

EXHIBIT "A"

HIDALGO COUNTY HEALTH and HUMAN SERVICES COUNTY INDIGENT HEALTH CARE PROGRAM (CIHCP) "ON-LINE PHARMACY BILLING SERVICES"

RFP: 2007-283-00-00-sma

SPECIFICATIONS/REQUIREMENTS

This request for proposals (RFP) is intended to generate proposals from qualified firms to furnish Hidalgo County Health and Human Services, County Indigent Health Care Program (HIPC) with On-Line Pharmacy Billing Services.

Contractor Requirements:

1. Contractor must have the ability to limit members to three (3) prescriptions per month.
2. Contractor must have ability to produce paper or plastic identifications cards within 10 business days for eligible client members with a current picture for identification purposes, the case number, the eligibility period, the CIHCP telephone number (956)318-2011 and fax number (956)318-2018, at no additional cost. No logos on cards are allowed other than the County of Hidalgo seal.
3. The County **does not** pay for any over the counter medications.
4. Contractor must provide Customer Service Help Desk to service calls from CIHCP client members, providers and staff 24 hours a day 7 days a week.
5. Contractor must use proper professional standards in accordance with state and federal guidelines while performing their services.
6. Contractor must follow the provision to accept a generic substitute if the prescription does not have a physician override.
7. Contractor must use generic substitutes when available.
8. Contractor may approve use of brand name drugs with a cost less than \$500.00 when no generic drug is available.
9. Contractor may approve use of brand name insulin drugs such a Novolog Mix, Actos, Avandia, Humulin, Lantus, Novolin, Humulin N., Humalog Pen, Novolin N, when no generic drug is available.
10. Contractor must get County approval for all other brand name drugs over \$500.00.
11. Contractor may provide mail order pharmacy services to the clients when available.
12. Contractor must provide safeguards to eliminate the issuance of duplicate medication.
13. Contractor must provide the CIHCP with an electronic updated drug list weekly.
14. Contractor must provide a dedicated Account Manager to over see the management of the CIHCP on-line pharmacy billing services, to include contact information such as telephone and fax numbers and email address.
15. Contractor must provide a system whereby network pharmacies assign Medicaid reimbursement rights to the County for participants who become retro actively eligible for Medicaid.
16. Contractor must comply with all appropriate state and federal laws (transparency laws) and regulations related to on-line pharmacy billing services.
17. Contractor must be available to respond and assist with complaints and concerns related to the on-line pharmacy billing services.
18. Contractor must disclose all indirect and direct fees billed.
19. To the extent authorized by the Constitution and laws of the State of Texas, contractor shall hold harmless and indemnify County from and against, any and all claims, liabilities, losses,

judgments, expenses and/or damages resulting from or attributable to any act or omission of Contractor, including any acts constituting negligence or gross negligence.

Billing & Reporting Requirements:

1. Contractor must identify if a prescription drug is generic or name brand.
2. Contractor must submit invoice bi-weekly in order to expedite the payment process.
3. Contractor must have the ability to submit invoices electronically.
4. Contractor must provide a discount for all generic prescriptions billed on-line utilizing AWP (Average Wholesale Price) less 40% of net cost at minimum.
5. Contractor must provide a discount for all name brand drug billed on-line utilizing AWP (Average Wholesale Price) less 13% of net cost at a minimum.
6. Contractor's proposals must be based on a percentage mark-up or mark-down from current AWP.
7. Contractor must provide calculated dispensing fee per script.
8. Contractor must provide calculated administrative fees for the billing per script that is filled. No administrative fee will be paid if a script is not paid or void.
9. Contractor must have the ability to maintain a cost-effective drug formulary.
10. Contractor must provide an electronic individualized invoices per member and in CSV format file.
11. Contractor must provide an electronic report with a total for all member invoices.
12. Contractor must provide monthly and quarterly electronic reports summarizing drug expenditures and allow for customized reporting.
13. Contractor must provide yearly review of drug expenditures and program overview.
14. Contractor must provide actual number of covered members for date range requested.
15. Contractor must have the ability to provide statistical date reports, as requested by CIHCP.

Technical Requirements:

1. Provide a secure system for pharmacies within the approved network to bill claims on-line. Must meet HIPAA requirements.
2. Provide a secure real time on-line eligibility management system which will allow qualified pharmacies to verify if a client is on the program via the Internet or telephone. Must meet the HIPAA requirements.
3. Provide and maintain a network of qualified pharmacies.
4. Provide an updated list of pharmacy's in the network for County Indigent Health Care Program (CIHCP).
5. Provide ability to load current eligibility files electronically within 24 hours of receipt. Ability to accept file import from CIHCP software program of the eligible client members.
6. Must interface with the HIHCP software.
7. Provide real time client eligibility uploading.
8. Allow for multiple user access over secure Internet connection.
9. Submit with proposal a copy of contractor's back up and disaster recovery plan.
10. Contractor must demonstrate ability to provide services outside of the region in the event of a disaster.

GENERAL TERMS AND CONDITIONS

THIS DOCUMENT IS A REQUEST FOR A PROPOSAL (RFP). IN ORDER TO BE CONSIDERED FOR AN AWARD, ALL SPECIFICATIONS AND/OR REQUIREMENTS INDICATED IN THIS DOCUMENT MUST BE MET OR COMPLIED WITH. THESE SPECIFICATIONS AND/OR REQUIREMENTS ARE TO BE CONSIDERED MANDATORY, ANY DEVIATIONS BY THE PROPOSER FROM THE CONTENTS OF THIS DOCUMENT MAY BE CAUSE FOR REJECTION

OF THE PROPOSAL.

CONTRACT TERM: Contract term will be for an initial one (1) year period with the County's option to extend for two (2) additional one (1) year terms under the same terms and conditions. Hidalgo County reserves the right to continue this contract for an additional sixty (60) day Grace Period at the end of this contract for unforeseen delays in award subsequent contract.

PROPOSALS SHALL include the RFP and all additional documents submitted. The proposal shall be placed in a sealed envelope, signed by a person having the authority to bind the firm in a contract and shall be clearly marked on the outside as shown below. **FACSIMILE TRANSMITTALS WILL NOT BE ACCEPTED.IT IS UNDERSTOOD** that Hidalgo County reserves the right to reject any or all proposals as it shall deem to be in the best interest of the County. The award of this contract shall be made to the responsible offeror whose proposal is determined to be the best evaluated offer resulting from negotiation taking into consideration the relative importance of costs/requirements/services and other evaluation factors set forth in the Request for Proposals, "Evaluation/Selection Criteria", Exhibit B set forth and contained herein.