

**Request for Proposal (RFP)
for Pharmacy Benefit Manager Services**

Draft Scope of Services

March 7, 2025

Scope of Services

On behalf of the State of Delaware, the State Employee Benefits Committee (SEBC) is seeking proposals to provide Pharmacy Benefit Manager (PBM) services to approximately 132,000 active and retired employees of the State of Delaware and their dependents, including approximately 17,000 employees, retirees and their dependents from non-State groups that are allowed to participate in the State Employee Group Health Insurance Plan (GHIP) according to Delaware Code (e.g., municipalities, local fire departments).

The SEBC seeks a pharmacy benefit management partner to duplicate the prescription drug benefit plan designs effective July 1, 2026 for the Commercial (non-Medicare) population and effective January 1, 2027 for the Medicare Part D Employer Group Waiver Plan (EGWP). The SEBC is not interested in contracting for any arrangement that would force the State to give up any decision-making control over the administrative or clinical management of its pharmacy benefits program. Today, the SEBC has decision-making authority to determine which programs and services are provided to their population by the incumbent PBM. The SEBC also has the ability to make exceptions to plan coverage determinations originally made by the PBM.

The organization must have prior experience directly related to the services requested in this RFP and must be able to demonstrate clearly their ability to perform the required scope of services within the timeline requested. The selected organization shall be required to provide the following services, at a minimum:

- offer state of the art pharmacy benefit management services, including but not limited to:
 - participant enrollment maintenance including the capability to accept and process enrollment files from the medical third-party administrators (TPAs, currently Highmark Delaware and Aetna) and in those TPAs' designated format,
 - comprehensive management of the Medicare Part D EGWP, including the ability to maintain benefits for Medicare retirees who are awaiting their EGWP enrollment approval by the Centers for Medicare and Medicaid Services (CMS),
 - prescription drug claim administration,
 - mail order and specialty pharmacy services,

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- network pharmacy management, including a 90-day retail network,
- formulary management and rebate administration,
- systematic prospective, concurrent, and retrospective drug utilization review,
- clinical utilization management programs,
- distribution of member ID cards, benefit information and education for patients and providers,
- dedicated, knowledgeable, and accessible member support services,
- a secure and multifunctional member website that allows convenient access to enrollment and plan information,
- grievance and appeals processing services,
- integration with the State's medical and wellness programs and providers for utilization/care/disease management, as applicable, and
- fraud, waste, and abuse detection and prevention programs;
- provide transparency in contracting terms with drug manufacturers and pharmacy networks for both traditional and specialty drugs, including but not limited to:
 - an ongoing accounting at the drug level of all rebates, manufacturer revenues, and amounts paid to pharmacies by the GHIP and reported to the State at least quarterly, and
 - full rights to audit and conduct market checks of all aspects of the PBM's business – financial, legal/contractual and operational – to confirm that the GHIP is receiving best-in-class pricing terms and guarantees;
- provide competitive financial terms;
- provide support for all program-related member communications including open enrollment, direct mailings, and other types of media;
- provide prescription drug claims data to the Delaware Health Information Network (DHIN) and the SEBC's health data warehouse vendor (currently, Merative) via secure electronic file transmission;
- provide excellent account management services to the Statewide Benefits Office (SBO), including superior implementation support and dedicated, expert, and accessible account management staff;
- provide meaningful and timely management reporting to the SEBC and SBO, including detailed quarterly reporting of rebate payments by drug down to the NDC level and specifically noting the labeler (e.g., drug manufacturer), product code (e.g., drug strength, dosage form and formulation) and package code (e.g., drug package size and type), and to other State agencies at the request of the SEBC

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and SBO, such as the annual completion of the Delaware Department of Insurance Office of Value Based Health Care Delivery's PBM data collection template;

- meet or exceed performance guarantees;
- have experience working with plan sponsors that are of similar size and complexity to the State; and
- be responsive to changes in the program and requests of the SEBC and the SBO.

Interested vendors may submit proposals to provide pharmacy benefit management services for either the Commercial plan, the EGWP, or both. A consortium may submit a proposal if it discloses the PBM it works with and all responses reflect that PBM's capabilities; the State's contract would be with the consortium. The term of the contract will be for three (3) years beginning July 1, 2026 and ending June 30, 2029, with the first year running from the contract effective date through June 30, 2027 for the Commercial plan. The EGWP contract will begin on January 1, 2027 and end on December 31, 2029. The State will have the option to renew the contract for two (2) additional one-year periods.

Today, the State has contracted with Highmark Delaware and Aetna to administer the medical portion of the GHIP and with CVS Health to administer PBM services. The State will be marketing the medical plan (excluding pharmacy) during the spring of calendar year 2026. The SEBC reserves the right to change the medical TPAs and/or PBM for the GHIP at any point during the term of its contracts with those vendors. It is imperative for any vendor submitting a proposal to review and thoroughly understand the State of Delaware's current medical/Rx plan design, copay structure, plan documents and clinical programs under the GHIP and consider how the existing plan design and programs will work with any programs or services included in that vendor's proposal. It is highly recommended that, in addition to the attachments included in the RFP, interested vendors review further details about the GHIP available on the SBO website: <https://dhr.delaware.gov/benefits/>.

The General Assembly of the State of Delaware has introduced numerous bills related to PBMs and prescription drugs over the last decade, many of which have been signed into law. Bidders must comply with any signed bills, including but not limited to legislation requiring "Any Willing Provider" and NADAC pricing floors. Further details on these bills can be located at <https://legis.delaware.gov/>.