

REQUEST FOR PROPOSALS FOR

Attestation of Retiree Prescription Drug Coverage

ISSUING OFFICE

Pennsylvania Turnpike Commission

Human Resources Department

RFP NUMBER

RFP 15-10380- 5182

DATE OF ISSUANCE

February 27, 2015

REQUEST FOR PROPOSALS FOR
Attestation of Retiree Prescription Drug Coverage
RFP 15-10380- 5182

TABLE OF CONTENTS

Part I	- GENERAL INFORMATION FOR PROPOSERS	page 1
Part II	- INFORMATION REQUIRED FROM PROPOSERS	page 7
Part III	- CRITERIA FOR SELECTION	page10
Part IV	- WORK STATEMENT	page12
Part V	- QUESTIONNAIRE	page 14

APPENDIX A – PROPOSAL COVER SHEET

APPENDIX B – INSURANCE SPECIFICATION

APPENDIX C – DIVERSE BUSINESS (DB) REQUIREMENTS

APPENDIX D – RETIREE PRESCRIPTION DRUG PLANS

PART I

GENERAL INFORMATION FOR PROPOSERS

I-1. Purpose. This request for proposals (RFP) provides interested Proposers with sufficient information to enable them to prepare and submit proposals for consideration by the Pennsylvania Turnpike Commission (Commission) to satisfy a need for an annual actuarial attestation of the Commission's retiree prescription drug coverage in compliance with Medicare Part D regulations.

I-2. Issuing Office. This RFP is issued for the Commission by the Human Resources Department.

I-3. Scope. This RFP contains instructions governing the proposals to be submitted and the material to be included therein; a description of the service to be provided; requirements which must be met to be eligible for consideration; general evaluation criteria; and other requirements to be met by each proposal.

I-4. Problem Statement. The Commission's retiree prescription drug coverage requires an annual certificate of actuarial equivalency attestation to ensure its drug plans are equal to or better than the standard prescription drug coverage under Medicare Part D regulations. The attestation must be made before September 30th of each year by a qualified actuary who is a member of the American Academy of Actuaries.

I-5. Type of Contract. It is proposed that if a contract is entered into as a result of this RFP, it will be a Fee for Service contract. The Commission may in its sole discretion undertake negotiations with Proposers whose proposals as to price and other factors show them to be qualified, responsible, and capable of performing the work.

I-6. Rejection of Proposals. The Commission reserves the right to reject any and all proposals received as a result of this request, or to negotiate separately with competing Proposers.

I-7. Subcontracting. Any use of subcontractors by a Proposer must be identified in the proposal. During the contract period use of any subcontractors by the selected Proposer, which were not previously identified in the proposal, must be approved in advance in writing by the Commission.

I-8. Incurring Costs. The Commission is not liable for any costs the Proposer incurs in preparation and submission of its proposal, in participating in the RFP process or in anticipation of award of contract.

I-9. Questions and Answers. Written questions may be submitted to clarify any points in the RFP which may not have been clearly understood. Written questions should be submitted by email to RFP-Q@paturndpike.com with **RFP 15-10380-5182** in the Subject Line to be received no later than **2:00 PM local time on Wednesday, March 18, 2015**. All questions and written answers will be posted to the website as an addendum to and become part of this RFP.

I-10. Addenda to the RFP. If it becomes necessary to revise any part of this RFP before the proposal response date, addenda will be posted to the Commission's website under the original RFP document. It is the responsibility of the Proposer to periodically check the website for any new information or addenda to the RFP.

The Commission may revise a published advertisement. If the Commission revises a published advertisement less than ten days before the RFP due date, the due date will be extended to maintain the minimum ten-day advertisement duration if the revision alters the project scope or selection criteria. Firms are responsible to monitor advertisements/addenda to ensure the submitted proposal complies with any changes in the published advertisement.

I-11. Response. To be considered, proposals must be delivered to the Pennsylvania Turnpike Commission's Contracts Administration Department, Attention: Wanda Metzger, on or before **2:00 PM local time on Thursday, April 16, 2015**. The Pennsylvania Turnpike Commission is located at 700 South Eisenhower Boulevard, Middletown, PA 17057 (Street address). Our mailing Address is P. O. Box 67676, Harrisburg, PA 17106.

Please note that use of U.S. Mail, FedEx, UPS, or other delivery method, does not guarantee delivery to the Contracts Administration Department by the above listed time for submission. Proposers mailing proposals should allow sufficient delivery time to ensure timely receipt of their proposals. If the Commission office location to which proposals are to be delivered is closed on the proposal response date, due to inclement weather, natural disaster, or any other cause, the deadline for submission shall be automatically extended until the next Commission business day on which the office is open. Unless the Proposers are otherwise notified by the Commission, the time for submission of proposals shall remain the same.

I-12. Proposals. To be considered, Proposers should submit a complete response to this RFP, using the format provided in PART II. Each proposal should be submitted in **six (6)** hard copies of the Technical Submittal, **two (2)** hard copies of the Diverse Business (DB) participation submittal, and **six (6)** hard copies of the Cost Submittal. In addition to the hard copies of the proposal, one complete and exact copies of the entire proposal (Technical, Cost and DB submittals, along with all requested documents) on CD-ROM or Flash Drive in Microsoft Office or Microsoft Office-compatible format. The electronic copy must be a mirror image of the hard copy. Proposer should ensure that there is no costing information in the technical submittal. The CD or Flash drive should clearly identify the Proposer and include the name and version number of the virus scanning software that was used to scan the CD or Flash drive before it was submitted. The Proposer shall present the proposal to the Contracts Administration Department only. No other distribution of proposals will be made by the Proposer. Each proposal page should be numbered for ease of reference.

An official authorized to bind the Proposer to its provisions must sign the proposal. If the official signs the Proposal Cover Sheet (Appendix A to this RFP) and the Proposal Cover Sheet is attached to the proposal, the requirement will be met. For this RFP, the proposal must remain valid for at least **180** days. Moreover, the contents of the proposal of the selected Proposer will become contractual obligations if a contract is entered into.

Each and every Proposer submitting a proposal specifically waives any right to withdraw or modify it, except as hereinafter provided. Proposals may be withdrawn by written or fax notice (fax number (717) 986-8714) received at the Commission's address for proposal delivery prior to the exact hour and date specified for proposal receipt.

Overnight Delivery Address:
Contracts Administration Department
Attn: Wanda Metzger
PA Turnpike Commission
700 South Eisenhower Blvd.
Middletown, PA 17057

US Mail Delivery Address:
Contracts Administration Department
Attn: Wanda Metzger
PA Turnpike Commission
P.O. Box 67676
Harrisburg, PA 17106

However, if the Proposer chooses to attempt to provide such written notice by fax transmission, the Commission shall not be responsible or liable for errors in fax transmission. A proposal may also be withdrawn in person by a Proposer or its authorized representative, provided his/her identity is made known and he/she signs a receipt for the proposal, but only if the withdrawal is made prior to the exact hour and date set for proposal receipt. A proposal may only be modified by the submission of a new sealed proposal or submission of a sealed modification which complies with the requirements of this solicitation.

I-13. Economy of Preparation. Proposals should be prepared simply and economically, providing a straightforward, concise description of the Proposer's ability to meet the requirements of the RFP.

I-14. Discussions for Clarification. Proposers who submit proposals may be required to make an oral or written clarification of their proposals to the Issuing Office through the Contract Administration Department to ensure thorough mutual understanding and Proposer responsiveness to the solicitation requirements. The Issuing Office through the Contract Administration Department will initiate requests for clarification.

I-15. Best and Final Offers. The Issuing Office reserves the right to conduct discussions with Proposers for the purpose of obtaining "best and final offers." To obtain best and final offers from Proposers, the Issuing Office may do one or more of the following: a) enter into pre-selection negotiations; b) schedule oral presentations; and c) request revised proposals. The Issuing Office will limit any discussions to responsible Proposers whose proposals the Issuing Office has determined to be reasonably susceptible of being selected for award.

I-16. Prime Proposer Responsibilities. The selected Proposer will be required to assume responsibility for all services offered in its proposal whether or not it produces them. Further, the Commission will consider the selected Proposer to be the sole point of contact with regard to contractual matters.

I-17. Proposal Contents. Proposals will be held in confidence and will not be revealed or discussed with competitors, unless disclosure is required to be made (i) under the provisions of any Commonwealth or United States statute or regulation; or (ii) by rule or order of any court of competent jurisdiction. All material submitted with the proposal becomes the property of the Pennsylvania Turnpike Commission and may be returned only at the Commission's option. Proposals submitted to the Commission may be reviewed and evaluated by any person other than competing Proposers at the discretion of the Commission. The Commission has the right to use any or all ideas presented in any proposal. Selection or rejection of the proposal does not affect this right.

In accordance with the Pennsylvania Right-to-Know Law (RTKL), 65 P.S. § 67.707 (Production of Certain Records), Proposers shall identify any and all portions of their Proposal that contains confidential proprietary information or is protected by a trade secret. Proposals shall include a written

statement signed by a representative of the company/firm identifying the specific portion(s) of the Proposal that contains the trade secret or confidential proprietary information.

Proposers should note that “trade secrets” and “confidential proprietary information” are exempt from access under Section 708(b)(11) of the RTKL. Section 102 defines both “trade secrets” and “confidential proprietary information” as follows:

Confidential proprietary information: Commercial or financial information received by an agency: (1) which is privileged or confidential; **and** (2) the disclosure of which would cause substantial harm to the competitive position of the person that submitted the information.

Trade secret: Information, including a formula, drawing, pattern, compilation, including a customer list, program, device, method, technique or process that: (1) derives independent economic value, actual or potential, from not being generally known to and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use; **and** (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The term includes data processing software by an agency under a licensing agreement prohibiting disclosure.

65 P.S. §67.102 (emphasis added).

The Office of Open Records has determined that a third party must establish a trade secret based upon factors established by the appellate courts, which include the following:

- the extent to which the information is known outside of his business;
- the extent to which the information is known by employees and others in the business;
- the extent of measures taken to guard the secrecy of the information;
- the value of the information to his business and to competitors;
- the amount of effort or money expended in developing the information; and
- the ease of difficulty with which the information could be properly acquired or duplicated by others.

See Crum v. Bridgestone/Firestone North Amer. Tire., 907 A.2d 578, 585 (Pa. Super. 2006).

The Office of Open Records also notes that with regard to “confidential proprietary information the standard is equally high and may only be established when the party asserting protection shows that the information at issue is either ‘commercial’ or ‘financial’ and is privileged or confidential, and the disclosure **would** cause substantial competitive harm.” (emphasis in original).

For more information regarding the RTKL, visit the Office of Open Records’ website at www.openrecords.state.pa.us.

I-18. Debriefing Conferences. Proposers whose proposals are not selected will be notified of the name of the selected Proposer and given the opportunity to be debriefed, at the Proposer’s request. The Issuing Office will schedule the time and location of the debriefing. The Proposer will not be compared with other Proposers.

I-19. News Releases. News releases pertaining to this project will not be made without prior Commission approval, and then only in coordination with the Issuing Office.

I-20. Commission Participation. Unless specifically noted in this section, Proposers must provide all services to complete the identified work. Human Resources will provide an administrative contact/liason for oversight of billing and coordination of benefits.

I-21. Cost Submittal. The cost submittal shall be placed in a separately sealed envelope within the sealed proposal and kept separate from the technical submittal.

I-22. Term of Contract. The term of the contract will commence on the Effective Date (as defined below) and will end three (3) years from that date with options of up to two (2) one-year contract renewals. The Commission shall fix the Effective Date after the contract has been fully executed by the Contractor and by the Commission and all approvals required by Commission contracting procedures have been obtained.

I-23. Proposer's Representations and Authorizations. Each Proposer by submitting its proposal understands, represents, and acknowledges that:

- a. All information provided by, and representations made by, the Proposer in the proposal are material and important and will be relied upon by the Issuing Office in awarding the contract(s). Any misstatement, omission or misrepresentation shall be treated as fraudulent concealment from the Issuing Office of the true facts relating to the submission of this proposal. A misrepresentation shall be punishable under 18 Pa. C.S. 4904.
- b. The price(s) and amount of this proposal have been arrived at independently and without consultation, communication or agreement with any other Proposer or potential Proposer.
- c. Neither the price(s) nor the amount of the proposal, and neither the approximate price(s) nor the approximate amount of this proposal, have been disclosed to any other firm or person who is a Proposer or potential Proposer, and they will not be disclosed on or before the proposal submission deadline specified in the response section of this RFP.
- d. No attempt has been made or will be made to induce any firm or person to refrain from submitting a proposal on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.
- e. The proposal is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.
- f. To the best knowledge of the person signing the proposal for the Proposer, the Proposer, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four (4) years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, except as disclosed by the Proposer in its proposal.

- g. To the best of the knowledge of the person signing the proposal for the Proposer and except as otherwise disclosed by the Proposer in its proposal, the Proposer has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the Proposer that is owed to the Commonwealth.
- h. The Proposer is not currently under suspension or debarment by the Commonwealth, or any other state, or the federal government, and if the Proposer cannot certify, then it shall submit along with the proposal a written explanation of why such certification cannot be made.
- i. The Proposer has not, under separate contract with the Issuing Office, made any recommendations to the Issuing Office concerning the need for the services described in the proposal or the specifications for the services described in the proposal.
- j. Each Proposer, by submitting its proposal, authorizes all Commonwealth agencies to release to the Commission information related to liabilities to the Commonwealth including, but not limited to, taxes, unemployment compensation, and workers' compensation liabilities.

I-24. Indemnification. The Proposer shall be responsible for, and shall indemnify, defend, and hold harmless the Commission and its Commissioners, officers, employees, and agents from any claim, liability, damages, losses, causes of action, and expenses, including reasonable attorneys' fees, arising from damage to life or bodily injury or real or tangible personal property caused by the negligence or other tortious acts, errors, and omissions of Proposer, its employees, or its subcontractors while engaged in performing the work of this Agreement or while present on the Commission's premises, and for breach of this Agreement regarding the use or nondisclosure of proprietary and confidential information where it is determined that Proposer is responsible for any use of such information not permitted by this Agreement. The indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Contractor or its subcontractors under Workmen's Compensation Acts, Disability Benefits Acts, or other Employee Benefit Act.

I-25. Insurance. Proposer will comply with the Insurance requirements as described in Appendix B - Insurance Specification.

I-26. Diverse Business (DB) Requirements. Proposer will comply with the DB Requirements as described in Appendix C – Diverse Business (DB) Requirements.

PART II

INFORMATION REQUIRED FROM PROPOSERS

Proposals must be submitted in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements in this part of the RFP. Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal. All cost data relating to this proposal and all Diverse Business cost data should be kept separate from and not included in the Technical Submittal. Each proposal shall consist of three separately sealed submittals:

1. Technical Submittal, which shall be a response to RFP **Part II, Sections II-1 A through G**;
2. Diverse Business Participation Submittal, in response to RFP **Part II, Section II-1 H**; and
3. Cost Submittal, in response to RFP **Part II, Section II-2**.

The Commission reserves the right to request additional information which, in the Commission's opinion, is necessary to assure that the Proposer's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the RFP.

The Commission may make such investigations as deemed necessary to determine the ability of the Proposer to perform the work, and the Proposer shall furnish to the Issuing Office all such information and data for this purpose as requested by the Commission. The Commission reserves the right to reject any proposal if the evidence submitted by, or investigation of, such Proposer fails to satisfy the Commission that such Proposer is properly qualified to carry out the obligations of the agreement and to complete the work specified.

II-1 Technical Submittal.

A. Proposal Cover Sheet (See Appendix A)

Show the name of your firm, Federal I.D. number, address, name of contact person, contact person's email and telephone number date and the subject: **Attestation of Retiree Prescription Drug Coverage, RFP 15-10380-5182**. Appendix A must be signed by an individual who is authorized to negotiate terms, render binding decisions and commit your firm's resources. In addition it is required that all information requested in Appendix A be provided including information pertaining to location of office performing the work, contact information, listing of all Pennsylvania offices and total number of Pennsylvania employees, and location of company headquarters.

B. Executive Summary

Summarize your understanding of the work to be done and make a positive commitment to perform the work necessary. This section should summarize the key points of your submittal. (Limit to two pages.)

C. Table of Contents

Include a clear identification of the material by section and by page number.

D. Firm Overview

Provide a brief history and description of your firm's business organization and its attestation service expertise and experience as it relates to the requirements discussed in Part IV of this RFP. Include the location of offices and the number and types of personnel needed for this assignment; analysts, auditors, researchers, or other relevant professional staff in each office. Discuss your firm's presence in and commitment to the Commonwealth of Pennsylvania. Include a discussion of the specific expertise and services that distinguish your firm.

Provide answers to all questions in Part V – Questionnaire of this RFP.

E. Personnel

Provide the names, proposed roles, background and experience, current professional licenses, office location and availability of the consulting personnel that would perform the attestation of retiree prescription drug coverage services as described in Part IV of this RFP. Specifically identify the primary person(s) who will be responsible for managing the relationship with the Commission during this endeavor. Proposer must submit a current resume for all proposed staff listing relevant experience and applicable professional affiliations.

F. Relevant Experience and Expertise

Provide a narrative statement regarding your attestation of retiree prescription drug coverage as set forth by the Centers for Medicare and Medicaid Services (CMS) expertise and experience as it relates to Part IV of this RFP. Additionally include a statement regarding your understanding of the requirements as outlined in this RFP and your ability to provide testing benefit and contribution levels for actuarial equivalence, including the requirements for attestation set forth by the Centers for Medicare and Medicaid Services (CMS).

Describe your firm's experience in providing similar attestation or retiree prescription drug coverage as set forth by the Centers for Medicare and Medicaid Services (CMS) to other clients, especially other governmental entities and/or similar public/private sector transportation organizations. Describe the business practices that enable you to complete these tasks in an efficient, timely and, at times, expeditious manner.

Provide a list of three references of clients for which your firm has performed similar work, as described in this RFP, within the past three years.

Include a statement regarding any other specialized attestation of retiree prescription drug coverage services your firm may offer.

G. Approach

Describe in narrative form your technical plan for accomplishing the work. Use the task descriptions in Part IV of this RFP as your reference point.

Provide a description of all of the deliverables that you will provide as an output of the attestation. Provide relevant samples of deliverables from similar attestation projects that your firm was primarily responsible for producing.

H. Diverse Business (DB) Requirements (Appendix C). The Commission’s Diverse Business (DB) Requirements for this procurement and a resulting contract are identified in Appendix C. There is no minimum participation level (MPL) for DBs established for this contract. However, the utilization of DBs are encouraged and will be considered as a criteria in the evaluation of proposals and may be considered as a factor in the Commission’s selection of a firm for this contract.

The proposer must include in its DB participation submittal that it meets the requirements set forth in the Commission’s DB Requirements - Appendix C. In particular, the proposer shall address the section of the DB Requirements labeled, “Actions Required by Proposer during the procurement/consultant selection phase”. In addition, the DB participation submittal shall indicate the amount of DB participation incurred in the proposal in terms of dollars committed or percentage of total contract amount.

II-2 Cost Submittal.

The information requested in this section shall constitute your cost submittal. **THE COST SUBMITTAL SHALL BE PLACED IN A SEPARATE SEALED ENVELOPE WITHIN THE SEALED PROPOSAL AND ON A CD-ROM, SEPARATE FROM THE TECHNICAL SUBMITTAL.**

Proposers should **not** include any assumptions in their cost submittals. If the proposer includes assumptions in its cost submittal, the Issuing Office may reject the proposal. Proposers should direct in writing to the Issuing Office pursuant to Part I-9, Questions and Answers of this RFP any questions about whether a cost or other component is included or applies. All Proposers will then have the benefit of the Issuing Office’s written answer so that all proposals are submitted on the same basis.

- 1.** The cost you are proposing should be an annual fee for service to perform the attestation of retiree prescription drug coverage for the three (3) year term and also include the cost for the two (2) one-year extension options, if they are utilized.

The Proposer shall only perform work on the Contract after the Effective Date is affixed and the fully-executed contract sent to the selected Proposer. The Commission shall issue a written Notice to Proceed to the selected Proposer authorizing the work to begin on a date which is on or after the Effective Date. The Proposer shall not start the performance of any work prior to the date set forth in the Notice of Proceed and the Commission shall not be liable to pay the Proposer for any service or work performed or expenses incurred before the date set forth in the Notice to Proceed. No Commission employee has the authority to verbally direct the commencement of any work under the Contract.

PART III

CRITERIA FOR SELECTION

III-1. Mandatory Responsiveness Requirements. To be eligible for selection, a proposal shall be (a) timely received from a Proposer; and (b) properly signed by the Proposer.

III-2. Technical Nonconforming Proposals. The two (2) Mandatory Responsiveness Requirements set forth in Section III-1 above (a&b) are the only RFP requirements that the Commission will consider to be non-waivable. The Issuing Office reserves the right, in its sole discretion, to (1) waive any other technical or immaterial nonconformities in the proposal, (2) allow the Proposer to cure the nonconformity, or (3) consider the nonconformity in the evaluation of the proposal.

III-3. Proposal Evaluation. Proposals will be reviewed, evaluated, and rated by a Technical Evaluation Team (TET) of qualified personnel based on the evaluation criteria listed below. The TET will present the evaluations to the Professional Services Procurement Committee (PSPC). The PSPC will review the TET's evaluation and provide the Commission with the firm(s) determined to be highly recommended for this assignment.

The Commission will select the most highly qualified firm for the assignment or the firm whose proposal is determined to be most advantageous to the Commission by considering the TET's evaluation and the PSPC's determination as to each firm's rating. In making the PSPC's determination and the Commission's decision, additional selection factors may be considered taking into account the estimated value, scope, complexity and professional nature of the services to be rendered and any other relevant circumstances. Additional selection factors may include, when applicable, the following: geographic location and proximity of the firm, firm's Pennsylvania presence or utilization of Pennsylvania employees for the assignment; equitable distribution of work; diversity inclusion; and any other relevant factors as determined as appropriate by the Commission.

Award will only be made to a Proposer determined to be responsive and responsible in accordance with Commonwealth Management Directive 215.9, Contractor Responsibility Program.

III-4. Evaluation Criteria. The following criteria will be used, in order of relative importance from the highest to the lowest, in evaluating each proposal.

1. Proposer and Personnel Qualifications and Experience

- a. Proposer's relevant experience and expertise in conducting attestation of retiree prescription drug coverage as it relates to the requirements discussed in Part IV and Part V of this RFP.
- b. Qualifications, experience and competency of professional personnel who will be assigned to the contract by the Proposer including tenure with firm, length of time in the industry and type of experience.
- c. Financial ability of the Proposer to undertake a project of this size.
- d. Response of references if the Commission elects to solicit them.

2. Approach

- a. Understanding of the Commission's needs and scope of work.
- b. Soundness of proposed approach, methodology, and deliverables for conducting the attestation of the retiree prescription drug coverage as it relates to the requirements discussed in Part IV and Part V of this RFP.
- c. Responsiveness to the Commission's desire for timeline for completion.
- d. Quality, completeness and applicability of sample deliverables provided.
- e. Responsiveness, organization, and clarity of Proposal.

3. Cost.

While this area may be weighted heavily, it will not normally be the deciding factor in the selection process. The Commission reserves the right to select a proposal based upon all the factors listed above, and will not necessarily choose the firm offering the best price. The Commission will select the firm with the proposal that best meets its needs, at the sole discretion of the Commission.

- 4. Commitment to Diversity and Inclusion.** This refers to the inclusion of DB firms, as described in Part II-H. Participation may be measured in terms of total dollars committed or percentage of total contract amount to certified DB firms.

PART IV

WORK STATEMENT

IV-1. Objectives.

- a. **General.** The Human Resources Department is seeking an accredited actuarial organization to provide an annual certificate of actuarial equivalence attestation for the Commission's prescription drug plans. The Commission's actual retiree claims data is used to assess actuarial equivalence.
- b. **Specific.** The Commission requires an annual attestation of its retiree prescription drug coverage to ensure that it meets or exceeds the actuarial value of the defined standard prescription drug coverage under the Medicare Part D regulation.

IV-2. Nature and Scope of the Project.

Background

The Commission is an independent agency of the Commonwealth of Pennsylvania. As a government agency, the Commission is not governed by the rules, regulations, or legislative requirements of ERISA.

The PA Turnpike is a key transportation route within the state of Pennsylvania and a vital link in the network of the eastern United States. The Turnpike is 552 miles in length with 1 welcome center, 17 service plazas, 67 fare collection facilities, 22 maintenance facilities, 5 tunnels, and 9 State Police barracks. (www.paturndpike.com)

The Commission is self-insured for retiree prescription coverage. Retiree prescription costs are paid from a trust setup and funded by the Commission. The plan year runs from January 1 through December 31. The Commission has applied annually for the Retiree Part D drug subsidy and has been found to have creditable coverage since 2006. The Commission pays the cost of the retiree prescription drug plan with the exception of nineteen (19) surviving spouses of retirees, who pay the premium in full. As of February 1, 2015, 493 retirees and 252 dependents are covered under the plans. The average amount of the Medicare Part D subsidy received annually for the past three years was \$290,000. The retirees pay no contributions aside from the copay amounts and percentages listed in the attached Appendix D. Appendix D is a summary of the Commission's current two (2) retiree prescription plans, which are to be included in the attestation process.

Scope

Medicare Part D, a federally funded prescription drug program, went into effect on January 1, 2006. As part of the federal legislation, employers were encouraged to continue prescription coverage for their retirees through various means, including a federal subsidy. The Commission has applied for the subsidy and must comply with the federal regulation in that regard.

The Centers for Medicare and Medicaid Services (CMS) have issued rules for companies that wish to apply for the subsidy, requiring that the retiree prescription drug coverage meet or exceed the standard prescription drug coverage under the Part D regulation.

IV-3. Requirements. Since our plan year begins January 1st, the attestation must be made before September 30th of each year by a qualified actuary who is a member of the American Academy of Actuaries. The attestation must be submitted to CMS in accordance with Medicare Part D regulations.

IV-4. Tasks. The requirement for attestation set forth by CMS defines the steps for attestation, including a two-part test that must be passed before a company can apply for the subsidy:

1. A “gross value” test in which the expected amount of paid claims for Medicare beneficiaries under the sponsor’s plan must be at least equal to the expected amount of paid claims for the same beneficiaries under the defined standard prescription drug coverage.
2. A “net value” test in which the net value of the sponsor’s plan must be at least equal to the net value of the defined standard prescription drug coverage.

IV-5. Reports and Project Control.

a. Task Plan. Indicate the activities, responsibilities (both yours and the Commission’s), timetable and services you will provide. Provide a list of the information you will need from the PTC for implementation.

b. Status Report. A periodic progress report covering activities, problems, and recommendations; the report should be keyed to the work plan developed by the Proposer in its proposal, as amended or approved by the Commission.

c. Problem Identification Report. An “as required” report, identifying problem areas. The report should describe the problem and its impact on the overall project and on each affected task. It should list possible courses of action with advantages and disadvantages of each, and include Proposer recommendations with supporting rationale.

d. Final Report. The final report should specify the following:

- (1) Abstract or summarize the result of the study or service in terminology that will be meaningful to management and others generally familiar with the subject areas and complies with Medicare Part D regulations
- (2) Describe data collection, analytical and other techniques used during the attestation process, including the assumptions and information used.
- (3) Summarize findings, conclusions, and recommendations developed in each task.
- (4) Include all supporting documentation; e.g., flow charts, forms, questionnaires, etc.

PART V
QUESTIONNAIRE

A. COMPANY BACKGROUND

1. Years in Actuarial Attestation for Medicare Part D
2. Number of total Actuarial Attestation for Medicare Part D Groups
3. Company financial information and ratings
4. Explain what differentiates you from your competitor

B. ACCOUNT MANAGEMENT

1. Provide background and location of key personnel responsible for the Commission's account
2. Provide biographies on all individuals responsible for the Commission's account

C. PROCESS/PROCEDURE

1. Describe your Attestation process/procedure and include a timeline of action items for the Commission as well as your organization
2. Indicate each team member's role in the Attestation process

D. MISCELLANEOUS

1. Explain your HIPAA compliance procedures and the impact of the regulation on communications with the Commission
2. Describe billing process
3. Describe any additional resources offered

E. REFERENCES

1. Provide three references of current employer groups of similar size and scope
2. Provide three references of former employer groups of similar size and scope

F. SAMPLE DOCUMENTS

1. Contract
2. Most recent annual report
3. Flow chart of your process for Actuarial Attestation for Medicare Part D

APPENDIX A – PROPOSAL COVER SHEET
Pennsylvania Turnpike Commission
Attestation of Retiree Prescription Drug Coverage

RFP# 15-10380-5182

Enclosed in three separately sealed submittals is the proposal for the Proposer identified below for the above referenced RFP:

Proposer Information:	
Proposer Name	
Proposer Mailing Address	
Proposer Website	
Proposer Contact Person/Title	
Contact Person's Phone Number	
Contact Person's Fax Number	
Contact Person's Email Address	
Proposer Federal ID Number	
Location of Headquarters	
Location of Office(s) Performing the Work	
Listing of all Pennsylvania Offices and Total Number of Pennsylvania Employees	

Submittals Enclosed and Separately Sealed:

<input type="checkbox"/> Technical Submittal <input type="checkbox"/> Diverse Business Participation Submittal <input type="checkbox"/> Cost Submittal
Signature
Signature of an official authorized to bind the Proposer to the provisions contained in the Proposer's proposal: _____
Print Name
Title

FAILURE TO COMPLETE, SIGN AND RETURN THIS FORM WITH THE PROPOSAL MAY RESULT IN THE REJECTION OF THE PROPOSAL.

The Pennsylvania Turnpike Commission

Prior to the commencement of any work and until completion and final payment is made for the work / final acceptance of the work, the Professional Service Contractor will provide and maintain the following minimum levels of insurance at Professional Service Contractor's own expense. The cost of the required insurance shall be included in the Professional Service Contractor's cost proposal and no adjustment shall be made to the contract price on account of such costs. The term Professional Service Contractor shall include Subcontractors and Sub-Subcontractors of every tier. Professional Service Contractor shall furnish Certificates of Insurance evidencing and reflecting the effective date of coverage as outlined below. In no event shall Work be performed until the required evidence of Insurance is provided in accordance with the terms of the contract. If found to be non-compliant, the Pennsylvania Turnpike Commission (the "Commission") may purchase the required insurance coverage(s) and the cost will be borne by the Professional Service Contractor through direct payment/reimbursement to the Commission or the Commission may withhold payment to the Professional Service Contractor for amounts owed to them.

- a) All insurance shall be procured from insurers permitted to do business in the State in which the project is taking place and having an A.M. Best Rating of at least "A-, Class VIII".
- b) Professional Service Contractor shall not have a Self Insured Retention (SIR) on any policy greater than \$25,000, which is the responsibility of the Professional Service Contractor. If Professional Service Contractor's policy(ies) has a Self Insured Retention exceeding this amount, approval must be received from the Commission prior to starting work. In the event any policy includes an SIR, the Professional Service Contractor is responsible for payment within the SIR of their policy(ies) and the Additional Insured requirements specified herein shall be offered within the SIR amount(s).
- c) All insurance required herein, with the exception of the Professional Liability Insurance, shall be written on an "occurrence" basis. Claims-Made coverage must include:
 - i. The retroactive date must be on or prior to the start of work under this contract; and
 - ii. The Professional Service Contractor must purchase "tail coverage/an extended reporting period" or maintain coverage for a period of three years, subsequent to the completion of their work / final payment.
- d) The Professional Service Contractor's insurance carrier (s) shall agree to provide at least thirty (30) days prior written notice to the Commission in the event coverage is canceled or non-renewed. In the event of cancellation or non-renewal of coverage(s), it is the Professional Service Contractor's responsibility to replace coverage to comply with the Contract requirements so there is no lapse of coverage for any time period.

In the event the insurance carriers will not issue or endorse their policy(s) to comply with the above it is the responsibility of the Professional Service

The Pennsylvania Turnpike Commission

Contractor to report any notice of cancellation or non-renewal at least thirty (30) days prior to the effective date of this notice.

- e) Professional Service Contractor shall provide the Commission with Certificates of Insurance, evidencing the insurance coverages listed below, ten days prior to the start of work of this Project and thereafter upon renewal or replacement of each coverage. The Professional Service Contractor shall not begin any work until the Commission has reviewed and approved the Certificate of Insurance. The required insurance shall not contain any exclusions or endorsements, which are not acceptable to the Commission.

Failure of the Commission to demand such certificate or other evidence of full compliance with these insurance requirements or failure of the Commission to identify a deficiency from evidence that is provided shall not be construed as a waiver of Professional Service Contractor's obligation to maintain such insurance.

With respect to insurance maintained after final payment in compliance with a requirement below, an additional certificate(s) evidencing such coverage shall be provided to the Commission with final application for payment and thereafter upon renewal or replacement of such insurance until the expiration of the time period for which such insurance must be maintained.

- f) The Commission, (including the Commission's Parent, Subsidiaries, and Affiliates) shall be added as ADDITIONAL INSUREDS on all liability policies (except Workers' Compensation and Professional Liability Policy, where applicable), for ongoing operations and completed operations on a primary noncontributory basis. Coverage to include ongoing and completed operations using ISO Endorsements CG 2010 and CG 2037, or their equivalents. Each of the Additional Insured's respective members, employees, agents and representatives shall also be afforded coverage as an Additional Insured. Coverage should be provided for a period of three years subsequent to the completion of work/final payment.

If you are operating in a state that has implemented the "Anti-Indemnity" Additional Insured Endorsements, you are required to provide the state specific additional insured endorsements for ongoing and completed operations. These states include but are not limited to: Montana, New Mexico, Oregon, Colorado, Kansas, California, Louisiana, and Texas.

The Commission reserves the right to require Professional Service Contractor to name other parties as additional insureds as required by the Commission.

There shall be no "Insured versus Insured Exclusion" on any policies; all policies will provide for "cross liability coverage".

- g) Waiver of Rights of Subrogation: Professional Service Contractor shall waive all rights of recovery against the Commission and all the additional insureds for loss

The Pennsylvania Turnpike Commission

- or damage covered by any of the insurance maintained by the Professional Service Contractor.
- h) The amount of insurance provided in the aforementioned insurance coverages, shall not be construed to be a limitation of the liability on the part of the Professional Service Contractor.
 - i) The carrying of insurance described shall in no way be interpreted as relieving the Professional Service Contractor of any responsibility or liability under the contract.
 - j) Any type of insurance or any increase in limits of liability not described above which the Professional Service Contractor requires for its own protection or on account of statute shall be its own responsibility and at its own expense.
 - k) Professional Service Contractor shall promptly notify the Commission and the appropriate insurance company(ies) in writing of any accident(s) as well as any claim, suit or process received by the insured Professional Service Contractor arising in the course of operations under the contract. The Professional Service Contractor shall forward such documents received to his insurance company(ies), as soon as practicable, or as required by its insurance policy(ies).

REQUIRED COVERAGES - the following may be provided through a combination of primary and excess policies in order to meet the minimum limits set forth below:

- 1. **Workers' Compensation and Employer's Liability:**
Provided in the State in which the work is to be performed and elsewhere as may be required and shall include:
 - a) Workers' Compensation Coverage: Statutory Requirements
 - b) Employers Liability Limits not less than:

Bodily Injury by Accident:	\$500,000 Each Accident
Bodily Injury by Disease:	\$500,000 Each Employee
Bodily Injury by Disease:	\$500,000 Policy Limit
 - c) USL&H, and FELA Coverage, if applicable.
 - d) Includes sole proprietorships and officers of corporation who will be performing the work.
 - e) Where applicable, if the Professional Service Contractor is lending or leasing its employees to the Commission for the work under this contract (e.g. crane rental with operator), it is the Professional Service Contractor's responsibility to provide the Workers Compensation and Employer's Liability coverage and to have their policy endorsed with the proper Alternate Employer Endorsement.
- 2. **Commercial General Liability:**
Provided on ISO form CG 00 01 12 07 or an equivalent form including Premises -

The Pennsylvania Turnpike Commission

Operations, Independent Contractors, Products/Completed Operations, Broad Form Property Damage, Contractual Liability, and Personal Injury and Advertising Injury.

- a) Occurrence Form with the following limits:
 - (1) General Aggregate: \$2,000,000
 - (2) Products/Completed Operations Aggregate: \$2,000,000
 - (3) Each Occurrence: \$1,000,000
 - (4) Personal and Advertising Injury: \$1,000,000
- b) Products/Completed Operations Coverage must be maintained for a period of at least three (3) years after final payment / completion of work (including coverage for the Additional Insureds as set forth in these Insurance Requirements).
- c) The General Aggregate Limit must apply on a **Per Project basis**.
- d) No sexual abuse or molestation exclusion.
- e) No amendment to the definition of an "Insured Contract".

3. **Automobile Liability:**

- a) Coverage to include All Owned, Hired and Non-Owned Vehicles (or "Any Auto"), if you do not have any Owned Vehicles you are still required to maintain coverage for Hired and Non-Owned Vehicles as either a stand alone policy or endorsed onto the Commercial General Liability policy above
- b) Per Accident Combined Single Limit \$1,000,000
- c) For Professional Service Contractor(s) involved in the transportation of hazardous material, include the following endorsements: MCS-90 and ISO-9948.

4. **Commercial Umbrella Liability:**

- a) Policy(ies) to apply on a Following Form Basis of the following:
 - (1) Commercial General Liability,
 - (2) Automobile Liability, and
 - (3) Employers Liability Coverage.
- b) Minimum Limits of Liability
 - Occurrence Limit: \$5,000,000
 - Aggregate Limit (where applicable): \$5,000,000

5. **Professional Liability Insurance:**

- a) Minimum Limits of Liability
 - Per Claim Limit: \$5,000,000
 - Aggregate Limit: \$5,000,000
- b) The Definition of "Covered Services" shall include the services required in the scope of this contract.
- c) Coverage shall be extended to cover "Green Building", if applicable.

The Pennsylvania Turnpike Commission

6. Crime Insurance:

- a) Include the Employee Theft and Theft, Disappearance and Destruction coverage parts.
- b) The Employee Theft Coverage part shall include the Clients' Property Endorsement (ISO Form CR 04 01, or its equivalent).
- c) Coverage may be provided in the form of a Financial Institution Bond.
- d) Minimum Limits of Liability:
Per Occurrence: \$1,000,000

7. Privacy Liability:

- a) Professional Service Contractor shall maintain coverage for third party liability arising out of breach of privacy, inclusive of confidential and proprietary business information, HIPAA violations and other breaches of personally identifiable information and/or protected health information that may arise from their work with this contract.
- b) Minimum Limits of Liability:
Per Claim: \$1,000,000
Aggregate: \$1,000,000
- c) Privacy Breach Notification and Credit Monitoring: \$250,000 Per Occurrence

8. Owned, Leased, Rented or Borrowed Equipment or Property:

- a) Financial Services Firm shall maintain Property Coverage for their owned, leased, rented or borrowed equipment, tools, trailers, etc. for the full replacement cost of the equipment.
- b) Coverage to be provided on an Agreed Amount Basis with no Coinsurance
- c) Coverage to be provided on an All Risk basis.

APPENDIX C

Pennsylvania Turnpike Commission DIVERSE BUSINESS (DB) REQUIREMENTS

Diverse Business Participation. The Commission is committed to Diverse Business (DB) participation on competitive contracting opportunities. Firms or entities that have not previously performed work or provided services to the Commission are encouraged to respond to the solicitations. RFPs may include DB participation as part of the criteria for the evaluation of proposals, and the Commission may consider DB participation as a selection factor.

Minimum Participation Level (MPL). The minimum participation level (MPL) for the inclusion of DBs will be established in the RFP/advertisement as a percentage.

(a) General Requirements. Section 303 of Title 74 of the Pennsylvania Consolidated Statutes, 74 Pa.C.S. § 303, requires proposer on contracts funded pursuant to the provisions of Title 74 (Transportation) and 75 (Vehicle Code) administered and issued by the Commission to make Good Faith Efforts to solicit subconsultants that are Diverse Businesses (DBs) as defined in Section 303. The DB requirements of Section 303 apply to this contract.

Section 303 requires proposers to make Good Faith Efforts, as described below, to solicit subconsultants that are DBs during the proposal process to maximize participation of DBs in competitive contracting opportunities.

The Commission is committed to participation by DBs and will enforce the requirements of Section 303 and this section. Failure to make Good Faith Efforts and demonstrate such Good Faith Efforts in the solicitation of subconsultants may result in the proposer being declared ineligible for the contract.

Proposers shall document and submit to the Commission all Good Faith Efforts, as described in this section, to solicit subconsultants that are DBs during the solicitation process.

Proposers are encouraged to utilize and give consideration to consultants offering to utilize DBs in the selection and award of contracts.

Proposers shall not discriminate on the basis of gender, race, creed or color in the award and performance of contracts in accordance with 62 Pa.C.S. §3701.

Failure to comply with the requirements of Section 303 or this specification may result in the imposition of sanctions as appropriate under section 531 of the Procurement Code, 62 Pa.C.S. § 531 relating to debarment and suspension.

The Commission's Director of the Office of Diversity and Inclusion, or designee, is designated the Responsible Official who shall supervise the DB program and ensure that the Commission complies with the DB program.

(b) Definitions. The following definitions apply to terms used in this specification:

1. Disadvantaged Business – A business that is owned or controlled by a majority of persons, not limited to members of minority groups, who are subject to racial, social, ethnic prejudice or cultural bias.

2. Diverse Business – A disadvantaged business, minority-owned or women-owned business or service-disabled veteran-owned or veteran-owned small business that has been certified by a third-party certifying organization.

3. Minority-owned Business – A business owned and controlled by a majority of individuals who are African Americans, Hispanic Americans, Native Americans, Asian Americans, Alaskans or Pacific Islanders.

4. Professional Services – An industry of infrequent, technical or unique functions performed by independent contractors or consultants whose occupation is the rendering of the services, including: (1) design professional services as defined in 62 Pa.C.S. § 901 (relating to definitions); (2) legal services; (3) advertising or public relations services; (4) accounting, auditing or actuarial services; (5) security consultant services; (6) computer and information technology services; and (7) insurance underwriting services.

5. Pro Forma Effort-The act of completing a form or document identifying efforts to solicit DBs for a project in order to satisfy criteria with little or no expectation that the DBs contacted or identified will perform any of the work.

6. Service-Disabled Veteran-Owned Small Business – A business in the United States which is independently owned and controlled by a service-disabled veteran(s), not dominant in its field of operation, and employs 100 or fewer employees.

7. Subconsultant- Any individual, partnership, firm, or corporation entering into a contract with the prime consultant for work under the contract, including those providing professional and other services.

8. Third-party Certifying Organization – An organization that certifies a small business, minority-owned business, women-owned business or veteran-owned small business as a diverse business. The term includes: (1) the National Minority Supplier Development Council; (2) the Women’s Business Development Enterprise National Council; (3) the Small Business Administration; (4) The Department of Veteran Affairs; (5) the Pennsylvania Unified Certification Program.

9. Veteran-owned Small Business –A small business owned and controlled by a veteran or veterans.

10. Women-Owned Business – A business owned and controlled by a majority of individuals who are women.

(c) Actions Required by Proposer during the procurement/consultant selection phase

1. Submission Requirements – Consultant Responsiveness.

- a. **Minimum Participation Level (MPL) Documentation** - If the documentation submitted with the proposal demonstrates that the proposer has identified DBs sufficient to meet the MPL established for this contract, the proposer will be deemed to have satisfied the DB requirement during this phase. The proposer is required to provide the business name and business address of each DB and supporting documentation that includes proof of certification.

If the consultant’s proposal demonstrates the consultant’s inability to meet the MPL established for this contract, the proposer shall demonstrate Good Faith Efforts with its proposal. Failure to submit the required documentation demonstrating Good Faith Efforts as further described below with the proposal may result in a rejection of the proposal.

- b. If no MPL has been established for this contract, the proposer is required to either provide a statement of intent that it will self-perform 100% of the work for the agreement, or demonstrate Good Faith Efforts to solicit subconsultants that are DBs. In either case documentation shall be provided with the proposal.

Failure to submit the required information identified above with the proposal may result in a rejection of the proposal.

2. Good Faith Effort Requirements: The documentation of Good Faith Efforts must include the business name and business address of each DB considered. Supporting documentation must also include proof of certification and any explanation of Good Faith Efforts the proposer would like the Commission to consider. Any services to be performed by a DB are required to be readily identifiable to the agreement. Good Faith efforts are demonstrated by seeking out DB participation in the project given all relevant circumstances. The Commission requires the proposer to demonstrate more than Pro Forma Efforts. Evidence of Good Faith Efforts includes, but is not limited to:

- a. Consultant solicits through all reasonable and available means the interest of all certified DBs with the capacity to perform the scope of work set forth in the agreement.
- b. The proposer must provide written notification at least 5 business days before proposals are due to allow the DBs to respond to the solicitation.
- c. The proposer must determine with certainty if DBs are interested by taking appropriate steps to follow up initial solicitations.
- d. The proposer must make efforts to select portions of the work to be performed by DBs to include, where appropriate, breaking out contract work into economically feasible units to facilitate DB participation;
- e. It is the proposer's responsibility to make a portion of the work available to DBs and, to select those portions of the work, so as to facilitate DB participation.
- f. The proposer shall provide evidence of such negotiations that include the names, addresses, and telephone numbers of DBs considered; A description of the information provided regarding the required work and services for the work selected for subconsultants; and evidence as to why additional agreements could not be reached for DBs to perform the work.
- g. Proposers cannot reject or withhold solicitation of DBs as being unqualified without sound reasons based on a thorough investigation of their capabilities.
- h. The DB's standing within its industry, membership in specific groups, organizations or associations and political or social affiliations (for example union v. non-union employee status) are not legitimate causes for the rejection or non-solicitation of proposals in the proposer's efforts to meet the Good Faith Efforts requirement.
- i. Efforts to assist interested DBs in obtaining bonding, lines of credit or insurance.

3. Actions Taken by the Commission. As part of the proposal review process, the Commission will review the submissions to determine whether the proposer has complied with Section 303 and this requirement in the selection of DB subconsultants. The Commission will determine whether the proposer has either met the MPL or provided acceptable documentation as noted above. The Commission reserves the right to contact proposers for clarification during the review and negotiation process.

If the Commission determines that the proposer has failed to either meet the MPL or provide acceptable documentation as noted above, the proposal may be rejected.

(d) Consultant Requirements During Performance of Services.

1. Replacement of a DB Subconsultant. Consultant must continue good faith efforts through completion of the contract. The obligation to make Good Faith Efforts to solicit subconsultants for any type of service extends to additional work required for any service which is identified to be performed by a DB. If at any time during the performance of the work, it becomes necessary to replace or add a subconsultant that is a DB, the consultant, as appropriate, shall immediately notify the Commission and seek approval in writing in accordance with the Agreement of the need to replace the DB, which notice shall include the reasons for the replacement. If a prime consultant who originally indicated that it would self-perform all work subsequently decides to use a subconsultant for any work under the contract, the consultant must submit documentation of all Good Faith Efforts as to the work for which a subconsultant is obtained.

2. Records. Maintain project records as are necessary to evaluate DB compliance and as necessary to perform the reporting function addressed below. Maintain all records for a period of 3 years following acceptance of final payment. Make these records available for inspection by the Commission, its designees or agents. These records should indicate:

2.a. The number of DB and non-DB subconsultants and the type of services performed on or incorporated in this project.

2.b. The progress and efforts made in seeking out DB subconsultant organizations and individual DB consultants for work on this project to increase the amount of DB participation and/or to maintain the commitments made at the time of the proposal to DBs.

2.c. Documentation of all correspondence, contacts, telephone calls, and other contacts made to obtain the service of DBs on this project.

3. Reports. Maintain monthly reports and submit reports as required by the Commission concerning those contracts and other business executed with DBs with respect to the records referred to in subsection (e)2. above in such form and manner as prescribed by the Commission. At a minimum, the Reports shall contain the following:

3.a The number of Contracts with DBs noting the type of services provided, including the execution date of each contract.

3.b The amounts paid to each DB during the month, the dates of payment, and the overall amounts paid to date. If no payments are made to a DB during the month, enter a zero (\$0) payment.

3.c Upon request and upon completion of individual DB firm's work, submit paid invoices or a certification attesting to the actual amount paid. In the event the actual amount paid is less than the award amount, a complete explanation of difference is required.

4. Subconsultant Contracts

4.a. Subcontracts with DB firms will not contain provisions waiving legal rights or remedies provided by laws or regulations of the Federal Government or the Commonwealth of Pennsylvania or the Commission through contract provisions or regulations.

4.b. Prime consultant will not impose provisions on DB subconsultants that are more onerous or restrictive than the terms of the prime's contract with non-DBs.

4.c. Executed copies of subcontracts/purchase orders are to be received by the Commission before the commencement of work by the DB.

5. Payments to DB Subconsultants. Payments to DBs are to be made in accordance with the prompt payment requirements of Chapter 39, Subchapter D of the Procurement Code, 62 Pa.C.S. §3931 et seq. Performance of services by a DB subconsultant in accordance with the terms of the contract entitles the subconsultant to payment.

(e) Actions to be Taken by Commission After Performance of Services. Following completion of the Consultant's services, the Director of the Commission's Office of Diversity and Inclusion or his/her designee will review the overall DB participation to assess the Consultant's compliance with Section 303 and this contract. Appropriate sanctions may be imposed under 62 Pa.C.S. § 531 (relating to debarment or suspension) for a Consultant's failure to comply with Section 303 and the requirements of the contract.

Prescription Drug Plan for Local 30 Retirees

Your Aetna Prescription Drug program is a three-tiered open formulary plan with a mandatory generic provision. The copays are as follows:

Under Age 65 Retirees, Spouses and Dependents

	Retail network pharmacy Up to 31-day supply	Retail network pharmacy 31-day supply (on or after 3rd fill of maintenance medications)	CVS retail pharmacy 90-day supply	Aetna mail-order pharmacy 31–90-day supply	Aetna Specialty mail-order pharmacy 31-day pharmacy supply
Generic	\$15	\$25	\$20	\$20	\$15
Preferred brand	\$23	\$41	\$32	\$32	\$23
Nonpreferred brand	\$41	\$77	\$59	\$59	\$41

Age 65 and Older Retirees, Spouses and Dependents

	Retail Up to 31-day supply	Mail order Up to 90-day supply	Retail maintenance Up to 31-day supply
Generic	\$15 or 20% whichever is greater	\$20 or 20% whichever is greater	\$25 or 20% whichever is greater
Preferred brand	\$23 or 20% whichever is greater	\$32 or 20% whichever is greater	\$41 or 20% whichever is greater
Nonpreferred brand	\$41 or 20% whichever is greater	\$59 or 20% whichever is greater	\$77 or 20% whichever is greater

Copayments

The level of coverage varies based on age for you, your spouse and dependents.

Retail	This copay applies up to the 31-day maximum supply of prescription medicine dispensed at retail pharmacies.
Mail order	This copay applies up to a 90-day supply of medication for all prescriptions for maintenance medicines that are taken regularly for chronic conditions such as: arthritis, asthma, diabetes and high cholesterol.
CVS	This copay applies to 90-day supply for all prescriptions for maintenance medicines that are taken regularly.
Retail maintenance	This copay applies starting with the third retail fill of up to a 31-day supply of a maintenance prescription and all refills thereafter.
Mandatory generics	This provision applies if the employee selects a brand-name medicine for a retail mail-order prescription when a generic brand medicine is available. In this case, the employee will pay the applicable preferred or nonpreferred copay plus the difference in the cost between the generic and brand-name medicines. If the doctor indicates there is no substitution allowed for a brand-name medicine, the employee will pay only the applicable brand copay.

With your prescription drug benefits, there are two ways to keep prescription medication costs low.

1. Choose generic medicine instead of brand-name, if it's right for you.
2. If a generic is not available, choose a preferred brand-name drug. Refer to our Preferred Drug List to see what drugs are considered preferred.

Generic medicine

Your plan covers all generic medicine at the lowest retail, mail order and retail maintenance copays. Generic medicines are:

- Identical to brand-name medicine in dose, strength, quality, the way they are administered and the way they are meant to be used
- Sold at a substantial discount from the brand-name medicine although they contain the same active ingredients
- Included in the plan at the generic copay as they become available
- All approved by the U.S. Food and Drug Administration (FDA)

Preferred brand-name medicine

Your plan uses Aetna's Preferred Drug List. It is a list of medicines chosen by Aetna and a team of health care providers.

The list shows you medicines that are:

- Brand-name and covered on a preferred basis
- Chosen on the basis of sound medical data, safety and cost
- Reviewed by Aetna's Pharmacy and Therapeutics (P&T) Committee for inclusion on the Preferred Drug List. The committee is comprised of Aetna staff, practicing doctors and pharmacists who are chosen to represent various clinical specialties.
- Updated on a regular basis and subject to change
- All approved by the U.S. Food and Drug Administration (FDA)

To view a complete list of preferred medicine, visit www.aetna.com/formulary. Or, call toll-free 1-888-792-3862.

Nonpreferred brand-name medicine

This type of medicine is not found on the Preferred Drug List because Aetna does not consider such medicine to be as safe or cost-effective. The P&T's clinical decisions are based on the strength of scientific evidence including relevant findings of federal government agencies, pharmaceutical manufacturers and medical professionals.

Rx Member Services

1-888-792-3862

Mon. – Fri. 7 a.m. to 11 p.m. (ET)

Sat. 7 a.m. to 9:30 p.m. (ET)

Sun. 8 a.m. to 5:30 p.m. (ET)



Aetna Rx Home Delivery®

Aetna Rx Home Delivery is a mail-order pharmacy that fills prescriptions for maintenance medicines that are taken regularly for chronic conditions. If you need this type of drug, you can get up to a 90-day supply, or the maximum supply allowed by your plan, and delivery right to your mailbox.

You also get:

- Quick, confidential service
- Free standard shipping
- Pharmacists who check all prescriptions for accuracy and can answer questions anytime

It's easy and fast to order — choose one of these ways:

1. Mail – Get a new prescription from your doctor. Mail your new prescription to Aetna Rx Home Delivery with a completed order form. You can access the form online.

Visit www.aetnavigators.com and log in to your secure Aetna Navigator member website. Once logged in, click the link to “Aetna Pharmacy.”

2. Fax – Give your doctor the Aetna Rx Home Delivery fax number: **1-877-270-3317**. Your doctor can fax in the prescription. Make sure your doctor includes your member ID number, your date of birth and your mailing address on the fax cover sheet. Only a doctor may fax a prescription.

3. Phone – Call Rx Member Services toll-free at **1-888-RX AETNA (1-888-792-3862)**. With our Aetna Rx Courtesy StartSM program, we will contact your doctor to attempt to get a new prescription. Your doctor may require you to schedule a visit before he or she will write you a new prescription. After we reach out to your doctor, please allow adequate time (up to 7 days) for us to receive a reply. To help this process move quickly, we highly recommend you alert your doctor to expect our outreach.

Ordering refills is easy. You can order refills:

1. Online – Visit www.aetnavigators.com and log in to Aetna Navigator to order refills, track your order and more.

2. By phone – Call Rx Member Services toll-free at **1-888-RX AETNA (1-888-792-3862)**. Have your Aetna member ID number, your prescription number and your credit card number ready.

3. By mail – Send in the reorder form that you received with your last order. Mail it back with your payment. The reorder form will also tell you when you can place your next refill order.

Aetna Specialty Pharmacy®

Aetna Specialty Pharmacy offers specialty medication and support services. These types of drugs may be injected, infused or taken by mouth. Specialty medicine often needs special storage and handling. It must be delivered quickly. And a nurse or pharmacist should monitor you during your treatment. Use Aetna Specialty Pharmacy to get this medicine sent right to your mailbox.

You also get:

- Free delivery that is reliable, secure and sent anywhere you choose
- Extra help when you need it — like injection training and side effect monitoring
- Proactive outreach to confirm your refills
- Free standard supplies
- Nurses and pharmacists who can help you 24 hours a day, every day

It's easy and fast to order — choose one of these ways:

1. Fax – Your doctor may fax your prescription to **1-866-FAX-ASRX (1-866-329-2779)**.

2. Mail – You or your doctor may mail your prescription order to: Aetna Specialty Pharmacy, 503 Sunport Lane, Orlando, FL 32809. If you mail in your own prescription, please send it along with a completed Patient Profile Form. To access this form, visit www.aetnaspecialtyrx.com and click “Enroll.”

3. Phone – Your doctor may also call and speak to one of our registered pharmacists at **1-866-782-ASRX (1-866-782 2779)** during normal business hours of 8 a.m. until 7 p.m. ET. To transfer an existing prescription order to be filled by Aetna Specialty Pharmacy, call toll-free at **1-866-353-1892**.

Reliable information about your medicine

To learn about your prescriptions and your health, visit www.aetnavigators.com and log in to Aetna Navigator. Learn about:

- Possible medicine side-effects
- Generic substitutes
- Medicine safety
- Tips for saving money and answers to benefits questions
- Specialty injectable medicine
- Preferred brand-name medicines

Delivery or pick-up?

Get up to a 90-day supply of your maintenance medicine, by mail or in person

Do you take maintenance medicines regularly? These are drugs that treat conditions like arthritis, asthma, diabetes or high cholesterol. If you need this type of drug, you can get a 90-day supply. The Maintenance Choice[®] program gives you a choice of two ways to save and pay the same amount either way. You can choose to use either Aetna Rx Home Delivery mail-order pharmacy or a CVS pharmacy* near you.

Plan exclusions

This plan does not cover every medicine your doctor might prescribe. For example, medications prescribed for cosmetic purposes or for enhancing physical performance are typically not covered. Aetna also does not cover replacement of lost or stolen prescriptions.

Participating pharmacies

To view a complete list of in-network pharmacies, visit www.aetnavigators.com and log in to Aetna Navigator. Then click “Find a Doctor, Pharmacy or Facility.” If you visit a pharmacy outside of the Aetna network, you will pay full price for your prescription medications and must submit a claim for reimbursement. You may be reimbursed at a lower amount than the amount charged by the out-of-network pharmacy.

Health benefits and health insurance plans are offered, administered and/or underwritten by Aetna Health Inc., Aetna Health Insurance Company of New York, Aetna Health Insurance Company and/or Aetna Life Insurance Company (Aetna). In Florida, by Aetna Health Inc. and/or Aetna Life Insurance Company. In Maryland, by Aetna Health Inc., 151 Farmington Avenue, Hartford, CT 06156. Each insurer has sole financial responsibility for its own products.

Aetna Pharmacy Management refers to an internal business unit of Aetna Health Management, LLC.

*Customers in Hawaii only may use a Longs Drugs location.

Prescription Drug Plan for Retirees

Your Aetna Prescription Drug program is a three-tiered open formulary plan with a mandatory generic provision. The copays are as follows:

Under Age 65 Retirees, Spouses and Dependents

	Retail network pharmacy	Retail network pharmacy	CVS retail pharmacy	Aetna mail-order pharmacy	Aetna Specialty mail-order pharmacy
	Up to 31-day supply	31-day supply (on or after 3rd fill of maintenance medications)	90-day supply	31–90-day supply	31-day supply
Generic	\$10	\$20	\$15	\$15	\$10
Preferred Brand	\$18	\$36	\$27	\$27	\$18
Nonpreferred Brand	\$36	\$72	\$54	\$54	\$36

Age 65 and Older Retirees, Spouses and Dependents

	Retail Up to 31-day supply	Mail order Up to 90-day supply	Retail maintenance Up to 31-day supply
Generic	\$10 or 20% whichever is greater	\$15 or 20% whichever is greater	\$20 or 20% whichever is greater
Preferred brand	\$18 or 20% whichever is greater	\$27 or 20% whichever is greater	\$36 or 20% whichever is greater
Nonpreferred brand	\$36 or 20% whichever is greater	\$54 or 20% whichever is greater	\$72 or 20% whichever is greater

Copayments

The level of coverage varies based on age for you, your spouse and dependents.

Retail	This copay applies up to the 31-day maximum supply of prescription medicine dispensed at retail pharmacies.
Mail order	This copay applies up to a 90-day supply of medication for all prescriptions for maintenance medicines that are taken regularly for chronic conditions such as: arthritis, asthma, diabetes and high cholesterol.
CVS	This copay applies to 90-day supply for all prescriptions for maintenance medicines that are taken regularly.
Retail maintenance	This copay applies starting with the third retail fill of up to a 31-day supply of a maintenance prescription and all refills thereafter.
Mandatory generics	This provision applies if the employee selects a brand-name medicine for a retail mail-order prescription when a generic brand medicine is available. In this case, the employee will pay the applicable preferred or nonpreferred copay plus the difference in the cost between the generic and brand-name medicines. If the doctor indicates there is no substitution allowed for a brand-name medicine, the employee will pay only the applicable brand copay.

With your prescription drug benefits, there are two ways to keep prescription medication costs low.

1. Choose generic medicine instead of brand-name, if it's right for you.
2. If a generic is not available, choose a preferred brand-name drug. Refer to our Preferred Drug List to see what drugs are considered preferred.

Generic medicine

Your plan covers all generic medicine at the lowest retail, mail order and retail maintenance copays. Generic medicines are:

- Identical to brand-name medicine in dose, strength, quality, the way they are administered and the way they are meant to be used
- Sold at a substantial discount from the brand-name medicine although they contain the same active ingredients
- Included in the plan at the generic copay as they become available
- All approved by the U.S. Food and Drug Administration (FDA)

Preferred brand-name medicine

Your plan uses Aetna's Preferred Drug List. It is a list of medicines chosen by Aetna and a team of health care providers.

The list shows you medicines that are:

- Brand-name and covered on a preferred basis
- Chosen on the basis of sound medical data, safety and cost
- Reviewed by Aetna's Pharmacy and Therapeutics (P&T) Committee for inclusion on the Preferred Drug List. The committee is comprised of Aetna staff, practicing doctors and pharmacists who are chosen to represent various clinical specialties.
- Updated on a regular basis and subject to change
- All approved by the U.S. Food and Drug Administration (FDA)

To view a complete list of preferred medicine, visit www.aetna.com/formulary. Or, call toll-free 1-888-792-3862.

Nonpreferred brand-name medicine

This type of medicine is not found on the Preferred Drug List because Aetna does not consider such medicine to be as safe or cost-effective. The P&T's clinical decisions are based on the strength of scientific evidence including relevant findings of federal government agencies, pharmaceutical manufacturers and medical professionals.

Rx Member Services

1-888-792-3862

Mon. – Fri. 7 a.m. to 11 p.m. (ET)
Sat. 7 a.m. to 9:30 p.m. (ET)
Sun. 8 a.m. to 5:30 p.m. (ET)



Aetna Rx Home Delivery®

Aetna Rx Home Delivery is a mail-order pharmacy that fills prescriptions for maintenance medicines that are taken regularly for chronic conditions. If you need this type of drug, you can get up to a 90-day supply, or the maximum supply allowed by your plan, and delivery right to your mailbox.

You also get:

- Quick, confidential service
- Free standard shipping
- Pharmacists who check all prescriptions for accuracy and can answer questions anytime

It's easy and fast to order — choose one of these ways:

1. Mail – Get a new prescription from your doctor. Mail your new prescription to Aetna Rx Home Delivery with a completed order form. You can access the form online.

Visit www.aetnavigators.com and log in to your secure Aetna Navigator member website. Once logged in, click the link to “Aetna Pharmacy.”

2. Fax – Give your doctor the Aetna Rx Home Delivery fax number: **1-877-270-3317**. Your doctor can fax in the prescription. Make sure your doctor includes your member ID number, your date of birth and your mailing address on the fax cover sheet. Only a doctor may fax a prescription.

3. Phone – Call Rx Member Services toll-free at **1-888-RX AETNA (1-888-792-3862)**. With our Aetna Rx Courtesy StartSM program, we will contact your doctor to attempt to get a new prescription. Your doctor may require you to schedule a visit before he or she will write you a new prescription. After we reach out to your doctor, please allow adequate time (up to 7 days) for us to receive a reply. To help this process move quickly, we highly recommend you alert your doctor to expect our outreach.

Ordering refills is easy. You can order refills:

1. Online – Visit www.aetnavigators.com and log in to Aetna Navigator to order refills, track your order and more.

2. By phone – Call Rx Member Services toll-free at **1-888-RX AETNA (1-888-792-3862)**. Have your Aetna member ID number, your prescription number and your credit card number ready.

3. By mail – Send in the reorder form that you received with your last order. Mail it back with your payment. The reorder form will also tell you when you can place your next refill order.

Aetna Specialty Pharmacy®

Aetna Specialty Pharmacy offers specialty medication and support services. These types of drugs may be injected, infused or taken by mouth. Specialty medicine often needs special storage and handling. It must be delivered quickly. And a nurse or pharmacist should monitor you during your treatment. Use Aetna Specialty Pharmacy to get this medicine sent right to your mailbox.

You also get:

- Free delivery that is reliable, secure and sent anywhere you choose
- Extra help when you need it — like injection training and side effect monitoring
- Proactive outreach to confirm your refills
- Free standard supplies
- Nurses and pharmacists who can help you 24 hours a day, every day

It's easy and fast to order — choose one of these ways:

1. Fax – Your doctor may fax your prescription to **1-866-FAX-ASRX (1-866-329-2779)**.

2. Mail – You or your doctor may mail your prescription order to: Aetna Specialty Pharmacy, 503 Sunport Lane, Orlando, FL 32809. If you mail in your own prescription, please send it along with a completed Patient Profile Form. To access this form, visit www.aetnaspecialtyrx.com and click “Enroll.”

3. Phone – Your doctor may also call and speak to one of our registered pharmacists at **1-866-782-ASRX (1-866-782 2779)** during normal business hours of 8 a.m. until 7 p.m. ET. To transfer an existing prescription order to be filled by Aetna Specialty Pharmacy, call toll-free at **1-866-353-1892**.

Reliable information about your medicine

To learn about your prescriptions and your health, visit www.aetnavigators.com and log in to Aetna Navigator. Learn about:

- Possible medicine side-effects
- Generic substitutes
- Medicine safety
- Tips for saving money and answers to benefits questions
- Specialty injectable medicine
- Preferred brand-name medicines

Delivery or pick-up?

Get up to a 90-day supply of your maintenance medicine, by mail or in person

Do you take maintenance medicines regularly? These are drugs that treat conditions like arthritis, asthma, diabetes or high cholesterol. If you need this type of drug, you can get a 90-day supply. The Maintenance Choice[®] program gives you a choice of two ways to save and pay the same amount either way. You can choose to use either Aetna Rx Home Delivery mail-order pharmacy or a CVS pharmacy* near you.

Plan exclusions

This plan does not cover every medicine your doctor might prescribe. For example, medications prescribed for cosmetic purposes or for enhancing physical performance are typically not covered. Aetna also does not cover replacement of lost or stolen prescriptions.

Participating pharmacies

To view a complete list of in-network pharmacies, visit www.aetnavigators.com and log in to Aetna Navigator. Then click “Find a Doctor, Pharmacy or Facility.” If you visit a pharmacy outside of the Aetna network, you will pay full price for your prescription medications and must submit a claim for reimbursement. You may be reimbursed at a lower amount than the amount charged by the out-of-network pharmacy.

Health benefits and health insurance plans are offered, administered and/or underwritten by Aetna Health Inc., Aetna Health Insurance Company of New York, Aetna Health Insurance Company and/or Aetna Life Insurance Company (Aetna). In Florida, by Aetna Health Inc. and/or Aetna Life Insurance Company. In Maryland, by Aetna Health Inc., 151 Farmington Avenue, Hartford, CT 06156. Each insurer has sole financial responsibility for its own products.

Aetna Pharmacy Management refers to an internal business unit of Aetna Health Management, LLC.

*Customers in Hawaii only may use a Longs Drugs location.

Addendum No. 1

RFP # 15-10380-5182

Attestation of Retiree Prescription Drug Coverage

Prospective Respondents: You are hereby notified of the following information in regard to the referenced RFP:

Following are the answers to questions submitted in response to the above referenced RFP as of March 18, 2015. All of the questions have been listed verbatim, as received by the Pennsylvania Turnpike Commission.

1. We would like to know what you are paying your current provider for this service.

This information will not be provided.

2. Who is the current actuarial attestation vendor?

Milliman

- a) How long has the incumbent vendor been performing the services?

Milliman provided this service for the Commission beginning in September 28, 2010.

- b) Will the incumbent vendor be eligible to bid in response to this RFP?

Yes.

3. Who performs the actuarial valuation of these post-retirement benefits? If different from the actuarial attestation vendor mentioned in question #2, why?

The actuarial attestation vendor will perform the actuarial valuation.

4. What is the reason for the issuance of this RFP, in lieu of providing a contract extension to continue using the incumbent actuarial vendor?

The contract with the previous vendor has expired.

5. Was the work required in prior years similar to that described in the current RFP?

Yes.

6. Can you please provide us a copy of the latest actuarial attestation report for review so we can better understand your expectation for your project deliverables?

Prior year attestation reports will not be provided. Services should be provided as stated in the RFP, and in accordance with CMS guidelines.

7. Has a budget been established for this contract? If so, what is the budgeted amount?

This information will not be provided.

8. In order to assist us in gaining a clear understanding of the scope of work, can you provide the amount of the total level of effort (hours of work) and total dollar amount of fees paid to the current actuarial vendor for the last two contract years?

Hours and consulting fee information will not be provided. Services should be provided in accordance with CMS guidelines.

9. How many in person meetings per year are required for the actuarial vendor to attend?

In person meetings are not required.

10. Regarding retiree prescription benefits, does the Commission use Medicare Retiree Drug Subsidy Program (RDS) or Medicare's Employer Group Waiver Plan (EGWP)?

RDS

a) If not, are there plans or considerations to change to EGWP? **No.**

b) If yes, what was the date that EGWP was implemented?

All other terms, conditions and requirements of the original RFP dated February 27, 2015 remain unchanged unless modified by this Addendum.