



State Employee Benefits Committee (SEBC) Pharmacy Benefit Management (PBM) RFP

December 16, 2025



Feedback from October SEBC Meeting

- Minimum Requirement 15 – Change, “Confirm your organization will agree to pass through 100% of all rebates...” to Confirm *if* your organization will agree to pass through 100% of all rebates...”
- Increase Criteria Weight for *Audit Rights, Transparency/Net Cost and Flexibility* from 15% to 20% and decrease Criteria Weight for *Ability and Capacity to Provide Requested Services* from 20% to 15%.
- Feedback was received from multiple Committee members in support of restructuring RFP proposal review processes and delegating proposal review and evaluation to subject matter experts (SME’s) within the SBO and other State agencies as appropriate.
- Feedback was also received to maintain the current PRC structure for this specific procurement.

PBM RFP – Proposed Minimum Requirements (1)

	Proposed Minimum Requirements
1	Clarify whether you are bidding on commercial or EGWP or both.
2	Confirm your ability to process prescription claims on July 1, 2027 , for the non-Medicare population and on January 1, XXXX , for the Medicare Part D EGWP population.
3	Confirm your agreement to accept the data elements in the file feeds from Highmark and Aetna along with claims data to be sent to DHIN and the State's data warehouse vendor - see Attachment XX for all file layouts. Changes, either of a data type or addition of a data type, may not be accepted. Be sure to detail any potential expectations for changes.
4	Confirm that your proposed PBM services will allow the State to retain decision-making authority over the pharmacy benefits provided under the State Group Health Plan; specifically, the State will retain the authority to determine which programs and services are provided to its population and make exceptions to plan coverage determinations.
5	Confirm that the State will maintain the ability to carve-out specialty dispensing and management to an outside best practice entity of its choice should the State decide to take an alternative specialty approach
6	Confirm your organization will provide a pricing offer that will be separate for Commercial and EGWP populations if bidding on both plan options (i.e., the Commercial offer will not assume the EGWP population is implemented, and vice versa).
7	Confirm your organization has reviewed the applicable legislation requirements in Attachment XX and confirm your organization will comply with all applicable current state and federal pharmacy laws and regulations effective on or before the effective date of the contract(s) to be awarded from this RFP. As part of your response, provide a concise explanation of the impact pending legislation may have, if passed, on your ability to meet the minimum requirements.
8	Confirm your organization will comply with all state and federal Pharmacy laws, regulations, and guidance, including all CMS-mandated requirements if bidding on EGWP.

PBM RFP – Proposed Minimum Requirements (2)

	Proposed Minimum Requirements
9	For the purposes of data sharing, including eligibility and claims information, confirm that you will agree to enter third party agreements with Highmark, Aetna, DHIN and Merative (data warehouse services), and future vendors, as applicable.
10	Confirm your organization is a registered PBM in Delaware or will become registered by February 1, 2026. If you are a registered PBM in the State of Delaware, please provide your nine-digit PBM Registration Number (XX_XXXXXX).
11	Confirm your organization has at minimum, 3 consecutive years of experience providing the Scope of Services requested in this RFP (e.g., commercial and EGWP if applicable).
12	Confirm your organization complies with all provisions of Delaware law regarding licensing of a PBM as detailed in Title 18 of Delaware Code and is up to date with all relevant registration and renewal fees.
13	Confirm your organization has experience managing pharmacy benefit services for at least 3 clients with similar scopes of services as requested in this RFP, which cannot include health plans. If bidding on both Commercial and EGWP, this should include 3 clients with similar scopes of services for each line of business.
14	Confirm your organization will assign an Account Executive and Account Manager if awarded the State business, each with a minimum of 5 years' experience in the healthcare industry and having worked with clients of similar size and complexity. In addition, confirm that the proposed Account Executive and Account Manager will have worked for your organization a minimum of 3 years in their current role. If these roles fall under a different title in your organization, please describe the position(s) that would be responsible for supporting this work.
15	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. The State's definition of "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, pharmacy, or Group Purchasing Organization (GPO), rebate aggregator, vendor, TPA or any affiliate of the PBM on or after a claim has been processed and paid. "Rebate" includes without limitation incentives, disbursements, and reasonable estimates of a volume-based discount. If your organization uses a different definition of the term "Rebate," please provide that definition for the State's review and consideration. If your proposed model does not include rebates, please include in your proposal(s) your organization's policies regarding the payments received as detailed above.

PBM RFP – Proposed Minimum Requirements (3)

	Proposed Minimum Requirements
16	<p>The State is interested in evaluating alternative pricing proposals, including acquisition cost/cost plus pricing proposals. Confirm if that your organization will provide an alternative pricing proposal, such as an acquisition cost/cost plus pricing proposal, to the State that includes the elimination of spread pricing as defined as any difference between the amount paid by the State and the amount reimbursed to the pharmacy for all prescription claims. 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. Failure to submit an alternative pricing proposal will not result in disqualification from this procurement.</p> <p>Confirm your organization will provide an acquisition cost/cost plus pricing proposal to the State that includes the elimination of spread pricing as defined as any difference between the amount paid by the State and the amount reimbursed to the pharmacy for all prescription claims. An acquisition cost pricing proposal should include those medications dispensed at Mail Order and Specialty and all pricing components must be fully passed through to the State with minimum guarantees. Failure to submit pricing proposal as described above may result in disqualification of bidder.</p>
17	<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>
18	<p>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 contracts and all transparent and pass-through components including rebates as defined above in 15 and acquisition cost pricing, as applicable.</p>
19	<p>Confirm your organization will provide reporting on the acquisition cost of all claims dispensed under the plan, even if the State does not implement an acquisition cost arrangement.</p>
20	<p>Confirm your organization's understanding that rebate guarantee modifications of the contract, if applicable, 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.</p>

PBM RFP – Proposed Minimum Requirements (4)

	Proposed Minimum Requirements
21	Confirm your organization's understanding that the State may audit all components of the plan at any time after the effective date of the contract including up to 3 years following the termination of the prescription benefit agreement at no cost to the State. The review of all aspects of the pharmacy program may include, but will not be limited to: paid claims, the claim processing system, rebate agreements, performance guarantees, retail network, acquisition pricing, Medicare Part D reconciliations, transparency, pricing benchmarks (e.g., AWP source), onsite assessments and customer service call monitoring.
22	Confirm your organization will provide NDC-9 rebate reporting in accordance with the definition of rebates as agreed upon with the State. as defined above in 15.
23	Confirm your organization will provide responses to the RFP scope of work and clearly identify capabilities as presented in the General Evaluation Requirements outlined in the State's public notice.
24	Confirm your organization will complete all appropriate attachments and forms as identified within the RFP.
25	Confirm your organization will provide proof of insurance and amount of insurance prior to the start of the contract period and that coverage will be no less than as identified in the bid solicitation, Section X, Item X, subsection X (insurance) and Attachment XX, Cyber Responsibilities, Liability and Insurance. The insurance amounts outlined in this RFP are final and non-negotiable.

PBM RFP – Proposed Scoring Criteria (1)

Topic	Points	Description/Examples
Responsiveness	5	<ul style="list-style-type: none">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.
Financial Terms	40	<ul style="list-style-type: none">Competitive discounts, rebate guarantees, and administrative fees . Cost considerations will include both commercial and EGWP competitive pricing.Alignment with the State of Delaware’s definition of rebates (if applicable).Offer comparable performance guarantees and fees at risk for vendor’s performance in administering the program.
Network and Formulary	15	<ul style="list-style-type: none">Convenient retail and specialty pharmacy network, including a 90-day supply retail network, and formulary that balances comprehensive coverage and cost management.
Administrative Services	5	<ul style="list-style-type: none">Accomplished and experienced account management personnel with the ability to be responsive and solve problems for the Statewide Benefits Office staff.Qualifications and experience of the organization’s personnel to provide excellent customer service to the participants.

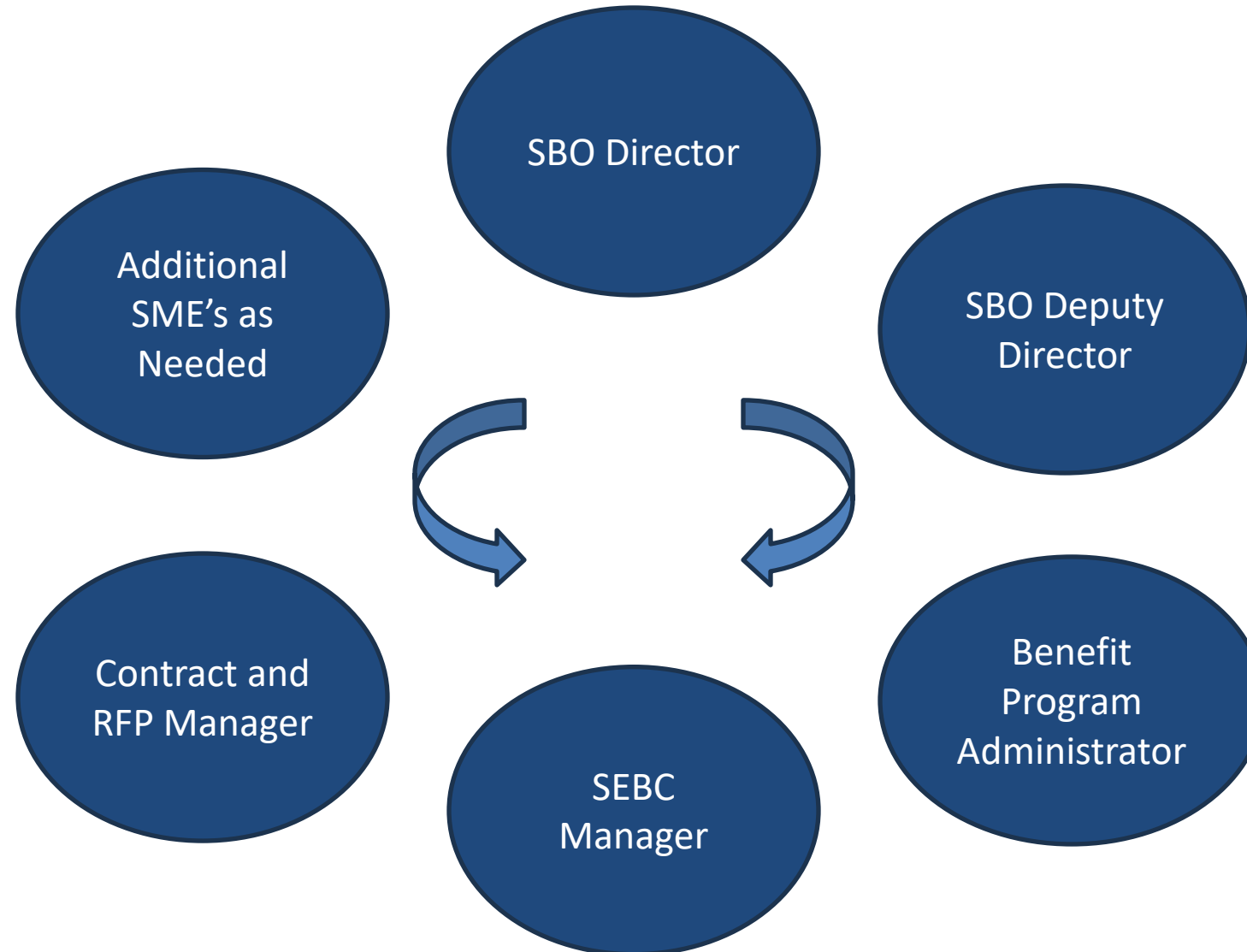
PBM RFP – Proposed Scoring Criteria (2)

Topic	Points	Description/Examples
Audit Rights, Transparency/Net Cost* and Flexibility	15	<ul style="list-style-type: none">• Ability to be compliant with requested audit rights and transparency terms as stated in the Minimum Bid Requirements.• Flexibility to implement desired plan components - formulary, network, plan design, utilization management and clinical programs.• Flexibility to implement desired contractual components – ability for the State to consider direct contracting with drug manufacturers for select drugs, flexibility for the State to enter an intra-state compact for drug purchasing, etc.
Ability and Capacity to Provide Requested Services	20	<ul style="list-style-type: none">• 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• Ability to maintain compliance with all Delaware Pharmacy legislation

PBM RFP – Proposed Revised Proposal Review Process

Previous RFP/Procurement Process (Prior to 1/1/2025)	Current RFP/Procurement Process (Effective 1/1/2025)	Proposed RFP/Procurement Process
<p><u>Step 1 – RFP Development – SBO</u></p> <ul style="list-style-type: none"> SBO developed full RFP, including Minimum Bid Requirements, Questionnaire, Scoring Criteria, Criteria Weight, etc., utilizing SEBC consultants as administrative support and subject matter expertise SEBC provided input on Scope of Work RFPs were not subject to SEBC approval 	<p><u>Step 1 – RFP Development – SEBC</u></p> <ul style="list-style-type: none"> SEBC develops full RFP, including Scope of Work, Minimum Bid Requirements, Questionnaire, Scoring Criteria, Criteria Weight, etc. SBO/SEBC consultants provide administrative support and subject matter expertise when indicated Final draft of RFP is publicly distributed 7 days prior to SEBC decision Meaningful public comment opportunity is provided SEBC approves full RFP prior to posting 	<p><u>Step 1 – RFP Development – SEBC</u></p> <ul style="list-style-type: none"> SEBC develops full RFP, including Scope of Work, Minimum Bid Requirements, Questionnaire, Scoring Criteria, Criteria Weight, etc. SBO/SEBC consultants provide administrative support and subject matter expertise when indicated Final draft of RFP is publicly distributed 7 days prior to SEBC decision Meaningful public comment opportunity is provided SEBC approves full RFP prior to posting
<p><u>Step 2 – Evaluation of Scoring of Proposals – PRC/SEBC</u></p> <ul style="list-style-type: none"> PRC/SEBC reviewed all submitted proposals, attended public PRC meetings, conducted vendor interviews, and scored as detailed in the RFP SBO/SEBC consultants also reviewed all submitted proposals, developed content for PRC to streamline review process, provided administrative support and subject matter expertise Combined scoring and PRC feedback was used to develop an award recommendation to the SEBC 	<p><u>Step 2 – Evaluation of Scoring of Proposals – PRC/SEBC</u></p> <ul style="list-style-type: none"> PRC/SEBC review all submitted proposals, attend public PRC meetings, conduct vendor interviews, and score as detailed in the RFP SBO/SEBC consultants also review all submitted proposals, develop content for PRC to streamline review process, provide administrative support and subject matter expertise Combined scoring and PRC feedback is used to develop an award recommendation to the SEBC 	<p><u>Step 2 – Evaluation of Scoring of Proposals – SBO</u></p> <ul style="list-style-type: none"> SBO reviews all submitted proposals, conducts vendor interviews, and scores as detailed in the RFP. Additional subject matter experts may be included in this process at SBO's discretion based on need SEBC consultants continue to be involved in the bid review process, though in a more limited capacity SEBC will receive updates on the status of the bids/evaluations Scoring from SBO used to develop award recommendation for the SEBC's consideration
<p><u>Step 3 – Approval of Award – SEBC</u></p> <ul style="list-style-type: none"> SEBC reviewed PRC/SEBC award recommendation and made final decision on award. 	<p><u>Step 3 – Approval of Award – SEBC</u></p> <ul style="list-style-type: none"> SEBC reviews PRC/SEBC award recommendation and makes final decision on award. 	<p><u>Step 3 – Approval of Award – SEBC</u></p> <ul style="list-style-type: none"> SEBC reviews SBO award recommendation and makes final decision on award.

Proposed RFP Evaluation Team



Next Steps

- Committee to provide feedback on Minimum Requirements, Criteria Weight, and Proposal Review process.
- Full RFP will be shared with SEBC ahead of January 26th SEBC meeting.
- SEBC to review RFP and provide feedback/proposed revisions.
- SEBC to approve PBM RFP at February 23rd SEBC meeting.



Appendix



PBM RFP – Proposed Revised Proposal Review Process (1)

- Earlier this year, the SEBC noted concerns with the current PRC language included in the RFPs.
- Current RFP language is limiting and details a Proposal Review Committee (PRC) process that may no longer be effective or desired.
- GSS provided the SBO template language utilized in other agency RFPs regarding the evaluation process, specifying the use of “Proposal Evaluation Teams” as opposed to “Proposal Review Committees”.
- Typically, these Proposal Evaluation Teams are composed of agency staff who administer, oversee, or have specialized expertise related to the work requested in the RFP.
- A review of RFP procedures from other State boards and commissions found that proposal review, scoring, and recommendations are conducted by agency staff, while the board or commission votes on the final approval, when applicable.

PBM RFP – Proposed Revised Proposal Review Process (2)

- SEBC to consider eliminating PRCs and utilizing the Statewide Benefits Office (SBO), the administrative arm of the SEBC, to oversee the administrative aspects of procurement processes, including proposal review, vendor interviews, scoring, and subsequent award recommendation.
 - SEBC develops full RFP, including Scope of Work, Minimum Bid Requirements, Questionnaire, Scoring Criteria, Criteria Weight, etc.
 - SBO/SEBC consultants provide administrative support and subject matter expertise when indicated.
 - SEBC approves full RFP prior to posting.
 - SBO reviews all submitted proposals, evaluates against SEBC approved minimum requirements, conducts vendor interviews, and scores as detailed in the RFP. SEBC will receive updates on the status of the bids/evaluations.
 - Scoring developed by the SEBC is used by SBO to develop award recommendation for the SEBC's consideration.
 - SEBC reviews SBO award recommendation and makes final decision on award.

PBM RFP – Proposed Revised Proposal Review Process (3)

- With the SEBC now responsible for establishing minimum requirements and scoring criteria during RFP development and approval, SBO will utilize these requirements and criteria when evaluating proposals.
- This option reduces administrative demands on SEBC members, enabling them to dedicate more time to important strategic, cost, and policy concerns.
- Anticipated cost savings to the State as this option reduces the need for SEBC consultants to prepare materials for and participate in PRC meetings.
- Faster and more streamlined process due to reduced timeline of the review process.
- This approach mirrors how other state agencies manage RFP evaluations.
- Less risk as only authorized and trained SBO personnel have access to confidential and proprietary information.
- **The SEBC still maintains full oversight and discretion through its approval of both the RFP criteria and the final vendor award. All Committee members retain their full decision-making authority throughout the procurement process.**

Thank You



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