

The State of Delaware

Pharmacy Benefit Manager (PBM) RFP

State Employee Benefits Committee

June 13, 2025

Senate Substitute 1 for Senate Joint Resolution 7 (SS1 for SJR7)

For SEBC discussion and feedback:

SS1 for SJR7

	Joint Resolution Recommendations	Questionnaire/RFP Reference	WTW Recommendations
1	The SEBC should own and control all necessary pharmaceutical data for transparency and cost containment. The State should obtain data in the form of real-time point-of-sale pricing. This will arm the State with in-depth knowledge to prevent PBM's abusive practices.	N/A	<p>WTW is unaware of PBM capabilities in this space but recommend incorporating into the RFP Questionnaire under the transparent pricing section.</p> <p>Following the submission of bids and the full RFP process, it is recommended that this is discussed between vendor, SEBC, and WTW to evaluate bidder capabilities.</p>
2	The benefit of an independent Pharmacy and Therapeutics Committee (P&T Committee) working solely on behalf of the SEBC to develop a formulary designed to provide an ongoing review of all the medications contracted by the SEBC. An independent formulary consultant should be paid based on their ability to provide drugs at the lowest cost and recommend generic medications at a lower price when there is no therapeutic advantage to using a brand name.	Page 173 – Question 15 Can you support custom changes to the formulary at the request of the client including the formation and support of a fully custom formulary?	It will be at the State's discretion to form a P&T Committee, but the bidder will need to commit to the ability to allow and support a custom formulary. We currently have included in the RFP Questionnaire but could consider moving to Minimum Bid Requirements. Also added language in red.

For SEBC discussion and feedback (Continued):

SS1 for SJR7

	Joint Resolution Recommendations	Questionnaire/RFP Reference	WTW Recommendations
3	Any negotiation strategy to reduce drug costs, like reverse auctions, transparent committees, or other supply chain tactics should be used on the part of the formulary best suited for such action. The longer-term strategy should be to own the pharmaceutical database that will provide knowledge on cost containment.	N/A	These actions should be considered and acted on at the discretion of the State and not require bidder acceptance.
4	Create an intra-state compact with other states to negotiate directly with drug manufacturers for high-end priced drugs. This would use economies of scale to leverage lower price. Once completed, provide a consumer offering to all Delawareans.	Page 125 – Question 4 Confirm the ability and flexibility to support State of Delaware with a strategy for direct contracting of select drugs with select manufacturers (e.g., direct negotiations with a pharmaceutical manufacturer for the pricing of one of their products, conducted by State of Delaware or its representative) at any time during the term of this agreement.	The SEBC can consider including additional language around direct contracting requirements in the Questionnaire.

For SEBC discussion and feedback (Continued):

SS1 for SJR7

	Joint Resolution Recommendation	Questionnaire/RFP Reference	WTW Recommendations
5	The State shall pay no higher price for all drugs negotiated by Medicare.	N/A	<p>WTW is unaware of PBM capabilities in this space and their means of operationalizing.</p> <p>Following the submission of bids and the full RFP process, it is recommended that this is discussed between vendor, SEBC, and WTW to evaluate bidder capabilities.</p>
6	The PBMs working with the State will disclose their complete administrative expense for all pharmaceutical drugs contracted.	<p>Page 9- Minimum Requirements #15</p> <p>Confirm your organization will agree to pass through 100% of all rebates received from pharmaceutical manufacturers as a result of the State utilization, including manufacturer administration fees. “Rebate” means a discount or other price concession, or a payment that is:</p> <ul style="list-style-type: none">(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.	<p>Language around passing through all admin fees paid by pharma manufacturers is contained in Minimum Bid Requirements.</p> <p>Following the submission of bids and the full RFP process, it is recommended that this is discussed between vendor, SEBC, and WTW to evaluate bidder capabilities.</p>

For SEBC discussion and feedback (Continued):

SS1 for SJR7

	Joint Resolution Recommendation	Questionnaire/RFP Reference	WTW Recommendations
7	The SEBC shall request the PBM to bid based on the lowest pricing source for each pharmaceutical drug, not on the average wholesale price of a pharmaceutical drug.	<p>Page 9 - Minimum Requirements #16</p> <p>Confirm that your organization will provide an acquisition cost/cost plus pricing proposal to the State. An acquisition cost pricing proposal should include those medications dispensed at Mail Order and Specialty and the full pass-through of all pricing components, with minimum guarantees.</p> <p>Page 9 - Minimum Requirements #17</p> <p>Confirm that your organization will provide a transparent cost pricing proposal to the State. A transparent pricing proposal should include the full pass-through of all retail and should also include rebate components from all channels including retail, mail order, and specialty, with minimum guarantees.</p>	Requesting both acquisition cost and transparent cost proposal in Minimum Bid Requirements.

For SEBC discussion and feedback (Continued):

SS1 for SJR7

	Joint Resolution Policy	Questionnaire/RFP Reference	WTW Recommendations
8	The SEBC shall include a statement in all contracts between a PBM and the SEBC that the SEBC is entitled to all agreements between the PBM and the pharmaceutical manufacturing company pertaining to any drugs contracted on behalf of the SEBC. Agreements between the PBM and the SEBC can be kept confidential, if needed.	Page 9 - Minimum Requirements #18 Confirm your organization will allow the State the right to audit all aspects of the State's pharmacy program managed by you with an auditor of the State's choosing including, but not limited to, financial terms, claims payments, the specialty program, service agreements, administration, guarantees, ability to view pharmaceutical contracts and all transparent and pass-through components including rebates as defined above in 15 and acquisition cost pricing, as applicable.	Requesting access to all agreements between PBM and pharma manufacturers in audit rights Minimum Bid Requirements. Auditor may be able to receive access to those agreements, though they would likely not be shared directly with the SEBC. Following the submission of bids and the full RFP process, it is recommended that this is discussed between vendor, SEBC, and WTW to evaluate bidder capabilities.

For SEBC discussion and feedback (Continued):

SS1 for SJR7

	Joint Resolution Policy	Questionnaire/RFP Reference	WTW Recommendations
9	The State shall include in the contract with a PBM that it has the right to audit anything it believes is needed for transparency and clarity. The SEBC should contract with an outside consultant to perform the audit.	Page 9 - Minimum Requirements #18 Confirm your organization will allow the State the right to audit all aspects of the State's pharmacy program managed by you with an auditor of the State's choosing including, but not limited to, financial terms, claims payments, the specialty program, service agreements, administration, guarantees, ability to view pharmaceutical contracts and all transparent and pass-through components including rebates as defined above in 15 and acquisition cost pricing, as applicable.	Requesting access to all PBM pricing components in audit rights Minimum Bid Requirements. .

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.