

ADDENDUM NO. 1

DATE: January 21, 2020

TO: All Potential Qualifiers

FROM: Penny Owens, Assistant Purchasing Agent, City of Knoxville

SUBJECT: Addendum No. 1 – RFP for Workers’ Compensation Pharmacy Services

RFPs TO BE OPENED: January 28, 2020 at 11:00:00 a.m. (Eastern Time)

This addendum is being published to address the following questions received regarding the above referenced RFP. This addendum becomes a part of the contract documents and modifies the original specifications as noted.

Question #1: Does the City of Knoxville have any pain points with your current PBM vendor that participants should focus on, in responding to your RFP?

Response: The vendor the City initially selected was purchased by another company since the original RFP. There has been significant account management turnover in addition to online administration issues.

Question #2: Section 5.1.2 Scope of Services: Prescriptions amounts will be limited to a thirty-four (34) day supply unless authorized for (90) day maintenance supply. Is the (34) day supply a typo? We are not seeing any (34) day supply in your pricing study data. Typical request are for 30 or 90 day supply. Please clarify.

Response: 30 and 90 day supplies will be acceptable.

Question #3: How is the City of Knoxville currently handling physician dispensing with your current PBM vendor?

Response: We have asked treating physicians to send to network pharmacies and they have complied.

Question #4: Who is the City of Knoxville’s Bill Review vendor and is connectivity required?

Response: The City of Knoxville handles bill review in house.

Question #5: Who is the incumbent PBM?

Response: The current contractor is OptumRx

Question #6: Can we submit a revised Rx pricing spreadsheet to reflect our pricing methods? MSQ charges a flat rate administration fee for generic medications with our transparent pricing model. May we add one additional column at the end to illustrate this or how would the City prefer we do this? (Example adding two additional columns, one for admin fee and one for total final price)

Initial Drug Cost: populate as AWP

Discount: Our Reduction from AWP

Dispensing Fee: The pharmacy dispense fee for CVS, Walgreens or Retail

Cost to City: the actual calculation of $AWP - \% + DF + Admin - Rebate$

Response: See attached revised Submission Form S-3 Drug Cost to be submitted with proposals.

Question #7: Does the City want 6 hard copies of Submission Form S-1 included with the proposal, or only an electronic copy of Submission Form S-1 submitted via USB or CD?

Response: Per Section 7.2 Submission Information, the City requires both six hard copies (one original and five duplicates – mark the original as such) AND one electronic copy submitted via USB or CD.

END OF ADDENDUM 1