

**Commonwealth of Virginia**  
**Department of Human Resource Management**  
**Workers' Compensation Service**  
**RFP WCS13-1**  
**Workers' Compensation Claims Administration and**  
**Cost Containment Services**

**Addendum #1**  
**October 3, 2012**

**This addendum is issued to respond to questions received at the optional pre-proposal meeting held on October 1, 2012.**  
**The submission date remains unchanged.**

**Please sign this form and include as a part of your submission.**

**X** \_\_\_\_\_

1. Can the offeror submit a response/proposal specific to the pharmacy portion only?

Answer: This RFP does not allow for multiple awards.

2. Total number of tail claims?

Answer: Please clarify your question or please refer to statistical reports indicated in Section 2.1 in RFP Background.

3. Any broker involvement?

Answer: No

4. Please name your excess carrier (s)?

Answer: None

5. Please clarify/confirm which services are to be included under one fee in the price proposal. (i.e., claims admin and loss control services).

Answer: Please refer to Sections 3.1 and 3.33 in the RFP Statement of Needs.

6. Please confirm the minority in business enterprise percentage requirement for this contract.

Answer: The Purchasing Agency wishes to maximize Small, Women-owned and Minority-owned (SWaM) businesses in this procurement through the use of Virginia Department of Minority and Business Enterprises (DMBE) certified businesses.

7. Please confirm the Commonwealth's preference for staff to remain onsite.

Answer: Please refer to Section 3.4.4 in the RFP Statement of Needs.

8. The RFP identifies the contract period as a three year contract with two one year renewals. However, the Commonwealth of Virginia two Healthcare RFP's identify three year contracts with three one year renewals.

Answer: Correct.

9. Given that there has been a concerted effort to align the Workers' Compensation and Healthcare contracts; will the Commonwealth consider a three year contract with three one year renewals?

Answer: No

10. Can you provide the annual drug spend for 2011 and/or annual 2011 script volume for the Commonwealth. Also provide the 2011 generic rate.

Answer:

The following information is for pharmacy paid ONLY through the program's PBM. Other payments are made as demand payments to reimburse injured workers and to pay non-participating pharmacies directly and are not included in these statistics:

The Generic Fill Rate (Generic Utilization) for 2011 was 68%

The Generic Efficiency for 2011 was 88%

The Rx Count for 2011 was 39,279

The Billed Amount for 2011 was \$6,498,656

The following information is for pharmacy paid through the program's bill adjudication partner and includes pharmacy bills from mail order and local pharmacies billed directly to the program outside of the program's PBM (number of line item prescriptions may be higher than number of bills received due to multiple prescriptions on same billing):

# of Bills	Charged Amount	Approved Amount
2,464	\$1,881,514.76	\$1,249,728.15

The following information is for pharmacy reimbursed directly to injured workers for out-of-pocket pharmacy expenses (number of line item prescriptions may be higher than number of reimbursement requests received due to multiple prescriptions on same billing):

# of Reimbursement Requests	Gross Amount	Approved Amount
293	\$27,622.69	\$27,397.10

11. Please explain the Copy Center requirement.

Answer: The Purchasing Agency has both imaged files created during the course of the current contract and paper files that pre-date the current contract. Other office areas in the Purchasing Agency use Virginia Correctional Enterprises copy services; however, the Purchasing Agency does not wish to send files existing only in paper form offsite for copying nor does it wish to use inmate labor to copy personal medical and other sensitive information. Additionally, the Purchasing Agency does not wish to send imaged copy work offsite due to the risk of unsecure transmission between companies and lack of control over sensitive information off-site. The copy center will be used for all contract-related copy work, including that required by the Office of the Attorney General for defense.

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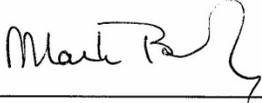
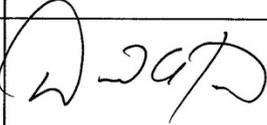
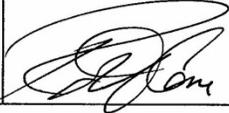
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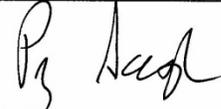
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 October 1, 2013  
 Sign-in Sheet

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Andrew Kingery	Andren		Bus. CARD	
DAVID MORRIS	Andren		Bus. CARD	