# **ATTACHMENT h. VENDOR APPROACH TO Outcomes**

Below in Table 1 are the CMS-required Outcomes for the PBA Module(s). Bidders should start responses in this document with a response to each metric, addressing how the Vendor will meet or exceed the required Outcomes. Vendors should be specific in their response, including the metric(s) that will be used by the Vendor to track the Outcomes. The Agency must provide a report to CMS on a minimum of a quarterly basis, proving that the Outcomes are met. It is important to note that the text of the CMS Outcomes cannot be altered, however Vendors may propose additional metrics. In Table 2 are the Iowa-specific outcomes. Vendors should also use this document to propose innovative solutions that will support these outcomes. The Agency welcomes Vendors to propose additional Iowa-specific outcomes, including detailed metrics and sample reports that could be supported by the implementation of their products and services as described in the RFP scope.

Vendors should provide a detailed response to demonstrate their understanding of each State and CMS Outcome and how their solution will achieve all required Outcomes for the Agency. Responses for this attachment are not to exceed 50 pages total for all outcomes, including those proposed by the Bidder.

**Table 1-CMS Required Outcomes**

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| Outcome ID/  Business Area | Description | Metrics | Regulatory Source |
| PBM1 (POS) | The system adjudicates claims within established time parameters to ensure timely pharmacy claims payments. | -Decrease elapsed time for claim / payment  -Reduce provider effort | Section 1927(h) of the SSA 42 CFR 456.722 - POS requirement to support claims adjudication or payment |
| PBM2 (POS) | The system adjudicates claims accurately within established parameters. The module can be configured to provide authority/ability to override a reject/edit/denied claim and then resubmit to ensure timely provider claims payments. | -Accurately identifies enrolled providers. - Pharmacy claims and encounters are priced according to the correct pricing algorithm. | 42 CFR 456.722 |
| PBM3 (Drug Rebate) | The system captures the necessary data to ensure timely processing of manufacturer rebates as well as the capability to track rebates to promote beneficiary cost savings. | - The system has the capability to accept/store/apply the rebate and covered outpatient drug (COD) information received from CMS and manufacturers necessary to generate rebate invoices. - Timely identification of eligible PAD claims/encounters that do not convert to NDC units. | Section 1927 of the SSA 42 CFR 447.509 |
| PBM4  (Drug Rebate) | The system has the capability to support cost savings by capturing, storing, and transferring data to the payment process system to generate invoices of participating drug manufacturers within 60 days of the end of each quarter. | - Percentage Rebate Invoiced per Dollar (Note if invoice period is behind the actual reporting period). - Issue timely invoicing within established parameters (+/- 5 days). | Section 1927 of the SSA 42 CFR 447.520 Section 1927(b)(2) of the SSA 42 CFR 447.511 |
| PBM5 (Drug Rebate) | The system supports cost savings by enabling the tracking, monitoring, and reporting of manufacturer's pharmacy drugs and rebate savings. | - Provide a sample of the CMS rebate report and the manufacturer rebate report with production data. - Provide the post-production operational measure of rebates collection. | Section 1927 of the SSA 42 CFR 447.520 Section 1927(b)(2) of the SSA 42 CFR 447.511 |
| PBM6 (Utilization Management) | The system enables the beneficiary to have timely access to medication if the system has the capability to perform prior authorization and provide a response by telephone or other telecommunication devices within 24 hours of a request and provides for the dispensing of at least 72-hour supply of a covered outpatient prescription drug in an emergency situation (unless excluded under the SSA). | - Timely Access: Response to a Prior Authorization request provided within 24 hours. - Timely Access: Emergency 72-hour fill requests reject rate - this can be the % of total POS claims not authorized with a 72-hour emergency fill. | Section 1927(d)(5) of the SSA |
| PBM7 (Reporting and Analytics) | The system supports CMS oversight of the safe, effective, and appropriate dispensing of medications by enabling the capability to provide data to support the creation of the CMS annual report on the operation and status of the state's DUR program. | - Provide a copy of the State’s DUR Report | Section 1927(g)(3)(D) of the SSA 42 CFR 456.712 Section 1944(e)(1) of the SSA |
| PBM8 (Reporting and Analytics) | The system supports the safe, effective, and appropriate dispensing of medications by enabling the capability to provide point-of-sale or point of distribution prospective review of drug therapy based upon predetermined standards, including standards for counseling. | - Provide a sample report showing the ability to provide prospective review data with a timestamp prior to adjudication. | 42 CFR 456.703, 456.705(b) 456.709 Section 1927 (g) of the SSA |
| PBM9 (Reporting and Analytics) | The system supports the identification of patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care, or prescribing or billing practices indicating abuse or excessive utilization among physicians, pharmacists and individuals receiving benefits by enabling the collection of pharmacy data to be used in retrospective drug utilization reviews. | - Provide a sample report of post-production operational measures that calculate the average cost avoidance per claim. | 42 CFR 456.703, 456.705(b) 456.709 Section 1927 (g) of the SSA |

**Table 2 Iowa-specific Outcomes**

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| Outcome ID/  Business Area | Description | Proposed Metrics |
| IA PBM1 (Utilization Management) | The system and supporting processes will improve the prior authorization processes to reduce member and provider burden. | * **Vendor to propose metrics** |
| IA PBM2 (Reporting and Analytics) | The system and supporting processes optimize and provide administrative oversight for the PDL and clinical committees. | * **Vendor to propose metrics** |
| IA PBM3 (Reporting and Analytics) | The system and/or supporting clinical processes will streamline and enhance coordination for the DUR commission and committee(s). Reports must include the entire program, including MCO data, in a single data set. | * **Vendor to propose metrics** |
| IA PBM4 (Drug Rebate) | The system and supporting processes will streamline the Drug Rebate processes. | * **Vendor to propose metrics** |
| IA PBM5 (POS and Reporting and Analytics) | The system and supporting processes will enhance the flow of data and claims processing | * **Vendor to propose metrics** |
| IA PBM6 (POS) | The system and supporting processes will improve member access and compliance to covered diabetic testing supplies and insulin delivery products by making them billable through the pharmacy benefit. | * **Vendor to propose metrics** |

Beginning on this page, Bidders should list the Outcome and Description first, then describe in detail the metrics that will be necessary to prove the Outcome is met.

Example:

PBM1: The system adjudicates claims within established time parameters to ensure timely pharmacy claims payments.

Vendor Response