audit.

N. FILE DISTRIBUTION TO CONSULTANT

Please certify that all plan set up or clinical changes, historic MAC List and claims activity in a NCPDP Report 2.0 HIPAA Expanded format will be distributed to STEPHENS INSURANCE on a monthly basis at no additional charge if requested.

SECTION III PRICING:

A. PRICING QUOTES:

Please complete the Transparent Pass-Through Pricing Quote of Appendix 2 and the Specialty Drug Pricing for Appendix 3.

A claim file is included for your calculations of rebate potential and has columns for you to complete to demonstrate the effect of your Pricing. This extract may vary slightly from the total claims for the provided year. Please populate the fields in red completely. Do not skip any claims and do not vary from the provided format as these claims will be electronically processed and any change in format will result in inaccurate or non-processed claims and the respondent will be disqualified.

B. PRICING QUESTIONS:

Please initial the following disclosure statements as either “agree” or “disagree” to each statement. Your answers to these questions will be considered pertaining to the Pricing quote and will be made a part of the final agreement.

PBM will eliminate MAC spread on generics and artificially high AWP ingredient costs on MAC'd drugs. Agree _____ Disagree _____

PBM is willing to allow audit of all pharmacy provider(s) contracted pricing by NABP or NPI Agree _____ Disagree _____

CLIENT will receive Pass-through pricing and eliminate spread on Brand and Generic Drugs. Agree _____ Disagree _____

PBM will transfer 100% of all monies received from drug manufacturers derived from CLIENT's claims activity including but not limited to any Rebate Administration fee or other fees paid by the manufacturer or aggregator. Agree _____ Disagree _____

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PBM will provide mail service based on true 11 digit NDC AWP and not small package sizes or repack AWP's. Agree _____ Disagree _____

PBM will derive all revenues and profits from the processing of the claims of the Plan from the proposed Administration Fee applied. Agree _____ Disagree _____

SECTION IV CONTRACTING:

A standard Pass-Through Agreement is provided as Appendix 4. The terms in the Agreement define “pass-through” procedures and guarantees. You are instructed to state the acceptance or rejection of the use of the Agreement following this section. Revisions that allow acceptance may be presented by using the “Track-Changes” procedure. Revisions moving away from the intent of the Agreement will affect overall acceptance of the RFP response. Wholesale changes to the Agreement will result in disqualification from the RFP process. **Please return a redlined signed Agreement with your RFP that you would propose for this client. Redlining the attached agreement is the preferred method and any submitted agreement that significantly deviates from the intent of the agreement will result in disqualification.**

SECTION V SUMMARY OF ATTACHMENTS:

A. REQUIRED ATTACHMENTS :

1. Please provide samples of all enrollment and communication materials utilized in your program. Also provide the cost of production of these materials if applicable. *Label Attachment 1.*
2. Please provide a copy of the mail order pharmacy's policies and procedures as it relates to accepting and dispensing prescriptions and exceptions processes. *Label Attachment 2.*
3. Please provide examples of all material mailed to members receiving mail order prescriptions. *Label Attachment 3.*
4. Please list the drugs you recommend be included for prior authorization. *Label Attachment 4.*
5. Please include a sample ID card. *Label Attachment 5.* Please provide a demo ID and pass code to your member website for evaluation by CLIENT and CLIENT Consulting Services.
6. Please attach a copy of standard plan experience report(s) that would routinely be provided to CLIENT. CLIENT requires monthly experience reports be sent to Stephens Insurance along with claims information. *Label Attachment 6.*
7. Include the list of Formulary Drugs to be used for CLIENT. *Label Attachment 7.*
8. Provide the Implementation Timeline for plan start up. *Label Attachment 8.*
9. Provide a sample of a CLIENT Set-Up sheet. *Label Attachment 9.*
10. Return completed Financial Pricing reports (Appendix 3) Transparency Pricing. *Label Attachment 10.*
11. Return the completed Specialty Drug Pricing form (Appendix 4). *Label Attachment 11.*
12. Please provide a copy of each of your standard reports. *Label Attachment 12.*

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13. Please return a redlined signed Agreement with your RFP response as an attachment and *Label Attachment 13*.

B. SUMMARY OF INFORMATION PROVIDED:

- Appendix 1 – Current and/or Plan Design
- Appendix 2 – Transparency Pricing Form
- Appendix 3 – Specialty Drug Pricing Form
- Appendix 4 – Pass-Through Contract
- Appendix 5 - ATU Preferred Contractual Provisions

SECTION V APPENDIX LIST:

Appendix 1

1. Please acknowledge that your organization can administer the following plan design opportunity:

	Option 1: HDHP (HSA)	Option 2:PPO (FSA)
CY Deductible-Individual	\$5,000	\$4,000
CY Deductible-Family	\$10,000	\$8,000
OOP Maximum-Individual	\$7,000	\$7,000
OOP Maximum-Family	\$14,000	\$14,000
Generic	0% after deductible	\$30 copayment
Preferred	0% after deductible	\$70 copayment
Non-Preferred	0% after deductible	\$135 copayment
Specialty	0% after deductible	\$270 copayment
Mail Order	0% after deductible	3 x retail copay per 100 days supply

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Appendix 2

Financial Exhibit: Transparency “Pass-Through” Pricing

Retail 30		
Type of Network:	Limited	Broadest
Number of Pharmacies Nationwide		
Average Brand Discount (AWP Discount) *		
Average Dispensing Fee per Brand Script		
Effective Generic Discount across all generics (MAC and non-MAC)**		
Average Dispensing Fee per Generic Script		
Administrative Fee per paid claim ***		
% of Rebates Shared with CLIENT****		
Rebates per brand paid claim****		
Cost per paper claim processed		
Retail 90		
Type of Network:	Limited	Broadest
Number of Pharmacies Nationwide		
Average Brand Discount (AWP Discount) *		
Average Dispensing Fee per Brand Script		
Effective Generic Discount across all generics (MAC and non-MAC)**		
Average Dispensing Fee per Generic Script		
Administrative Fee per paid claim ***		
% of Rebates Shared with CLIENT****		
Rebates per brand paid claim****		
Cost per paper claim processed		
Specialty Claims		
Administrative Fee per paid claim ***		
% of Rebates Shared with CLIENT****		
Average Specialty Discount (AWP Discount)		
Mail-order		
Brand Discount (AWP Discount) *		
Dispensing Fee per Brand Script		
Effective Generic Discount across all generics (MAC and non-MAC)**		
Dispensing Fee per Generic Script		

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Administrative Fee per paid claim ***	
% of Rebates Shared with CLIENT ****	
Rebates per brand paid claim****	
Start-up Costs	
ID Card Production and Delivery (<i>cost per card</i>)	Please include in Administration Fee
One time Installation and Set-up Charge	Please include in Administration Fee
Directory Charges	Please include in Administration Fee

*Discount percentages are the guaranteed discount percent off of AWP, exclusive of rebates and U&C. Discounts are to be based on NDC-11 pricing (versus NDC-9).

**MAC pricing only will not be accepted. PLEASE PROVIDE A GUARANTEED MINIMUM PERCENTAGE AWP DISCOUNT FOR ALL GENERICS PROCESSED AT RETAIL AND MAIL-ORDER

***Administrative fees are assumed to include all services outlined in this RFP. Administrative fees must apply to paid claims only or a set PEPM or PMPM.

****Rebate guarantees must be expressed a specific dollar amount per all brand claims and as a % of total rebate. The specific dollar amount must be the guaranteed minimum amount per all brand claims in Retail 30, Retail 90 and in mail. Do not submit rebates based on formulary brands or rebateable products. Note! Rebates are defined as all monies received from drug manufacturers derived from CLIENT's claims activity including all associated fees including but not limited to Administration Fees.

Guarantee Calculation Methodology:

For purposes of the Guarantee Calculation Brand and Generic shall be determined by utilizing Medispan's MONY indicators. PBM shall measure Generic Drug and Brand Drug discounts off AWP ("Discount Guarantees") in a methodology that includes the following procedures. For Generic Drugs, all Generic Drugs (MAC List and non-MAC List generics) including Zero Balance Claims as adjudicated at point-of-sale that are filled during each Contract Year quarter will be included ("Generic Measurement Period. For Brand Drugs, all Brand Drugs including Zero Balance Claims as adjudicated at point-of-sale that are filled during each Contract Year quarter will be included ("Brand Measurement Period") (Brand Measurement Period and Generic Measurement period collectively, "Measurement Period". Both Brand and Generic Discount Guarantees will exclude claims for over-the-counter products, U&C claims, compound drug products, and Specialty Drugs. Ingredient cost also excludes Taxes and Dispensing Fees. Furthermore, Sponsor's results will be measured and reported quarterly. In the event the achieved discount in any channel is less favorable for Sponsor than the Discount Guarantees, PBM shall credit Sponsor's invoice for the difference between the Discount Guarantees and the achieved discount within thirty (30) days of the PBM's completion and CLIENT's acceptance of each quarterly measurement. The only parameter that may be changed from the above methodology is the measurement period. All other parameters are required.

Please confirm your acceptance of the above methodology with the exception of the measurement period.

Request for Proposal

Appendix 3

Specialty Drug Pricing Sheet - Transparent Pricing

Please provide your specialty list by NDC and all other requested fields.

Condition	Product	AWP Discount	Dispensing Fee	Administrative Fee	Guaranteed Rebate
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Request for Proposal

Appendix 4

Agreement for Pass-Through PBM Services

(to be sent as a separate file)

A standard Pass-Through Agreement is provided as Appendix 8. The terms in the Agreement define “pass-through” procedures and guarantees. You are instructed to state the acceptance or rejection of the use of the Agreement following this section. Revisions that allow acceptance may be presented by using the “Track-Changes” procedure. Revisions moving away from the intent of the Agreement will affect overall acceptance of the RFP response. Wholesale changes to the Agreement will result in your disqualification from the RFP process.

Please return a redlined signed Agreement with your RFP that you would propose for this client. Redlining the attached agreement is the preferred method and any submitted agreement that significantly deviates from the intent of the agreement will result in disqualification

Please return a redlined signed Agreement with your RFP response as Attachment 13

ATU REQUIREMENTS

A. CONSULTANT

Stephens Insurance, LLC was retained to provide consulting services for ATU. There should be no commissions or any other compensation paid to brokers, agents, or consultants included in your proposed fees for any products quoted.

B. REVIEW OF PROPOSALS

ATU reserves the right to:

- Reject any or all components of proposals.
- Cancel the entire RFP process.
- Remedy technical errors in the RFP.
- Negotiate with any, all or none of the respondents to the RFP.
- Solicit the best and final offers from all or some of the prospective vendors.
- Accept any or all components of the proposal as an "offer" without negotiation and issue

C. MANDATORY PROVISIONS

Each proposal received by ATU shall automatically be deemed to include the Firm's agreement to the following provisions:

1. The proposal constitutes an offer by the Firm, which shall remain open and irrevocable, for 275 days from the deadline for submitting proposals as stated in Section F.
2. The firm consents to ATU or Stephens Insurance contacting and obtaining any information relevant to this RFP from the references and others identified by the Firm in its proposal.

Request for Proposal

APPENDIX 5

PREFERRED CONTRACTUAL PROVISIONS

SERVICES

During the term of this Agreement, the Firm shall provide for ATU the goods and services offered to ATU by the Firm in its proposal and/or any addenda to its proposal and as specified by ATU when it selected the Firm.

CLIENT AUTHORIZED REPRESENTATIVE

The only persons who are or shall be authorized to speak or act for ATU in any way with respect to this Agreement are those whose positions or names have been specifically designated in writing to the Selected Firm by ATU. Final authority for purchasing decisions rests with ATU.

WAIVER

No waiver of any right hereunder shall be deemed a continuing waiver, and no failure on the part of either party to exercise wholly or in part any right hereunder shall prevent a later exercise of such or any other right.

INDEMNIFICATION

The selected Firm shall indemnify and hold harmless ATU and the employees and agents of each, from all property damage or loss, claims, liability, damages, expenses (including, without limitation, attorneys' fees and expenses) and any other amounts arising out of the performance of the Agreement by the Selected Firm.

GOVERNING LAW

This Agreement is subject to the laws of the State of Arkansas.

TERMINATION

If the Selected Firm fails to provide quality goods and services in a professional manner solely as determined by ATU and, upon receipt of notice from ATU, does not correct the deficiency within a reasonable period of time not to exceed thirty calendar days, unless otherwise agreed to by both parties, ATU reserves the right to terminate this Agreement by giving written notice to the Selected Firm.

Request for Proposal

TAXES

ATU is exempt from Federal excise and all state and local taxes. Such taxes shall not be included in contract prices. Tax-exempt certificates will be furnished on request by the issuing office.

INSURANCE

The Selected Firm shall provide to ATU within 10 days after the contract is awarded a valid certificate of insurance listing the insurance coverage maintained. The liability insurance coverage maintained by the Selected Firm shall include, but is not limited to, the following coverage:

- Premises - Operations
- Contractual
- Personal Injury
- Cyber Liability
- Commercial General Liability Insurance (CGL):
 - Vendor is responsible for carrying Commercial General Liability insurance including Contractual Liability per CG0001 (12/07 or equivalent), with limits not less than \$1,000,000 Each Occurrence and \$2,000,000 in the aggregate for bodily injury and third party property damage including products and completed operations.
 - Such coverage shall name ATU and all subsidiaries as additional insured. Such coverage will be on a primary and non-contributory basis for both ongoing and completed operations and shall include a waiver of subrogation in favor of ATU and all subsidiaries.
 - Vendor will provide the Company with certificates of insurance evidencing CGL written by insurance companies with A-VII or better AM Best rating.
- Professional Liability/ Errors and Omissions, including coverage for claims involving privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security with limits not less than \$1,000,000.

Request for Proposal

Signature Page

RFP Response Acknowledgement:

I understand and agree to comply with the requirements and statements of this RFP response and agree this RFP is a part of the signed Agreement returned with this RFP submission with exceptions noted and provided to Stephens Insurance.

Signature of Officer of Company

Printed Name

Company Name

Title

Date

Contact Information: