



DEPARTMENT OF MENTAL HEALTH

REQUEST FOR PROPOSALS (RFP)

FOR

PHARMACY BENEFIT MANAGEMENT SERVICES

Bid No. DMH11272023B1

Month XX, 2024

**Prepared By
County of Los Angeles Department of Mental Health
Contracts Development & Administration Division**

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APPENDICES

- A Sample Contract:** Identifies the terms and conditions in the contract.
- B Required Forms:** Forms that must be completed and included in the proposal.
- C Transmittal Form to Request a Solicitation Requirements Review:** Transmittal form sent to DMH requesting a Solicitation Requirements Review.
- D Background and Resources: California Charities Regulation:** An information sheet intended to assist nonprofit agencies with compliance with SB 1262 - the Nonprofit Integrity Act of 2004 and identify available resources.

0 SOLICITATION INFORMATION AND MINIMUM MANDATORY REQUIREMENTS

RFP Release Date	11/27/2023
Request for a Solicitation Requirements Review Due (Refer to Paragraph 9 – Protest Process Overview)	12/11/2023 by 12:00 p.m. PST
Deadline to Register for Virtual Mandatory Proposer’s Conference	12/27/2023 by 12:00 p.m. PST Email: Janet Betton SolicitationsTeam@dmh.lacounty.gov
Written Questions Due	1/12/2024 by 12:00 p.m. PST
Virtual Mandatory Proposer’s Conference (Refer to Paragraph 7.4)	1/17/2024 at 10:00 a.m. to 12:00 p.m. PST
Questions and Answers Released via Addendum (Date subject to change at County’s sole discretion)	1/29/2024 by 5:00 p.m. PST
Mandatory Letter of Intent to Submit a Proposal Due	2/5/2024 by 12:00 p.m. PST
Proposals Due	2/29/2024 by 12:00 p.m. PST
Virtual Mandatory Verbal Presentation (Dates subject to change at County’s sole discretion)	Tentatively to be scheduled during the following dates: 03/01/2024 – 3/31/2024
Anticipated Contract Term	The Contract will be for one year with four one-year optional extensions unless County terminates the Contract at its sole discretion in accordance with provision 8.42 (Termination for Convenience).
Minimum Requirements	See Paragraph 3 of this RFP
RFP Contact	Janet Betton, via email: SolicitationsTeam@dmh.lacounty.gov

1 INTRODUCTION

- 1.1 The Los Angeles County (LAC or County) Department of Mental Health (Department or DMH) is the largest county mental health department in the country. DMH directly operates more than 80 programs and contracts for services with more than 400 agencies to serve approximately 290,000 Clients, of which approximately 23,200 are uninsured (i.e. have no source of healthcare benefits). To the extent that resources are available, DMH maintains financial responsibility for those Clients who are uninsured, hereafter referred to as Covered Clients (CCs). DMH pays for approximately 5,000 prescription drugs each month dispensed by DMH Participating Pharmacies (PPs) throughout LAC.
- 1.2 LAC DMH is issuing this Request for Proposals (RFP) to solicit proposals for one contract with an organization that can provide Pharmacy Benefits Administrator (PBA) / Pharmacy Benefits Manager (PBM) / Third-Party Administrator (TPA), hereafter referred to as PBM services.
- 1.3 Titles, captions, and headings contained in this solicitation are inserted as a matter of convenience and for reference and are not intended and must not be deemed or construed to define, limit, extend or otherwise describe the scope or any provision of this solicitation.

2 PURPOSE-CONTRACT FOR PBM SERVICES

2.1 Statement of Work (SOW)

The selected Contractor is expected to implement the requirements outlined in Exhibit A (SOW and Attachments) of Appendix A (Sample Contract) of this RFP.

2.2 Sample Agreement: County Terms and Conditions

Selected Contractor is expected to implement the requirements outlined in Appendix A (Sample Contract) of this RFP.

2.2.1 Anticipated Contract Term

The Contract will be for one year with four one-year optional extensions unless County terminates the Contract at its sole discretion in accordance with Paragraph 8.42 (Termination for Convenience) of Appendix A (Sample Contract).

2.2.2 Contract Rates

The selected Contractor's rates will be established upon Contract award and remain firm and fixed for the term of the Contract unless otherwise revised through a formal amendment.

2.2.3 Days of Operation

The selected Contractor is required to provide PBM services during the hours outlined in Exhibit A (SOW and Attachments) of Appendix A (Sample Contract).

2.2.4 Indemnification and Insurance

The selected Contractor is required to comply with the provisions contained in Paragraph 8.23 (Indemnification) of Appendix A (Sample Contract). The selected contractor must procure, maintain, and provide to the County proof of insurance coverage for all the programs of insurance along with associated amounts specified in Paragraph 8.24 (General Provisions for all Insurance Coverage) and Paragraph 8.25 (Insurance Coverage) of Appendix A (Sample Contract).

2.2.5 Health Insurance Portability and Accountability Act of 1996

The selected Contractor is required to comply with the Administrative Simplification requirements of the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) as in effect and as may be amended, as contained in Exhibit I (Business Associate Agreement under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) of Appendix A (Sample Contract).

3 PROPOSER'S MINIMUM QUALIFICATIONS

3.1 Interested and qualified Proposers that can demonstrate their ability and qualifications to successfully provide the required services outlined in Exhibit A (SOW and Attachments) of Appendix A (Sample Contract) are invited to submit a proposal, provided they meet the following mandatory requirements:

3.1.1 Proposer must have at least five (5) years of experience as of the date of release of this RFP, providing continuous PBM billing and claims adjudication services.

Proposer must submit business documentation to substantiate experience and years of experience.

3.1.2 Proposer must be a certified Surescripts PBM.

Proposer must submit a copy of current certification.

3.1.3 Proposer must currently provide PBM services to an organization with a minimum volume of 5,000 pharmacy claims per month.

Proposer must submit a copy of a contract, memorandum of understanding (MOU), or any business agreement that substantiates services provided and volume of pharmacy claims.

3.1.4 Proposer's contracted pharmacies must cover all eight (8) Service Areas (SA) in LAC.

Proposer must submit a list of at least 100 retail pharmacies with complete addresses, within its network to demonstrate service coverage.

- 3.1.5** Proposer's Customer Call Center must provide customer services in all LAC threshold languages listed in Attachment 16 (Threshold Languages) of Exhibit A (SOW and Attachments) of Appendix A (Sample Contract).

Proposer must submit a staff roster with appropriate languages and/or translation services contract, MOU, etc. to substantiate language capacity.

- 3.1.6** Proposer must attend the virtual Mandatory Proposers' Conference and submit a Mandatory Letter of Intent to Submit a Proposal per Section 7.4 of this RFP.

DMH will verify attendance through electronic sign in and will verify receipt of Mandatory Letter of Intent to Submit a Proposal by due date.

- 3.1.7** Proposer must provide copies of the company's most current and prior two (2) fiscal years financial statements. Statements should include the company's assets, liabilities and net worth and at a minimum should include the Balance Sheet, Statement of Income, and the Statement of Cash Flows.

It should be noted that depending on the nature of the entity, i.e., for-profit, non-profit, governmental, the title of these documents may differ. For example, for a non-profit entity the Balance Sheet is referred to as the Statement of Financial Position. If audited statements are available, these should be submitted to meet this requirement. Do not submit Income Tax Returns to meet this requirement. Financial statements will be kept confidential if so stamped on each page.

This section will be scored on a pass/fail basis. Upon receipt of this information, DMH will conduct a review to determine agency's financial capability. The County may deduct rating points or disqualify the proposal in its entirety.

- 3.1.8** If Proposer's compliance with a County contract has been reviewed by the Department of the Auditor-Controller within the last 10 years, Proposer must not have unresolved questioned costs identified by the Auditor-Controller, in an amount over \$100,000.00, that are confirmed to be disallowed costs by DMH, and remain unpaid for six months or more from the date of disallowance, unless such disallowed costs are the subject of current good faith negotiations to resolve the disallowed costs, in the opinion of the County.

DMH will verify. Submission is not required by Proposer.

4 COUNTY'S RIGHTS AND RESPONSIBILITIES

4.1 Representations Made Prior to Contract Execution

The County is not responsible for representations made by any of its officers or employees prior to the execution of the contract unless such understanding or representation is included in the contract.

4.2 Final Contract Award by the Board of Supervisors

Notwithstanding a recommendation of a Department, agency, individual, or other, the Board of Supervisors retains the right to exercise its judgment concerning the selection of a proposal and the terms of any resultant agreement, and to determine which proposal best serves the interests of the County. The Board is the ultimate decision-making body and makes the final determinations necessary to arrive at a decision to award, or not award, a contract.

4.3 County's Option to Reject Proposals

Proposers are hereby advised that this RFP is a solicitation for proposals only, and is not intended, and is not to be construed as, an offer to enter into a contract or as a promise to engage in any formal competitive bidding or negotiations pursuant to any statute, ordinance, rule, or regulation. The County may, at its sole discretion, reject any or all proposals submitted in response to this RFP or may, in its sole discretion, reject all proposals and cancel this RFP in its entirety. The County will not be liable for any costs incurred by the proposer in connection with the preparation and submission of any proposal. The County reserves the right to waive inconsequential disparities in a submitted proposal.

4.4 County's Right to Amend Request for Proposals

The County has the right to amend the RFP by written addendum. The County is responsible only for that which is expressly stated in the solicitation document and any authorized written addenda thereto. Such addendum will be made available to each person or organization which County records indicate has received this RFP. Should such addendum require additional information not previously requested, failure to address the requirements of such addendum may result in the proposal being found non-responsive and not being considered, as determined in the sole discretion of the County. The County is not responsible for and will not be bound by any representations otherwise made by any individual acting or purporting to act on its behalf.

4.5 Background and Security Investigations

Background and security investigations of the selected Contractor's staff may be required at the discretion of the County as a condition of beginning and continuing work under any resulting contract. The cost of background checks is the responsibility of the selected Contractor.

5 NOTIFICATION TO PROPOSERS

5.1 Notice to Proposers Concerning the Public Records Act

5.1.1 Responses to this solicitation will become the exclusive property of the County. Absent extraordinary circumstances, the recommended

Proposer's proposal will become a matter of public record when 1) contract negotiations are complete; 2) DMH receives a letter from the recommended Proposer's authorized officer that the negotiated contract is the firm offer of the recommended Proposer; and 3) DMH releases a copy of the recommended Proposer's proposal in response to a Notice of Intent to Request a Proposed Contractor Selection Review under Board Policy No. 5.055 ([Services Contract Solicitation Protest](#)).

Notwithstanding the above, absent extraordinary circumstances, all proposals will become a matter of public record when DMH's proposer recommendation appears on the Board agenda.

Exceptions to disclose are those parts or portions of all proposals that are justifiably defined as business or trade secrets, and plainly marked by the proposer as "Trade Secret", "Confidential", or "Proprietary".

- 5.1.2** In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "Confidential", "Trade Secrets", or "Proprietary", Proposer agrees to defend and indemnify County from all costs and expenses, including reasonable attorneys' fees, incurred in connection with any action, proceedings, or liability arising in connection with the Public Records Act request.

5.2 Contact with County Personnel

All contact regarding this RFP or any matter relating thereto must be in writing, and e-mailed to:

Janet Betton
SolicitationsTeam@dmh.lacounty.gov

If it is discovered that a Proposer contacted and received information from any County personnel, other than the person specified above, regarding this solicitation, County, in its sole determination, may disqualify their proposal from further consideration.

5.3 Mandatory Requirement to Register on County's WebVen

Prior to a contract award, all potential Contractors must register in the County's WebVen. WebVen contains the vendor's business profile and identifies the goods/services the business provides. Registration can be accomplished online via the Internet by accessing the County's home page at:

<http://camisvr.co.la.ca.us/webven/>

5.4 Protest Policy Review Process

- 5.4.1** Under Board Policy No. 5.055 ([Services Contract Solicitation Protest](#)) any prospective Proposer may request a review of the requirements under a solicitation for a Board-approved services contract, as described in Paragraph 5.4.3 (Grounds for Review) below. Additionally, any actual

Proposer may request a review of a disqualification or of a proposed contract award under such a solicitation, as described respectively in the paragraphs below. It is the responsibility of the Proposer challenging DMH's decision to demonstrate that DMH committed a sufficiently material error in the solicitation process to justify invalidation of a proposed contract award.

- 5.4.2** Throughout the review process, the County has no obligation to delay or otherwise postpone an award of contract based on a Proposer protest. In all cases, the County reserves the right to make an award when it is determined to be in the best interest of the County of Los Angeles to do so.

5.4.3 Grounds for Review

Unless State or federal statutes or regulations otherwise provide, the grounds for review of a solicitation for a Board-approved services contract provided for under Board Policy No. 5.055 ([Services Contract Solicitation Protest](#)) are limited to the following:

- 5.4.3.1** Solicitation Requirements Review (referenced in Paragraph 9.1)
- 5.4.3.2** Disqualification Review (referenced in Paragraph 9.2)
- 5.4.3.3** DMH's Proposed Contractor Selection Review (referenced in Paragraph 9.3)

5.5 Conflict of Interest

- 5.5.1** No County employee whose position in the County enables them to influence the selection of a contractor for this RFP, or any competing RFP, nor any spouse or economic dependent of such employees, will be employed in any capacity by a Proposer or have any other direct or indirect financial interest in the selection of a Contractor. Proposer must certify that they are aware of and have read [Section 2.180.010 of the Los Angeles County Code](#) as stated in Exhibit 2 (Certification of Compliance) of Appendix B (Required Forms).

5.6 Determination of Proposer Responsibility

- 5.6.1** A responsible Proposer is a Proposer who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible Proposers.
- 5.6.2** Proposers are hereby notified that, in accordance with [Chapter 2.202 of the County Code](#), the County may determine whether the Proposer is responsible based on a review of the Proposer's performance on any contract, including but not limited to County contracts. Particular attention will be given to violations of labor laws related to employee

compensation and benefits, and evidence of false claims made by the Proposer against public entities. Labor law violations which are the fault of subcontractors and of which the Proposer had no knowledge will not be the basis of a determination that the Proposer is not responsible.

5.6.3 The County may declare a Proposer to be non-responsible for purposes of this proposed contract if the Board of Supervisors, in its discretion, finds that the Proposer has done any of the following: 1) violated a term of a contract with the County or a nonprofit corporation created by the County; 2) committed an act or omission which negatively reflects on the Proposer's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same; 3) committed an act or omission which indicates a lack of business integrity or business honesty; or 4) made or submitted a false claim against the County or any other public entity.

5.6.4 If there is evidence that the apparent highest ranked Proposer may not be responsible, DMH will notify the Proposer in writing of the evidence relating to the Proposer's responsibility, and its intention to recommend to the Board of Supervisors that the Proposer be found not responsible. DMH will provide the Proposer and/or the Proposer's representative with an opportunity to present evidence as to why the Proposer should be found to be responsible and to rebut evidence which is the basis for DMH's recommendation.

5.6.5 If the Proposer presents evidence in rebuttal to DMH, DMH will evaluate the merits of such evidence, and based on that evaluation, make a recommendation to the Board of Supervisors. The final decision concerning the responsibility of the Proposer will reside with the Board of Supervisors.

5.6.6 These terms will also apply to proposed subcontractors of Proposers on County contracts.

5.7 Proposer Debarment

5.7.1 The Proposer is hereby notified that, in accordance with [Chapter 2.202 of the County Code](#), the County may debar the Proposer from bidding or proposing on, or being awarded, and/or performing work on other County contracts for a specified period of time, which generally will not exceed five (5) years but may exceed five (5) years or be permanent if warranted by the circumstances, and the County may terminate any or all of the Proposer's existing contracts with County, if the Board of Supervisors finds, in its discretion, that the Proposer has done any of the following: 1) violated a term of a contract with the County or a nonprofit corporation created by the County; 2) committed an act or omission which negatively reflects on the Proposer's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern

or practice which negatively reflects on same; 3) committed an act or offense which indicates a lack of business integrity or business honesty; or 4) made or submitted a false claim against the County or any other public entity. These terms will also apply to proposed subcontractors of Proposers on County contracts.

- 5.7.2** A listing of Contractors that are currently on the Debarment List for Los Angeles County may be obtained on the following website: <https://doingbusiness.lacounty.gov/listing-of-contractors-debarred-in-los-angeles-county/>.

5.8 Improper Considerations

5.8.1 Attempt to Secure Favorable Treatment

It is improper for any County officer, employee or agent to solicit consideration, in any form, from a Proposer with the implication, suggestion or statement that the Proposer's provision of the consideration may secure more favorable treatment for the Proposer in the award of the contract or that the Proposer's failure to provide such consideration may negatively affect the County's consideration of the Proposer's submission. A Proposer must not offer or give either directly or through an intermediary, consideration, in any form, to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the award of the contract.

5.8.2 Proposer Notification to County

A Proposer must immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report must be made to the Los Angeles County Fraud Hotline at (800) 544-6861 or <https://fraud.lacounty.gov/>. Failure to report such a solicitation may result in the Proposer's submission being eliminated from consideration.

5.8.3 Form of Improper Consideration

Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

5.9 Notice to Proposers Regarding the County Lobbyist Ordinance

The Board of Supervisors of the County of Los Angeles has enacted an ordinance regulating the activities of persons who lobby County officials. This ordinance, referred to as the "Lobbyist Ordinance", defines a County Lobbyist and imposes certain registration requirements upon individuals meeting the definition. The complete text of the ordinance can be found in [County Code Chapter 2.160](#). In effect, each person, corporation or other entity that seeks a County permit, license, franchise or contract must certify compliance with the ordinance. As part of this solicitation process, it is each Proposer's responsibility to review the ordinance independently as the text of said ordinance is not contained within this RFP.

Thereafter, each person, corporation or other entity submitting a response to this solicitation, must certify that each County Lobbyist, as defined by [Los Angeles County Code Section 2.160.010](#), retained by the Proposer is in full compliance with [Chapter 2.160 of the Los Angeles County Code](#) and each such County Lobbyist is not on the Executive Office's List of Terminated Registered Lobbyists.

5.10 Consideration of GAIN-START Participants for Employment

5.10.1 As a threshold requirement for consideration for contract award, proposers must demonstrate a proven record of hiring participants in the County's [Department of Public Social Services Greater Avenues for Independence \(GAIN\) or Skills and Training to Achieve Readiness for Tomorrow \(START\) Programs](#) or must attest to a willingness to consider GAIN/START participants for any future employment openings if they meet the minimum qualifications for that opening. Proposers must attest to a willingness to provide employed GAIN/START participants access to the Proposers' employee mentoring program, if available, to assist these individuals in obtaining permanent employment and/or promotional opportunities.

5.10.2 Proposers who are unable to meet this requirement will not be considered for contract award. Proposers must submit a completed Exhibit 2 (Certification of Compliance) of Appendix B (Required Forms), along with their proposal.

5.11 Jury Service Program

5.11.1 The prospective contract is subject to the requirements of the County's Contractor Employee Jury Service Ordinance ("Jury Service Program") ([Los Angeles County Code, Chapter 2.203](#)). Prospective Contractors should carefully review Paragraph 8.8 (Compliance with the County's Jury Service Program) of Appendix A (Sample Contract), both of which are incorporated by reference into and made a part of this RFP. The Jury Service Program applies to both Contractors and their subcontractors.

Proposals that fail to comply with the requirements of the Jury Service Program will be considered non-responsive and excluded from further consideration.

5.11.2 Contractor must certify compliance with County's Contractor Employee Jury Service Ordinance in Exhibit 2 (Certification of Compliance) of Appendix B (Required Forms). If a Contractor does not fall within the Jury Service Program's definition of "Contractor" or if it meets any of the exceptions to the Jury Service Program, then the Contractor must so indicate in Exhibit 2 (Proposer's Certification of Compliance) of Appendix B (Required Forms) and include with its submission all necessary documentation to support the claim such as tax returns or a collective bargaining agreement, if applicable. Upon reviewing the contractor's application, the County will determine, in its sole discretion, whether the Contractor falls within the definition of Contractor or meets

any of the exceptions to the Jury Service Program. The County's decision will be final.

5.12 Notification to County of Pending Acquisitions/Mergers by Proposing Company

Each Proposer must notify the County of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the Proposer is restricted from legally notifying the County of pending acquisitions/mergers, then it should notify the County of the actual acquisitions/mergers as soon as the law allows and provide to the County the legal framework that restricted it from notifying the County prior to the actual acquisitions/mergers. This information must be provided in Exhibit 1, (Proposer's Organization Questionnaire/Affidavit) of Appendix B (Required Forms). Failure of the Proposer to provide this information may eliminate its proposal from any further consideration. Proposer will have a continuing obligation to notify the County and update any changes to its response in Exhibit 1 (Proposer's Organization Questionnaire/Affidavit) during the solicitation.

5.13 Proposer's Charitable Contributions Compliance

5.13.1 California's "Supervision of Trustees and Fundraisers for Charitable Purposes Act" regulates receiving and raising charitable contributions. Among other requirements, those subject to the Charitable Purposes Act must register. The 2004 Nonprofit Integrity Act (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. Prospective contractors should carefully read Appendix D (Background and Resources: California Charities Regulation). These rules cover California public benefit corporations, unincorporated associations, and trustee entities and may include similar foreign corporations doing business or holding property in California. The Nonprofit Integrity Act contains substantive requirements affecting executive compensation, fund-raising practices and documentation. Charities with over two million dollars (\$2,000,000) of revenues (excluding funds that must be accounted for to a governmental entity) also have specific audit requirements.

5.13.2 All prospective Contractors must determine if they receive or raise charitable contributions which subject them to the Charitable Purposes Act and complete the certification form attached as Exhibit 2 (Certification of Compliance) in Appendix B (Required Forms). A completed Exhibit 2 (Certification of Compliance) of Appendix B (Required Forms) is a required part of any agreement with the County.

5.13.3 Prospective County Contractors that do not complete Exhibit 2 (Certification of Compliance) of Appendix B (Required Forms) as part of the solicitation process may, in the County's sole discretion, be disqualified from contract award. A County Contractor that fails to comply with its obligations under the Charitable Purposes Act is subject

to either contract termination or debarment proceedings or both. ([County Code Chapter 2.202](#)).

5.14 Defaulted Property Tax Reduction Program

- 5.14.1** The prospective contract is subject to the requirements of the County's Defaulted Property Tax Reduction Program ("Defaulted Tax Program"), ([Los Angeles County Code, Chapter 2.206](#)). Prospective Contractors should reference the pertinent provisions in Paragraph 8.51 (Warranty of Compliance with County's Defaulted Property Tax Reduction Program) and 8.52 (Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Property Tax Deduction Program) of Appendix A (Sample Contract), both of which are incorporated by reference into and made a part of this solicitation. The Defaulted Tax Program applies to both Contractors and their subcontractors.
- 5.14.2** Proposers will be required to certify that they are in full compliance with the provisions of the Defaulted Tax Program and must maintain compliance during the term of any contract that may be awarded pursuant to this solicitation or must certify that they are exempt from the Defaulted Tax Program by completing Exhibit 2 (Certification of Compliance) in Appendix B (Required Forms). Failure to maintain compliance, or to timely cure defects, may be cause for termination of a contract or initiation of debarment proceedings against the non-compliant contractor ([Los Angeles County Code, Chapter 2.202](#)).
- 5.14.3** Proposals that fail to comply with the certification requirements of the Defaulted Tax Program will be considered non-responsive and excluded from further consideration.

5.15 Proposer's Acknowledgement of County's Commitment to Zero Tolerance Policy on Human Trafficking

- 5.15.1** On October 4, 2016, the Los Angeles County Board of Supervisors approved a motion taking significant steps to protect victims of human trafficking by establishing a zero-tolerance policy on human trafficking. The policy prohibits Contractors engaged in human trafficking from receiving contract awards or performing services under a County contract.
- 5.15.2** Contractors are required to complete Exhibit 2 (Certification of Compliance) in Appendix B (Required Forms), certifying that they are in full compliance with the County's Zero Tolerance Policy on Human Trafficking provision as defined in Paragraph 8.54 (Compliance with County's Zero Tolerance Policy on Human Trafficking) of Appendix A (Sample Contract). Further, Contractors are required to comply with the requirements under said provision for the term of any contract awarded pursuant to this solicitation.

5.16 Intentionally Omitted

5.17 Default Method of Payment: Direct Deposit or Electronic Funds Transfer (EFT)

5.17.1 The County, at its sole discretion, has determined that the most efficient and secure default form of payment for goods and/or services provided under an agreement/contract with the County must be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Auditor-Controller (A-C).

5.17.2 Upon contract award or at the request of the A-C and/or DMH, the selected contractor must submit a direct deposit authorization request with banking and vendor information, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.

5.17.3 Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit will supersede this requirement with respect to those payments.

5.17.4 Upon contract award or at any time during the duration of the agreement/contract, a Contractor may submit a written request for an exemption to this requirement. The A-C, in consultation with DMH, will decide whether to approve exemption requests.

5.18 Proposer's Acknowledgement of County's Commitment to Fair Chance Employment Hiring Practices

5.18.1 On May 29, 2018, the Los Angeles County Board of Supervisors approved a Fair Chance Employment Policy in an effort to remove job barriers for individuals with criminal records. The policy requires businesses that contract with the County to comply with fair chance employment hiring practices set forth in California Government Code [Section 12952](#).

5.18.2 Contractors are required to complete Exhibit 2 (Certification of Compliance) in Appendix B (Required Forms), certifying that they, and their subcontractors, are in full compliance with Government Code [Section 12952](#), as indicated in Appendix A (Sample Contract). Further, selected contractors are required to comply with the requirements under Government Code [Section 12952](#) for the term of any contract awarded pursuant to this solicitation.

5.19 Prohibition from Participation in Future Solicitation(s)

5.19.1 A Proposer, or a Contractor or its subsidiary or subcontractor ("Proposer/Contractor"), is prohibited from submitting a bid or proposal in a County solicitation if the Proposer/Contractor has provided advice or consultation for the solicitation. A Proposer/Contractor is also prohibited from submitting a bid or proposal in a County solicitation if the

Proposer/Contractor has developed or prepared any of the solicitation materials on behalf of the County. A violation of this provision will result in the disqualification of the Proposer/Contractor from participation in the County solicitation or the termination or cancellation of any resultant County contract. (Los Angeles County Code, Chapter 2.202).

5.20 Community Business Enterprise Participation

The County has adopted a Community Business Enterprise (CBE) Program, which includes business enterprises certified as disadvantaged business enterprises disabled veterans-owned, minority-owned, women-owned, and lesbian, gay, bisexual, transgender, queer, and questioning-owned business types. The County has established a collective 25% participation goal for CBE certified firms, calculated on the eligible procurement dollars. The program maintains data on the types of businesses registered as CBEs and their utilization. The Proposer's CBE participation must be reflected in Exhibit 6 (Community Based Enterprise (CBE) Information) form in Appendix B (Required Forms).

All Proposers must document efforts it has taken to assure that CBEs are utilized, when possible, to provide supplies, equipment, technical services, and other services under this contract. Proposers must make documents related to these efforts available to the County upon request.

The County strongly encourages participation by CBEs; however, the final selection will be made without regard to race, color, creed, or gender. The final selection will be based on the Proposer's ability to provide the best service and value to the County.

To obtain a list of the County's CBE certified firms, e-mail the request to the County of Los Angeles Department of Economic Opportunity at CBESBE@opportunity.lacounty.gov with the subject "Request for CBE Listing."

For additional information contact the Office of Small Business at: (844) 432-4900 or at OSB@opportunity.lacounty.gov.

5.21 Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions (45 C.F.R. Part 76)

5.21.1 Pursuant to federal law, the County is prohibited from contracting with parties that are suspended, debarred, ineligible, or excluded, or whose principals are suspended, debarred, or excluded from securing federally funded contracts. At the time of Proposer's response to this RFP, Proposer must submit a certification, as set forth in Exhibit 9 (Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions [45 C.F.R. Part 76]) in Appendix B (Required Forms), attesting that neither it, as an organization, nor any of its owners, officers, partners, directors, or other principals are currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Should a proposal response to this RFP identify prospective subcontractors, or should Proposer intend to use subcontractors in the provision of services under any

subsequent contract, Proposer must submit a certification, completed by each subcontractor, attesting that neither the subcontractor, as an organization, nor any of its owners, officers, partners, directors, or other principals are currently suspended, debarred, ineligible, or excluded from securing federally funded contracts.

- 5.21.2** Failure to provide the required certification may eliminate Proposer's response to RFP from consideration.
- 5.21.3** In the event that Proposer and/or its subcontractor(s) is or are unable to provide the required certification, Proposer instead will provide a written explanation concerning its and/or its subcontractor's inability to provide the certification. Proposer's written explanation must describe the specific circumstances concerning the inability to certify. It further must identify any owner, officer, partner, director, or other principal of the Proposer and/or subcontractor who is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Finally, the written explanation must provide that person's or those persons' job description(s) and function(s) as they relate to the contract which is being solicited by this RFP.
- 5.21.4** The written explanation will be examined by the County to determine, in its full discretion, whether further consideration of the proposal response to this RFP is appropriate under the federal law.

6 COUNTY'S PREFERENCE PROGRAMS

6.1 Overview of County's Preference Programs

- 6.1.1** The County of Los Angeles has three preference programs: The Local Small Business Enterprise (LSBE), Disabled Veteran Business Enterprise (DVBE), and Social Enterprise (SE). The Board of Supervisors encourages business participation in the County's contracting process by continually streamlining and simplifying our selection process and expanding opportunities for these businesses to compete for County opportunities.
- 6.1.2** The Preference Programs (LSBE, DVBE, and SE) require that a business complete certification prior to requesting a preference in a solicitation. This program and how to obtain certification are further explained in paragraph 6.2, 6.4, and 6.5 of this solicitation. Additional information on the County's preference programs is also available on the Department of Consumer and Business Affairs (DCBA) website at: <http://dcba.lacounty.gov>.
- 6.1.3** In no case will the Preference Programs (LSBE, DVBE, and SE) price or scoring preference be combined with any other county preference program to exceed fifteen percent (15%) in response to any County solicitation.

- 6.1.4** Sanctions and financial penalties may apply to a business that knowingly, and with intent to defraud, seeks to obtain or maintain certification as a certified LSBE, DVBE, or SE when not qualified.
- 6.2 Local Small Business Enterprise (LSBE) Preference Program**
- 6.2.1** The County will apply the LSBE preference during the solicitation process to businesses that meet the definition of an LSBE for solicitations not subject to the federal restriction on geographical preferences, consistent with [Chapter 2.204 of the Los Angeles County Code](#).
- 6.2.2** The business must be certified by DCBA prior to requesting the LSBE preference in a solicitation. To apply for certification as an LSBE, businesses should contact DCBA at <http://dcba.lacounty.gov>.
- 6.2.3** Businesses requesting the LSBE preference must complete and submit Exhibit 3 (Request for Preference Consideration) in Appendix B (Required Forms) and submit their LSBE certification approval letter ("Certification for Non-Federally Funded Solicitations") from the DCBA with their proposal.
- 6.3 Social Enterprise (SE) Preference Program**
- 6.3.1** The County will apply the SE preference during the solicitation process to businesses that meet the definition of an SE for solicitations not subject to the federal restriction on geographical preferences, consistent with [Chapter 2.205 of the Los Angeles County Code](#).
- 6.3.2** The business must be certified by DCBA, prior to requesting the SE preference in a solicitation. To apply for certification as an SE, businesses should contact DCBA at <http://dcba.lacounty.gov>.
- 6.3.3** Businesses requesting the SE preference must complete and submit Exhibit 3 (Request for Preference Consideration) in Appendix B (Required Forms), and submit their SE certification approval letter ("Certification for Non-Federally Funded Solicitations") from the DCBA with their proposal.
- 6.4 Disabled Veteran Business Enterprise (DVBE) Preference Program**
- 6.4.1** The County will apply the DVBE preference during the solicitation process to businesses that meet the definition of a DVBE, consistent with [Chapter 2.211 of the Los Angeles County Code](#).
- 6.4.2** The business must be certified by DCBA prior to requesting the DVBE preference in a solicitation. To apply for certification as a DVBE, businesses should contact DCBA at <http://dcba.lacounty.gov>.
- 6.4.3** Businesses requesting the DVBE preference must complete and submit Exhibit 3 (Request for Preference Consideration) in Appendix B (Required Forms) and submit their DVBE certification approval letter from the DCBA with their proposal.

6.5 Preference Program Enterprises (PPEs) - Prompt Payment Program

It is the intent of the County that Certified Preference Program Enterprises (PPEs) receive prompt payment for services they provide to County Departments. Prompt payment is defined as 15 calendar days after receipt of an approved, undisputed invoice which has been properly matched against documents such as a receiving, shipping, or services delivered report, or any other validation of receipt document consistent with Board Policy 3.035 (Preference Program Payment Liaison and Prompt Payment Program).

7 PROPOSAL REQUIREMENTS AND EVALUATION

This Paragraph contains key project activities, provides Proposers with proposal submission requirements and submittal instructions, and identifies evaluation criteria.

7.1 Truth and Accuracy of Representations

False, misleading, incomplete, or deceptively unresponsive statements in connection with a proposal will be sufficient cause for rejection of the proposal. The evaluation and determination in this area will be at the DMH's sole judgment and their judgment will be final. Proposals may be withdrawn from consideration at any time by sending written notice to SolicitationsTeam@dmh.lacounty.gov.

7.2 Intentionally Omitted

7.3 Proposers' Questions

7.3.1 Proposers may submit written questions regarding this RFP by e-mail to: Janet Betton, SolicitationsTeam@dmh.lacounty.gov. All questions must be received by the date and time specified in Paragraph 0 (Solicitation Information and Minimum Mandatory Requirements) above. The email shall bear the words "RFP for PBM Question(s)". All questions, without identifying the submitting company, will be compiled with the appropriate answers and issued as an addendum to the RFP.

7.3.2 When submitting questions, please specify the RFP, paragraph number, and page number and quote the language that prompted the question. This will ensure that the question can be quickly found in the RFP. County reserves the right to group similar questions when providing answers.

7.4 Virtual Mandatory Proposers' Conference and Letter of Intent to Submit Proposal

7.4.1 A Virtual Mandatory Proposers' Conference will be held to discuss the RFP requirements. County staff will respond to questions from potential Proposers. Potential Proposers can submit questions in advance of the Virtual Mandatory Proposers' Conference to SolicitationsTeam@dmh.lacounty.gov or submit questions during the virtual Mandatory Proposers' Conference. All potential Proposers must attend this conference, or their proposals will be rejected as non-

responsive (disqualified) without review and eliminated from further consideration.

The virtual Mandatory Proposers' Conference is scheduled as follows:

January 17, 2024
10:00 a.m. to 12:00 p.m.

Location-Virtually via Microsoft Teams Meeting

7.4.2 To register for the virtual Mandatory Proposer's Conference, Proposers are required to submit a list of attendees by the date and time specified in Paragraph 0 (Solicitation Information and Minimum Mandatory Requirements) of this RFP to Janet Betton at SolicitationsTeam@dmh.lacounty.gov. The subject line of the e-mail shall be "Register for virtual Mandatory Proposer's Conference-RFP for PBM." Only those organizations that register by the deadline will be sent a Teams Meeting invite to participate in the virtual Mandatory Proposers' Conference. Meeting invites shall not be forwarded by the recipient.

7.4.3 Potential Proposers must submit a Mandatory Letter of Intent to Submit a Proposal (Mandatory Letter of Intent) after attending the virtual Mandatory Proposer's Conference. The Mandatory Letter of Intent must be on the agency's letterhead and include the original signature of the contractor or an authorized official in order to be qualified to submit a proposal in response to this RFP. The Mandatory Letter of Intent shall be e-mailed to SolicitationsTeam@dmh.lacounty.gov by the date and time specified in Paragraph 0 (Solicitation Information and Minimum Mandatory Requirements) of this RFP. The subject line of the e-mail shall be "Mandatory Letter of Intent to Submit a Proposal for RFP for PBM Bid No. DMH11272023B1" The Mandatory Letter of Intent does not obligate an agency to submit a proposal; however, an agency may not submit a proposal if it does not submit a Mandatory Letter of Intent.

Mandatory Letters of Intent must include: 1) Full business name of agency; 2) Business address of agency; 3) Contact Person for agency; and 4) a Statement of intent to submit a proposal in response to RFP for PBM Bid No. DMH11272023B1.

7.5 Preparation of the Proposal

Only one proposal may be submitted per Proposer via email by the date and time specified in Paragraph 0 (Solicitation Information and Minimum Mandatory Requirements). All proposals must be organized and submitted in the prescribed format. Any proposal that deviates from this format may be rejected as non-responsive without review at the County's sole discretion.

7.6 Proposal Requirements and Evaluation (100%)

Any reviews conducted during the evaluation of the proposal may result in a point reduction. The content and sequence of the proposal must be as follows:

Proposal Format:

7.6.1 Table of Contents

List all material included in the proposal. Include a clear definition of the material, identified by sequential page numbers and by section and paragraph reference numbers.

7.6.2 Executive Summary (Section A)

Condense and highlight the contents of the Proposer's proposal to provide DMH with a broad understanding of the Proposer's approach, qualifications, experience, and staffing.

This section will not be scored but instead will be used as an introduction to the proposer's agency.

7.6.3 Proposer's Qualifications (Section B)

Proposer will be evaluated on their experience and capacity as a corporation or other entity to perform the required services based on information provided in this section.

7.6.3.1 Proposer's Background and Experience (Section B.1)

Provide the minimum mandatory requirements stated in Section 3 (Proposer's Minimum Qualifications) of this RFP.

This section will be scored on a pass/fail basis. If proposer cannot fully substantiate that they meet the minimum qualifications in Section 3 (Proposer's Minimum Qualifications), the proposal will be immediately disqualified.

7.6.3.2 Proposer's List of References (Section B.2)

Proposer will be evaluated on the verification of references. Proposer must submit three signed letters of reference from agencies that have worked with the Proposer where the same or similar scopes of services were provided. The references should substantiate Proposer's experience and quality of providing PBM services. In addition to the references provided, a review will include the Contractor Alert Reporting Database, if applicable, reflecting past performance history on County or other contracts. This review may result in point deductions up to one hundred percent (100%) of the total points awarded in this evaluation category. DMH must not be used as a reference.

It is the Proposer's sole responsibility to ensure that information provided for each reference is accurate.

County may disqualify a Proposer as non-responsive and/or non-responsible if:

- 1) references fail to substantiate Proposer's description of the services provided; or

- 2) references fail to support that Proposer has a continuing pattern of providing capable, productive and skilled personnel.

This section will be scored on a pass/fail basis.

7.6.3.3 Proposer's Debarment History and List of Terminated Contracts (B.3)

The County will conduct a review of Proposer's terminated contracts and debarment history. Proposer must include contracts terminated within the past three (3) years with a reason for termination in Appendix B (Required Forms), Exhibit 4 (Proposer's Debarment History and List of Terminated Contracts). Proposer's completed form Exhibit 4 (Proposer's Debarment History and List of Terminated Contracts) must be provided in Section G (Proposal Required Forms and Corporate Documents) of Proposer's proposal.

This section will be scored on a pass/fail basis.

7.6.3.4 Proposer's Pending Litigation and Judgments (Section B.4)

The County will conduct a review of Proposer's pending litigation and judgements. Proposer must identify by name, case and court jurisdiction any pending litigation in which proposer is involved, or judgments against proposer in the past five (5) years. Additionally, Proposer must provide a statement describing the size and scope of any pending or threatening litigation against the Proposer or principals of the Proposer.

If Proposer does not have any pending litigation or judgements to report, Proposer must provide a statement indicating this. Do not leave this section blank.

This section will be scored on a pass/fail basis. DMH, at its sole discretion, may deduct points from the Proposer's final score or disqualify the proposal in its entirety depending on the number, size and scope of items reported in this section. This will be accomplished in consultation with legal County Counsel.

7.6.4 Proposer's Approach to Providing Required Services (Section C) – (80%)

Proposer will be evaluated on its description of the methodology to be used to meet the County's requirements based on information provided in this section.

Proposer must present a description of the methodology the Proposer will use to meet contract work requirements. Describe in detail how the

services will be performed to meet the requirements outlined in Exhibit A (SOW and Attachments).

Proposer must complete and/or submit reports, sample files, or proposed procedures for Exhibits 9–16 of Appendix B (Required Forms) as part of their Proposal to DMH. DMH will evaluate, negotiate, and approve submissions for incorporation into Contract, before the Los Angeles County Board of Supervisor approval of Contract. Final processes will be defined during the Contract Implementation Phase, but no later than 30 calendar days prior to the Contract Go-Live.

7.6.4.1 Pricing Process (Section C.1) (25%)

Proposer must confirm that the pricing process of Medication Ingredient Costs, Dispensing Fees and Rebates, etc. is fully transparent and 100% pass-through, as specified in Attachment 3 (Financial Exhibit) of Exhibit A (SOW and Attachments) of Appendix A (Sample Contract). Identify any variations, deviation, or modifications proposed and provide a brief explanation or description with the reason/rationale.

7.6.4.2 Administrative and Ancillary Fees (Section C.2) (20%)

Proposer must detail and submit as Exhibit 9 (Administrative and Ancillary Fees) of Appendix B (Required Forms) a fixed monthly Administrative and Ancillary Fee which represents 100% of the amount that Proposer will receive from DMH as compensation for services rendered under the Contract. Proposer must not retain any non-approved or non-disclosed revenue obtained through the Contract other than the DMH approved Administrative and Ancillary Fee.

7.6.4.3 Financial Report Required Parameters (Section C.3) (7%)

Proposer must submit a sample financial report as Exhibit 10 of Appendix B (Required Forms) to substantiate that its current financial reporting system can produce the parameters identified in Exhibit 10 of Appendix B (Required Forms).

7.6.4.4 Participating Pharmacies (PP) Audit by Contractor or Audit Subcontractor (Section C.4) (7%)

Proposer must establish and delineate procedures for all the audits conducted by Proposer of its PPs in the Participating Pharmacy Network (PPN), including the type of audit, purpose, process, and frequency as Exhibit 11 (PP Audit by Contractor or Audit Subcontractor) of Appendix B (Required Forms). The procedures must at a minimum assess the criteria outlined in Section 5.3 of Exhibit A (SOW and Attachments) of Appendix A (Sample Contract).

7.6.4.5 PPN Directory Parameters (Section C.5) (7%)

Proposer must submit a sample PPN directory as Exhibit 12 of Appendix B (Required Forms) to substantiate that its current PPN directory complies with the National Council Prescription Drug Programs (NCPDP) data parameters identified in Exhibit 12 of Appendix B (Required Forms).

7.6.4.6 Protocol for Adding/Removing Pharmacies (Section C.6) (7%)

Proposer must delineate and provide a protocol for adding and/or removing pharmacies as described in Section 3.1.2 of Exhibit A (SOW and Attachments) of Appendix A (Sample Contract) as Exhibit 13 (Protocol for Adding/Removing Pharmacies) of Appendix B (Required Forms), which must include the following:

1. Criteria for adding and/or removing pharmacies consistent with DMH program requirements as set forth in this Contract; and
2. Specific actions needed by DMH and Contractor to add or remove pharmacies; and
3. Timelines for each action.

7.6.4.7 Proposed Process for Recoupment of Chargebacks (Section C.7) (20%)

Proposer must delineate the process of chargeback amount determination and recovery that complies with the requirements outlined in Paragraph 3.2 of Attachment 3 (Financial Exhibit) of Exhibit A (SOW and Attachments). Proposer must submit the Process for Recoupment of Chargebacks as Exhibit 14 of Appendix B (Required Forms).

7.6.4.8 Customer Service Call Center Team (CSCCT) Scope of Each Staff Level and Call Escalation Matrix (Section C.8) (2%)

Proposer must create a CSCCT Call Escalation Matrix. Proposer must outline procedures for the call escalation matrix and define the scope of each CSCCT staff level in the matrix. The proposed scope and matrix procedures must comply with the requirements outlined in Paragraph 4.1 of Exhibit A (SOW and Attachments) of Appendix A (Sample Contract). Proposer must submit the CSCCT Scope of Each Staff Level and Call Escalation Matrix as Exhibit 15 of Appendix B (Required Forms).

7.6.4.9 Customer Service Call Center (CSCC) Call Logging and Tracking (Section C.9) (5%)

Proposer must generate and delineate a CSCC call handling, logging, and tracking procedures that comply with the requirements outlined in Exhibit 16 of Appendix B (Required

Forms). Proposer must submit the CSCC call handling, logging, and tracking procedures as Exhibit 16 of Appendix B (Required Forms).

7.6.4.10 Staffing (Section C.10)

Proposer must provide a detailed staffing plan which will be utilized to provide the PBM services. Proposer must attach an organizational chart of the staff which will be providing the PBM services.

This section will be scored on a pass/fail basis.

7.6.5 Proposer's Quality Control Plan (Section D) (10%)

The proposer will be evaluated on its ability to establish and maintain a complete Quality Control Plan (QCP) to ensure the requirements of this contract are provided as specified. Evaluation of the QCP must cover the proposed monitoring system of all services listed on the Performance Requirements Summary (PRS) based on information provided in this section.

Proposer must present a comprehensive QCP to be utilized by the Proposer as a self-monitoring tool to ensure the required services are provided as specified in Exhibit A (SOW and Attachments) of Appendix A (Sample Contract).

The following factors may be included in the QCP:

- 7.6.5.1** Activities to be monitored to ensure compliance with all contract requirements.
- 7.6.5.2** Monitoring methods to be used.
- 7.6.5.3** Frequency of monitoring.
- 7.6.5.4** Samples of forms to be used in monitoring.
- 7.6.5.5** Title/level and qualifications of personnel performing monitoring functions; and
- 7.6.5.6** Documentation methods of all monitoring results, including any corrective action taken.

7.6.6 Terms and Conditions of Sample Contract and/or Requirements of Statement of Work and Attachments (Section F)

- 7.6.6.1** It is the duty of every Proposer to thoroughly review the Sample Contract (Appendix A) and Exhibit A (SOW and Attachments) of Appendix A (Sample Contract) to ensure compliance with all terms, conditions, and requirements.

Proposer will be evaluated, on a pass/fail basis, on their willingness to accept the Terms and Conditions outlined in Appendix A (Sample Contract) and the Requirements of the

Statement of Work outlined in Exhibit A (SOW and Attachments) of Appendix A (Sample Contract).

It is the County's expectation that in submitting a proposal the Proposer will accept, as stated, the County's terms and conditions in the Sample Contract (Appendix A) and the County's requirements in Exhibit A (SOW and Attachments) of Appendix A (Sample Contract). However, Proposers are provided the opportunity to take exceptions to the County's terms, conditions, and requirements. The County may deduct points or disqualify the proposal in its entirety if the exceptions are material enough to deem the proposal non-responsive.

Proposers are further notified that the County may, in its sole determination, disqualify any Proposer with whom the County cannot satisfactorily negotiate a contract.

7.6.6.2 Section F of Proposer's response must include:

- 1) A statement offering the Proposer's acceptance of all terms and conditions listed in Appendix A (Sample Contract).
- 2) A statement offering the Proposer's acceptance of all requirements listed in Exhibit A (SOW and Attachments) of Appendix A (Sample Contract).

7.6.7 Proposal Required Forms and Corporate Documents (Section G)

7.6.7.1 Proposal must include all completed, signed, and dated forms identified in Appendix B (Required Forms) and as listed below.

Exhibit 1	Proposer's Organization Questionnaire/Affidavit
Exhibit 2	Certification of Compliance
Exhibit 3	Request for Preference Consideration
Exhibit 4	Proposer's Debarment History and List of Terminated Contracts
Exhibit 5	Declaration
Exhibit 6	Community Business Enterprise (CBE) Information
Exhibit 7	Minimum Requirements
Exhibit 8	Intentionally Omitted
Exhibit 9	Administrative and Ancillary Fees
Exhibit 10	Financial Report Required Parameters
Exhibit 11	PP Audit by Contractor or Audit Subcontractor

- Exhibit 12 PPN Directory Parameters
- Exhibit 13 Protocol for Adding/Removing Pharmacies
- Exhibit 14 Process for Recoupment of Chargebacks
- Exhibit 15 CSCCT Scope of Each Staff Level and Call Escalation Matrix
- Exhibit 16 CSCC Call Handling, Logging and Tracking Procedures

7.6.7.2 Corporate Documents

1) Corporations or Limited Liability Company (LLC):

Each Proposer must submit the following documentation with its proposal:

- A copy of a “Certificate of Good Standing” with the state of incorporation/organization.
- A conformed copy of the most recent “Statement of Information” as filed with the California Secretary of State listing corporate officers or members and managers.

2) Limited Partnership:

The Proposer must submit a conformed copy of the Certificate of Limited Partnership or Application for Registration of Foreign Limited Partnership as filed with the California Secretary of State, and any amendments.

DMH, at its discretion, may deduct up to 100 points from proposer’s final score if there are missing, illegible or incomplete forms.

7.6.8 Virtual Mandatory Verbal Presentation (Section H) (10%)

Proposers who meet the minimum requirements stated in Section 3 (Proposer’s Minimum Qualifications) of this RFP will be required to do a virtual mandatory verbal presentation to the evaluation committee after proposal submission. Details pertaining to the virtual mandatory verbal presentation phase of the RFP process will be given after proposal submission to only those Proposers who meet the minimum requirements in Section 3. DMH staff will schedule the two-hour virtual mandatory verbal presentation with qualifying Proposers after proposal submission during the tentative dates stated in Paragraph 0(Solicitation Information and Minimum Mandatory Requirements) of this RFP.

7.7 Intentionally Omitted

7.8 Firm Offer-Withdrawal of Proposal

- 7.8.1 All proposals will be firm offers and may be withdrawn at any time through a written request. 7.8.2 Until the proposal submission deadline, errors in proposals may be corrected by a request in writing to withdraw the proposal and by submission of another proposal with the mistakes corrected. Corrections will not be accepted once the deadline for submission of proposals has passed.

7.9 Proposal Submission

Proposals must be submitted as follows:

- 7.9.1 A Portable Document Format (PDF) copy or zip files, in an encrypted format, of the complete Proposal must be emailed by the date and time specified in Paragraph 0 (Solicitation Information and Minimum Mandatory Requirements) of this RFP. The email subject shall bear the words "[Agency Name] - Proposal for Pharmacy Benefit Management Services."

The Proposal and any related information must be e-mailed to:

Attn: Solicitations Team
County of Los Angeles – Department of Mental Health
Contracts Development and Administration Division
Solicitationsteam@dmh.lacounty.gov

- 7.9.2 Proposers must also specifically identify only those parts of the Proposal that are actual trade secrets, confidential, or proprietary in nature. Blanket or categorical redactions and/or statements of confidentiality, or the marking of each page of the proposal as "Trade Secret," "Confidential," or "Proprietary," are not acceptable, and will be rejected in the sole discretion of the County.
- 7.9.3 It is the sole responsibility of the submitting Proposer to ensure that its proposal is received before the submission deadline. Corrupted files and incomplete submissions will not be considered; DMH will disqualify the entire response and will not proceed to evaluation. No exceptions. Any proposals received after the scheduled closing date and time for receipt of proposals, as listed in Paragraph 0 (Solicitation Information and Minimum Mandatory Requirements) of this RFP, may be retained and reviewed at the County's discretion based on the needs of the County. No facsimile (fax) or hand delivered copies will be accepted. Only electronic mail (e-mail) copies will be accepted.

8 SELECTION PROCESS OVERVIEW

8.1 Selection Process

The County reserves the sole right to judge the contents of the proposals submitted pursuant to this RFP and to review, evaluate and select the successful proposal(s). The selection process will begin with receipt of the proposal on the date outlined in Paragraph 0 (Solicitation Information and Minimum Mandatory Requirements) of this RFP.

Evaluation of the proposals will be made by an Evaluation Committee selected by DMH. The Committee will evaluate the proposals and will use the evaluation approach described in this RFP to select a prospective Contractor.

8.2 Adherence to Minimum Requirements (Pass-Fail)

County will review Exhibit 1 (Proposer's Organization Questionnaire/Affidavit) and Exhibit 7 (Minimum Requirements), in Appendix B (Required Forms) to determine if the Proposer meets the minimum requirements as outlined in Section 3 (Proposer's Minimum Qualifications) of this RFP.

Failure of the Proposer to comply with the minimum requirements may eliminate its proposal from any further consideration. The County may elect to waive any informality in a proposal if the sum and substance of the proposal is present.

Evaluation of Proposals

All proposals will be evaluated based on the criteria listed in Section 7 (Proposal Requirements And Evaluation) and will be scored and ranked in numerical sequence from high to low.

Determination of Highest-Overall Rated Proposer

The County will use each Proposer's proposal evaluation score to arrive at a total cumulative (or "final") score, which will be used to determine and select the highest-overall rated Proposer.

After a prospective Contractor has been selected, the County and the prospective Contractor(s) will negotiate a contract for submission to the Board of Supervisors for its consideration and possible approval. If a satisfactory contract cannot be negotiated, the County may, at its sole discretion, begin contract negotiations with the next qualified Proposer who submitted a proposal, as determined by the County.

The recommendation to award a contract will not bind the Board of Supervisors to award a contract to the prospective Contractor.

The County retains the right to select a proposal other than the proposal receiving the highest number of points if County determines, in its sole discretion, another proposal is the most overall qualified, cost-effective, responsive, responsible and in the best interests of the County.

9 PROTEST PROCESS OVERVIEW

9.1 Solicitation Requirements Review

Any person or entity may seek a Solicitation Requirements Review by submitting Appendix C (Transmittal Form to Request a Solicitation Requirements Review) to DMH. A request for a Solicitation Requirements Review may be denied, in DMH's sole discretion, if the request does not satisfy all the following criteria:

- 9.1.1** The request is made within the time frame identified in the solicitation document (generally within 10 business days of the issuance of the solicitation document);
- 9.1.2** The request includes documentation (e.g., letterhead, business card, etc.), which identifies the underlying authority of the person or entity to submit a proposal.
- 9.1.3** The request itemizes in appropriate detail, each matter contested and factual reasons for the requested review; and
- 9.1.4** The request asserts either that:
 - 9.1.4.1** application of the minimum requirements, evaluation criteria and/or business requirements unfairly disadvantages the person or entity; or
 - 9.1.4.2** due to unclear instructions, the process may result in the County not receiving the best possible responses from prospective Proposers.

The Solicitation Requirements Review will be completed, and DMH's determination will be provided to the requesting person or entity, in writing, within a reasonable time prior to the proposal due date.

9.2 Disqualification Review

A proposal may be disqualified from consideration because DMH determined it was non-responsive at any time during the review/evaluation process. If DMH determines that a proposal is disqualified due to non-responsiveness, DMH will notify the proposer in writing.

Upon receipt of the written determination of non-responsiveness, the proposer may submit a written request for a Disqualification Review within the timeframe specified in the written determination.

A request for a Disqualification Review may, in DMH's sole discretion, be denied if the request does not satisfy all of the following criteria:

- 9.2.1** The request for a Disqualification Review is submitted timely (i.e., by the date and time specified in the written determination); and
- 9.2.2** The request for a Disqualification Review asserts that DMH's determination of disqualification due to non-responsiveness was erroneous (e.g. factual errors, etc.) and provides factual support on each

ground asserted as well as copies of all documents and other material that support the assertions.

The Disqualification Review must be completed, and the determination will be provided to the requesting Proposer, in writing, prior to the conclusion of the evaluation process.

Proposer can also be disqualified for Paragraph 5.6 (Determination of Proposer Responsibility).

9.3 Department's Proposed Contractor Selection Review

9.3.1 Departmental Debriefing Process

Upon completion of the evaluation, DMH will notify the remaining Proposers in writing that DMH is entering negotiations with another Proposer. Upon receipt of the letter, any non-selected Proposer may submit a written request for a Debriefing within the timeframe specified in the letter. A request for a Debriefing may, in DMH's sole discretion, be denied if the request is not received within the specified timeframe.

The purpose of the Debriefing is to compare the requesting Proposer's response to the solicitation document with the evaluation document. The requesting Proposer will be debriefed only on its response. Because contract negotiations are not yet complete, responses from other Proposers will not be discussed, although DMH may inform the requesting Proposer of its relative ranking.

During or following the Debriefing, DMH will instruct the requesting Proposer of the manner and timeframe in which the requesting Proposer must notify DMH of its intent to request a Proposed Contractor Selection Review (see Paragraph 9.3.2 Proposed Contractor Selection Review), if the requesting Proposer is not satisfied with the results of the Debriefing.

9.3.2 Proposed Contractor Selection Review

Any Proposer that has timely submitted a notice of its intent to request a Proposed Contractor Selection Review as described below may submit a written request for a Proposed Contractor Selection Review, in the manner and timeframe as will be specified by DMH.

A request for a Proposed Contractor Selection Review may, in DMH's sole discretion, be denied if the request does not satisfy all of the following criteria:

9.3.2.1 The request for a Proposed Contractor Selection Review is submitted timely (i.e., by the date and time specified by DMH);

9.3.2.2 The person or entity requesting a Proposed Contractor Selection Review asserts in appropriate detail with factual reasons one or more of the following grounds for review:

- 1) DMH materially failed to follow procedures specified in its solicitation document. This includes:
 - Failure to correctly apply the standards for reviewing the proposal format requirements.
 - Failure to correctly apply the standards, and/or follow the prescribed methods, for evaluating the proposals as specified in the solicitation document.
 - Use of evaluation criteria that were different from the evaluation criteria disclosed in the solicitation document.
- 2) DMH made identifiable mathematical or other errors in evaluating proposals, resulting in the Proposer receiving an incorrect score and not being selected as the recommended contractor.
- 3) A member of the Evaluation Committee demonstrated bias in the conduct of the evaluation.
- 4) Another basis for review as provided by state or federal law; and

9.3.2.3 The request for a Proposed Contractor Selection Review sets forth sufficient detail to demonstrate that, but for DMH's alleged failure, the Proposer would have been the lowest cost, responsive and responsible bid or the highest-scored proposal, as the case may be.

Upon completing the Proposed Contractor Selection Review, DMH representative will issue a written decision to the Proposer within a reasonable time following receipt of the request for a Proposed Contractor Selection Review, and always before the date the contract award recommendation is to be heard by the Board. The written decision will additionally instruct the Proposer of the manner and timeframe for requesting a County Independent Review. (See Paragraph 9.4 (County Independent Review) below.

9.4 County Independent Review

Any Proposer that is not satisfied with the results of the Proposed Contractor Selection Review may submit a written request for a County Independent Review in the manner and timeframe specified by DMH in DMH's written decision regarding the Proposed Contractor Selection Review.

A request for County Independent Review may, in the County's sole discretion, be denied if the request does not satisfy all of the following criteria:

- 9.4.1** The request for a County Independent Review is submitted timely (i.e., by the date and time specified by DMH); and
- 9.4.2** The person or entity requesting review by a County Independent Review has limited the request to items raised in the Proposed Contractor Selection Review as listed in Paragraph 9.3.2 (Proposed Contractor Selection Review) above.

Upon completion of the County Independent Review, Internal Services Department will forward the report to DMH, which will provide a copy to the Proposer.