



The State of Delaware

Pharmacy Benefit Manager (PBM) RFP

State Employee Benefits Committee

May 30, 2025

Minimum Bid Requirements

For SEBC discussion and feedback:

Minimum Bid Requirements

Define Minimum Bid Requirements

- GSS Template Standard Language
 - “The following information shall be provided in each proposal in the order listed below. Failure to respond to any request for information within this proposal may result in rejection of the proposal at the sole discretion of the State.”
- Opportunity for the SEBC to enhance definition
 - “For the purposes of this proposal, the below minimum requirements are defined essential qualifications that bidders must meet in order to be considered for evaluation and advance. **Failure to meet any of these minimum requirements will result in disqualification of the bid, regardless of other merits.**”

Minimum Bid Requirements

- SEBC to discuss whether they would like to continue to include these requirements under the minimum bid requirements definition detailed above, update requirement verbiage, or move to Questionnaire – Attachment 22.

For SEBC discussion and feedback:

Minimum Bid Requirements

Proposed Requirement (2025 RFP)	Prior Requirement (2020 RFP)	WTW Recommended Changes Based on SEBC Member Feedback	Considerations
Contractor will allow the State the ability to carve-out specialty dispensing and management to an outside best practice carrier of their choice should the State decide to take an alternative specialty approach	Contractor will allow the State the ability to carve-out specialty dispensing and management to an outside best practice carrier of their choice should the State decide to take an alternative specialty approach, with no impact to pricing for either EGWP or Commercial pricing offers.	Removed “no impact to pricing” since carving-out specialty administration could reasonably alter the financials of the arrangement	<p>Focuses requirement on the ability to carve-out specialty should the State want to explore that option in the future</p> <p>Removes barrier for PBMs concerned about pricing impact due to unknown specialty plans</p>
Contractor confirms that if they are bidding on the Commercial contract, they have at least 200,000 members across their full book of business for which they are providing similar Commercial PBM member services as outlined in this RFP.	Contractor represents that should a contract be awarded based on this RFP, the mail service claims volume would not increase for Contractor’s book of business by more than 10%. This should exclude lives of any other PBM owned by your parent company.	Revised requirement to not increase Contractor’s book of business mail order claims volume by 10% to at least 200,000 members in the PBM’s Commercial book of business	Prior requirement could eliminate smaller PBMs
Contractor is a licensed Pharmacy Benefits Manager (PBM), with a minimum of five consecutive years of experience providing the Scope of Services requested in this Request for Proposal (RFP) (e.g., commercial and EGWP). Additionally, PBM complies with all provisions of Delaware law regarding licensing of PBM (HB 194).	Contractor is a licensed Pharmacy Benefits Manager (PBM), with a minimum of five consecutive years of experience providing the Scope of Services requested in this Request for Proposal (RFP) (e.g., commercial and EGWP). Additionally, PBM complies with all provisions of Delaware law regarding licensing of PBM (HB 194).	No change to requirement – requiring at least 5 years of PBM experience	

For SEBC discussion and feedback (Continued):

Minimum Bid Requirements

Proposed Requirement (2025 RFP)	Prior Requirement (2020 RFP)	WTW Recommended Changes Based on SEBC Member Feedback	Considerations
Contractor confirms that if they are bidding on the EGWP contract, they have at least 60,000 members for which they are providing similar EGWP PBM member services as outlined in this RFP.	Contractor represents that it is licensed with CMS and has been performing EGWP services for a minimum of 10 years.	Revised 10 years of EGWP experience to at least 60,000 members in the PBM's EGWP book of business	Prior requirement could eliminate smaller PBMs Considerable experience is necessary to ensure bidder knowledge and compliance of CMS EGWP regulations
Contractor has experience managing at least 10 large and complex clients similar to the State with greater than \$250 million in annual drug spend and 100,000 lives for each client. This cannot include health plans	Contractor has experience managing at least 10 large and complex clients similar to the State (commercial and EGWP) with greater than \$250 million in annual drug spend and 100,000 lives. This cannot include health plans.	Removed (commercial and EGWP) to broader book of business experience Clarified size specifications are for each client, not book of business	Requirement helps to ensure that PBM has capabilities and experience supporting the complexities of the State's PBM plans Could eliminate some smaller PBMs
Proposed Account Executive and Account Manager will have a minimum of 5 years' experience in the healthcare industry, either working for a health insurer or PBM, and have worked with clients of similar size and complexity. In addition, the proposed account executive and account manager will have worked for your organization a minimum of 3 years in their current role.	Proposed Account Executive and Account Manager will have a minimum of 10 years' experience in the healthcare industry, either working for a health insurer or PBM, and have worked with clients of similar size and complexity. In addition, the proposed account executive and account manager will have worked for your organization a minimum of 5 years in their current role.	Reduced years of experience from 10 in the industry to 5 years in the industry Reduced years in the organization from 5 to 3	Requirement helps to ensure the State has an experienced account team with both experience in the industry and within the organization Addresses emerging PBMs which may not have long tenured employees

For SEBC discussion and feedback (Continued):

Minimum Bid Requirements

Proposed Requirement (2025 RFP)	Prior Requirement (2020 RFP)	WTW Recommended Changes Based on SEBC Member Feedback	Considerations
Contractor represents that it owns its rebate contracts directly with pharmaceutical manufacturer companies and does not use a rebate aggregator OR if an aggregator is utilized, rebate contracts will be fully auditable with up to 20 pharmaceutical manufacturers.	Contractor represents that it owns its rebate contracts directly with pharmaceutical manufacturer companies and does not use a rebate aggregator OR if an aggregator is utilized, rebate contracts will be fully auditable with up to 20 pharmaceutical manufacturers.	No change to requirement	<p>Consider clarifying “rebate contracts” in the requirement</p> <p>Rebate contracts could be defined as those between the aggregator/Group Purchasing Organization (GPO) and pharmaceutical manufacturers or those contracts between the PBM and the aggregator</p> <p>Ability to audit contracts with pharmaceutical manufacturers provides the greatest access, however, it could eliminate smaller PBMs if their agreements with aggregators/GPOs do not allow them to provide client access to audit manufacturer contracts</p>
Rebate guarantee modifications of the contract will not be allowed unless the State changes to the formulary result in a 10% or greater loss in total rebates. Any changes to the rebate guarantee, based on the State’s changes to the formulary, will be based on the actual reductions in rebate revenues related to that decision and will be fully supported by documentation made available to the State and its consultant by the PBM on a prospective basis only.		Recommend moving to questionnaire as opposed to listing as a minimum requirement	Rebate guarantees may be less relevant in other pricing models

For SEBC discussion and feedback (Continued):

Minimum Bid Requirements

Proposed Requirement (2025 RFP)	Prior Requirement (2020 RFP)	WTW Recommended Changes Based on SEBC Member Feedback	Considerations
<ul style="list-style-type: none">Confirm you will provide NDC-9 rebate reporting in accordance with definition of rebates stated above.“Rebate” means a discount or other price concession, or a payment that is: (i) based on utilization of a prescription drug; and (ii) that is paid by a manufacturer or third party, directly or indirectly, to a pharmacy benefits manager, pharmacy services administrative organization, or pharmacy on or after a claim has been processed and paid. “Rebate” includes without limitation incentives, disbursements, and reasonable estimates of a volume-based discount.		New Requirement	<p>Individual drug rebate reporting is ideal for transparency, however, not all rebate contracts allow that level of rebate reporting at this time. NDC-9 rebate reporting is more common</p> <p>Many smaller PBMs use an aggregator/GPO arrangement, which may not allow for individual drug level rebate reporting</p> <p>Requirement could eliminate smaller PBMs</p>

PBM RFP Process

- Full PBM RFP is released with minimum requirements and questionnaire
- Minimum requirements are reviewed first and any bidders not meeting minimum requirements will not move forward in the process
- Bidders passing minimum requirements will move forward to evaluation and scoring of their full proposal response

Event	Target (Local ET Time)
RFP Released	Tuesday, July 15, 2025
Vendor Submissions Due	Friday, August 1, 2025, 11:00 a.m.
Intent to Submit Proposal Deadline	Friday, August 22, 2025, 11:00 a.m.
Mandatory Pre-Proposal Meeting (Conference Call)	Monday, August 25, 2025, 11:00 a.m.
Questions due to SBO from Confirmed Vendors	Wednesday, August 27, 2025, 9:00 a.m.
Responses to Questions to Confirmed Vendors	Wednesday, September 3, 2025
Deadline for Receipt of Proposal	Friday, September 12, 2025, 1:00 p.m.
Notification of Finalists – Invitation to Interview	Tuesday, October 7, 2025
Finalist Interviews	Friday, October 24, 2025
Recommendation of Finalist(s) to SEBC	Friday, December 12, 2025

Questionnaire

For SEBC discussion and feedback:

Questionnaire –For consideration to include with Minimum Bid Requirements

- Can you support custom changes to the formulary at the request of the client?
 - In reference to supporting a custom formulary if State were to pursue.
- Confirm that you will conduct a pre-implementation testing process to ensure accuracy of plan administration prior to the effective date and that you will share the results of the testing process with the State no later than 15 calendar days prior to effective date of the contract, contingent on plan benefit intent documents being completed and signed in a timely manner.
- Confirm that you agree to submit pharmacy cost and rebate data to the Delaware Department of Insurance Office of Value Based Health Care Delivery.

Scoring Criteria

For SEBC discussion and feedback:

Draft Scoring Criteria and Weighting

Topic and Weighting	Description/Examples
Responsiveness – 5%	Compliance with the submission requirements of the bid including format, clarity, conformity, realistic responses, and completeness, as well as responsiveness to requests during the evaluation process.
Cost – 40%	Competitive discounts, rebate guarantees, and administrative fees. Cost considerations will include both commercial and EGWP competitive pricing.
Network and Formulary– 15%	Convenient retail pharmacy network, including a 90-day supply retail network, and formulary that balances comprehensive coverage and cost management.
Administrative Services - 5%	Accomplished account management personnel with the ability to be responsive and solve problems for the Statewide Benefits account team. Qualifications and experience of the organization's personnel to provide excellent customer service to the participants.
Audit Rights, Transparency and Flexibility – 15%	Ability to be compliant with requested audit rights and transparency terms as stated in Minimum Bid Requirements Flexibility to implement desired plan components - formulary, network, plan design, utilization management and clinical programs.
Ability and Capacity to Provide Requested Services – 20%	Prior experience in providing Scope of Services, managing clients of similar size and complexity to the State, ability to duplicate existing plan designs and match existing clinical programs. Proven ability to implement the program with minimal disruption to participants. Outstanding references that demonstrate an ability to meet the State's needs

Appendix

2020 PBM RFP Final Scoring Criteria and Weighting

Topic and Weighting	Description/Examples
Responsiveness – 5%	Compliance with the submission requirements of the bid including format, clarity, conformity, realistic responses, and completeness, as well as responsiveness to requests during the evaluation process.
Cost – 50%	Competitive discounts, rebate guarantees, and administrative fees. Cost considerations will include both commercial and EGWP competitive pricing.
Organization's Ability and Experience - 20%	<ul style="list-style-type: none"> Proven ability to perform the services as outlined in the Scope of Services. Ability to duplicate existing plan designs and match existing clinical programs. Proven ability to implement the program with minimal disruption to participants.
Network and Formulary– 15%	Convenient retail pharmacy network, including a 90-day supply retail network, and formulary that balances comprehensive coverage and cost management.
Administrative Services - 10%	<ul style="list-style-type: none"> Accomplished account management personnel with the ability to be responsive and solve problems for the Statewide Benefits account team. Qualifications and experience of the organization's personnel to provide excellent customer service to the participants.