Louisiana Department of Health
RFP # 3000018331 Pharmacy Benefit Management Services for Louisiana Medicaid Managed Care Organizations

Redacted Technical Proposal

The data contained in pages 3-3, 3-10, 4-3, 4-7, 4-8, 4-21, 4-22, 4-23, 4-24, 4-25, 4-26, 4-27, 6-4, 6-9, 6-10, 6-11, 7-19, 7-20, 7-22, 7-23, 7-27, 7-33, 7-34, 8-4, 8-6, 8-18, 8-62, 8-74, 8-75, 8-76, 8-96, 8-97, 8-106, 8-110, 8-111, 8-115, 8-117, 8-119, 8-120, 8-123, 8-133, 8-134, 8-139, 8-142, 8-145, 8-150, 8-167, 8-168, 8-177, 8-186, 8-187, 8-188, 8-189, 8-190, 8-191, 8-192, 8-196, 8-202, 8-211, 8-222, 8-227, 8-228, 8-235, 8-238, 8-244, 8-248, 8-252, 8-254, 8-255, 8-265, 8-266, 8-267, 8-268, 8-271, 8-275, 8-287, 8-311, 8-312, 8-317, 8-324, 8-325, 8-328,8-331, 8-332, 8-333, 8-334, 8-348, 8-355, 8-357, 9-1, 9-2, 9-3, 9-4, 9-5, 9-6, 9-7, 9-8, 9-9, 9-10, 9-11, 9-12, 9-13, 9-14, 9-15, 9-16, 10-3, 10-4, 10-5, 10-6, 10-7, 10-8, 10-9, 10-10, 10-11, 10-12, 10-13, 10-14, 10-15, 10-16, 10-21, 10-22, 10-25, 10-26, 10-27, 10-28, 10-29, 10-30, 10-31, 10-32, 10-33,10-34, 10-37, 10-38, 10-39, 10-40, 10-41, 10-42, 10-43, 10-44, 10-45, 10-46, 10-47, 10-48, 10-49, 10-50, 10-51, 10-52, 10-53, 10-54, 10-55, 10-56, 10-57, 10-58, 10-59, 10-60, 10-61, 10-62, 10-63, 10-65, 10-66, 11-1, 11-2, 11-3, 11-4, 11-5, Appendix A (PDF Version): Pages 1-18, Appendix A (Excel Version): Pages LA MCO PBM Tab – All content, Appendix B: Pages 1-173, Appendix C: Pages 1 -43 of the proposal have been submitted in confidence and contain trade secrets and/or privileged or confidential information and such data shall only be disclosed for evaluation purposes, provided that if a contract is awarded to this Proposer as a result of or in connection with the submission of this proposal, the State of Louisiana shall have the right to use or disclose the data therein to the extent provided in the contract. This restriction does not limit the State of Louisiana's right to use or disclose data obtained from any source, including the Proposer, without restrictions.

Submitted by:
Magellan Medicaid Administration, Inc.
11013 West Broad Street, Suite 500
Glen Allen, Virginia 23060

March 30, 2022

Magellan Medicaid Administration

Magellan Rx MANAGEMENT℠

1.0 COVER LETTER (RFP 1.8.1)

Magellan Medicaid Administration, Inc. (MMA) has provided a Cover Letter on our official business letterhead that explains the intent of our proposal and contains all of the information required in RFP Section 1.8.1. Our Cover Letter appears on the following pages and is followed by our signed Request for Proposal Output Forms.

Magellan Medicaid Administration

MagellanRx MANAGEMENT

March 30, 2022

Germaine Becks-Moody
Louisiana Department of Health
Medical Vendor Administration
628 N 4th Street, 6th Floor
Baton Rouge, Louisiana 70802

Re: Request for Proposals for Pharmacy Benefit Management Services for Louisiana Medicaid Managed Care Organizations, RFP #:3000018331

Dear Ms. Becks-Moody:

Magellan Medicaid Administration, Inc. (MMA) is pleased to submit our proposal in response to the Louisiana Department of Health's Request for Proposals for Pharmacy Benefit Management Services for Louisiana Medicaid Managed Care Organizations. With experience dating from 1984 as a Pharmacy Benefit Manager (PBM) for state government healthcare programs, including Medicaid, MMA is well qualified to provide PBM services for Louisiana's Medicaid Managed Care Organizations.

MMA specializes in providing comprehensive pharmacy solutions for the complex challenges facing government healthcare programs. Our focus on serving Medicaid and other government healthcare program customers has led to a deep understanding of the populations these programs serve and the state and federal rules under which they operate as well as state-specific benefit designs, clinical policies, and programs. Our goals, in coordination with our state customers, are to help their Beneficiaries live more healthy and vibrant lives and enable them to take better control of their health, thereby improving health outcomes. We do this by putting the Beneficiary at the center of everything we do. Our experience as one of the largest independent government-sector PBMs in the nation, coupled with our comprehensive industry-leading customer service, unique clinical and engagement strategies, and innovative technology, helps us achieve these goals. We will work closely with LDH to ensure business outcomes are delivered and that the efficiency of Louisiana Medicaid's pharmacy benefits is enhanced.

MMA is an independent industry leader in pharmacy benefits management, including cost containment and Medicaid pharmacy program (both Fee-for-Service and MCO) support. We have over 50 years of Medicaid experience, including over 38 years of pharmacy benefit management experience serving government pharmacy programs. MMA has served as Louisiana's Preferred Drug List (PDL) and Supplemental Rebate contractor since 2002 and implemented our rebate administration solution in 2020. We have demonstrated our flexibility by partnering with LDH and other stakeholders to create solutions as the Medicaid landscape changed in Louisiana: the move to Medicaid MCOs, Medicaid Expansion, various other legislative and CMS-mandated changes, and implementation of a single PDL.

With an existing Louisiana footprint, MMA and our affiliate companies collectively serve approximately one million Louisianians, including serving as the contractor for the State of Louisiana Medicaid PDL program, to provide Formulary Management, Data Analysis and Reporting, PDL, Supplemental Rebate administration, and Clinical Consulting services in support of Medicaid Beneficiaries across the state. We also provide a unique supplemental rebate administration solution for LDH's innovative Hepatitis C drug purchasing program as part of the State's PDL.

Our hands-on knowledge of the Louisiana Medicaid pharmacy program enables us to provide LDH a suite of services that meets the needs of the program today and is flexible to meet program needs into the future. MMA will partner with LDH and the five Medicaid MCOs to successfully transition Louisiana Medicaid pharmacy services to a single MCO PBM. We have experience with this model from our TennCare Program PBM contract (2012 to 2019) with Tennessee, where MMA contracted with each of

11013 West Broad Street, Suite 500, Glen Allen, Virginia 23060

Magellan Medicaid Administration

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the state's MCOs to provide single Medicaid PBM services. In addition, MMA has implemented our solution for the California Medi-Cal Rx Program, where the pharmacy benefit was transitioned from 26 managed care plans to a single FFS PBM.

We understand that LDH requires a contractor who can support the Louisiana Medicaid pharmacy program's volume and complexity. Our platform is designed to address the dynamic, high-volume demands of your program. Our flexible and customized pharmacy POS system will promptly accommodate modifications by business analysts. Our systems are highly configurable, enabling us to make rapid adjustments in response to changing demands of program strategy and tactics, including formulary design, therapy limits, lock-in services, opioid utilization management, orphan drug costs, behavioral health programs, and other policy changes. Our technological solutions are best-in-class, but what truly makes us different is our ability to create long-term, productive collaborative relationships with our customers.

We have an outstanding record of successfully implementing on schedule Beneficiary-centric, flexible Medicaid pharmacy systems and services, including claims administration services. We understand the volume and complexity of the Louisiana Medicaid pharmacy program and are equipped to successfully transition pharmacy services to an MCO PBM model in accordance with LDH standards and time frames. We have successfully provided pharmacy services to some of the highest volume Medicaid FFS programs in the country, such as Arkansas, Colorado, Florida, and Tennessee. Our POS application, FirstRx, simultaneously supports individual Medicaid FFS programs. Our Project Management Methodology combined with high-touch account management ensures smooth implementations with minimal risk to Beneficiaries, Providers, and other stakeholders.

We understand the importance of ensuring a seamless transition from the MCOs and providing consistent and continual claims processing without a break in service. The health and well-being of Louisiana Medicaid Beneficiaries, and ultimately the success of the LDH relationship, is dependent upon our ensuring continuity of care during the implementation, including timely receipt of medically necessary prescription drugs for transitioning Beneficiaries. We have developed a Beneficiary-centric concierge model to ensure no Louisiana Medicaid Beneficiary is prevented access to their medications upon Go-Live. We will develop a detailed plan to transition all LDH Beneficiary demographic data, claims history and PA-related files into our comprehensive claims adjudication system. We will work closely with LDH, the MCOs, and all LDH stakeholders during implementation. This process ensures that all tasks are completed on schedule, provides a smooth transition for both LDH and Providers, and most importantly, ensures continuity of care for Medicaid Beneficiaries.

Our experience has shown us that clear and frequent communication among all parties in the process, especially the MCOs, is critical to project success.

MMA exceeds the mandatory qualifications for proposers to have a minimum of five years of experience as a PBM for a state Medicaid program prior to the deadline for receipt of proposals. We have served as the PBM since 2000 for two of our current state Medicaid FFS program customers. We provide a comprehensive range of PBM services to state government programs, including 26 Medicaid programs; we provide point-of-sale pharmacy claims processing services and other services such as those requested in this RFP to 13 of these programs and are implementing our PBM solution for a fourteenth Medicaid Program, to five AIDS Drug Assistance Programs (ADAPs), and to four State Pharmaceutical Assistance Programs (SPAPs). Collectively, these programs touch 50 million lives. MMA offers an unparalleled set of expertise and qualifications to ensure quality MCO PBM services to support Louisiana Medicaid Beneficiaries.

In addition, we meet the requirement of having been awarded a contract during the past 36 months (Medi-Cal Rx Program) and have been engaged in contracts with 10 state Medicaid customers with Beneficiary populations equal to or greater than 1.5 million. The scalability of our solution allows us to

serve the smallest programs, as well as the largest. We meet the mandatory qualifications of having our principal place of business located inside the continental United States, and we have provided the latest three years of audited financial statements.

We are recognized as national experts in Medicaid pharmacy program development, claims adjudication, cost containment strategies, providing analysis (policy, reimbursement, clinical, informatics, and information exchange), guidance, and services to Medicaid agencies across the country. We are a full service Medicaid PBM capable of meeting and exceeding all of LDH's requirements as defined in this RFP. We offer a comprehensive network of pharmacies that provide services to eligible Beneficiaries in all 64 parishes in the State. We have a track record of successful implementation of our pharmacy solution. MMA has the proven depth of Medicaid, technical, and clinical experience, as well as the demonstrated ability to serve as a partner to LDH. This enables us to effectively contribute to project success. LDH will not only gain access to a suite of solutions that exceed all project and procurement goals, but also a team of seasoned pharmacy experts, including pharmacists, with extensive Medicaid backgrounds whose mission will be to meet the needs of LDH.

MMA is committed to providing best-in-class pharmacy management services. We offer innovative, state-of-the-art information processing solutions. Our clinical, technical, quality assurance, financial, and data processing resources, as well as management expertise, will provide LDH with a flexible, integrated, and clinical evidence-based approach to managing drug utilization. We will successfully perform all required business and technical functions. Our systems comply with LDH's security and confidentiality standards and with HIPAA standards and other state and federal privacy and confidentiality standards and regulations. Our systems allow for secure electronic transfer of data to and from LDH's, the MCOs', and other trading partners' systems.

We have thoroughly reviewed the RFP requirements and understand the goals of LDH to improve management and administration of the pharmacy benefit for Beneficiaries. MMA offers LDH an approach to meeting the goals and requirements of the RFP that delivers easy-to-use tools, proven and effective Medicaid-focused solutions, and a commitment to clinical excellence. We will provide LDH with increased financial accountability, streamlining processes, and ensuring alignment with clinical and policy goals, while also improving transparency.

In our proposal we provide a clear description of the extensive, pre-existing, proven solution MMA will implement to meet the RFP goals and requirements. MMA proposes our proprietary and scalable solution and a customer-oriented approach to meeting the Scope of Work requirements that is collaborative, innovative, cooperative, and flexible. We will support LDH's mission of protecting and enhancing the health of the people of Louisiana through better outcomes, better care, and lower costs achieved by facilitating client access to medication in an effective and efficient manner.

As required by RFP Section 1.8.1, we provide the following information:

- MMA provides the following summary information about our organization: Magellan Medicaid Administration, Inc. was incorporated in the Commonwealth of Virginia as The Computer Company in 1968. MMA is a wholly-owned subsidiary of Magellan Healthcare, Inc., which in turn is a wholly-owned subsidiary of Magellan Health, Inc., which is a wholly-owned subsidiary of Centene Corporation. We have 50 years of Medicaid claims processing experience, including pharmacy claims processing, and 38 years of experience providing Pharmacy Benefit Management services to state government healthcare program, including Medicaid. We currently provide PBM services to 26 Medicaid Programs across the nation, including Louisiana. We have provided Preferred Drug List and Supplemental Rebate services to Louisiana since 2002 and drug rebate administration services since 2020.

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- The location of MMA's Administrative Office with full-time personnel for this contract will be located in Louisiana. We also have offices with full-time personnel at the following locations:

  8550 United Plaza Blvd, Baton Rouge, LA 70809
  One Allied Drive, Little Rock, AR 72202
  4801 E. Washington Street, Phoenix, AZ 85034
  11000 White Rock Road, Rancho Cordova, CA 95670
  3131 Camino Del Rio North, San Diego, CA 92108
  649 Mission Street, San Francisco, CA 94105
  7595 E. Hampden Ave, Denver, CO 80227
  1200 G Street NW, Washington, DC 20005
  601 Pennsylvania Ave, Washington DC, 20004
  6870 Shadowridge Drive, Orlando, FL 32812
  8621 Robert Fulton Drive, Columbia, MD 21046
  14100 Magellan Plaza, Maryland Heights, MO 63043
  13500 Riverport Drive, Maryland Heights, MO 63043
  445 Minnesota Street, Saint Paul, MN 55101
  15 Cornell Road, Latham, NY 12110
  140 Broadway, 46th Floor, New York, NY 10005
  659 High Street, Worthington, OH 43085
  4000 Crums Mill Road, Harrisburg, PA 17112
  105 Terry Drive, Newtown, PA 18940
  One Bethlehem Plaza, Bethlehem, PA 18018
  1003 Broad Street, Johnstown, PA 15906
  1400 DeKalb Street, Norristown, PA 19401
  88 Silva Lane, Middletown, RI 02842
  6303 Cowboys Way, Frisco, TX 75034
  50 East South Temple Street, Salt Lake City, UT 84111
  2256 S 3600 W, West Valley City, UT 84119
  11013 W Broad Street, Glen Allen, VA 23060

- Mostafa Kamal, CEO, serves as our principal officer. His address is provided below:

  8621 Robert Fulton Drive
  Columbia, MD 21046

- Our payment address for the purpose of issuing checks and/or drafts is provided below:

  Magellan Healthcare Lockbox
  Magellan Lockbox
  PO Box 785341
  Philadelphia, PA 19178-5341

- MMA is 100% owned by Centene Corporation.
- MMA does not have a local representative in Louisiana.
- MMA has been engaged by LDH in the past 24 months. Since 2002, MMA has provided Supplemental Rebate/Preferred Drug List (PDL) and since 2020 has provided Drug Rebate Processing Services to the State of Louisiana Medicaid Program. The most recent contract with the Louisiana Department of Health (Contract #: LaGov#2000429415) is in effect from 10/1/2019 through 9/30/2022. Under this

Magellan Medicaid Administration

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contract, MMA provides Formulary Management, Data Analysis and Reporting, Preferred Drug List (PDL), Supplemental Rebate, and Clinical Consulting services.

- MMA's Louisiana State Tax Identification Number is 3188257001. MMA's Federal Tax Identification Number is 54-0849793.

MMA will comply with contract terms presented in the RFP. We propose the following exceptions.

Contract Section	Contract Language	Proposed Language
RFP Section 1.6 Schedule of Events	Operational Start Date, on or about Friday July 1, 2022	Operational Start Date, on or about January 1, 2023 MMA has nation-wide experience with supporting customers in the implementation of new to market service delivery systems. Based on our recent and relevant experience, we recommend an implementation period of at least six months to ensure there is adequate time to perform the appropriate planning, communication, outreach, and education necessary to minimize stakeholder abrasion and support program success.
Section 1.31 Duty To Defend	Upon notice of any claim, demand, suit, or cause of action against the State, alleged to arise out of or be related to the Contract, Contractor shall investigate, handle, respond to, provide defense for, and defend at its sole expense, even if the claim, demand, suit, or cause of action is groundless, false, or fraudulent. The State may, but is not required to, consult with or assist the Contractor, but this assistance shall not affect the Contractor's obligations, duties, and responsibilities under this section. Contractor shall obtain the State's written consent before entering into any settlement or dismissal.	Upon notice of any claim, demand, suit, or cause of action against the State, alleged to arise out of or be related Contractor's acts or omissions under this Contract, Contractor shall investigate, handle, respond to, provide defense for, and defend at its sole expense, even if the claim, demand, suit, or cause of action is groundless, false, or fraudulent. The State shall reasonably cooperate with Contractor in such defense. Contractor shall obtain the State's written consent before entering into any settlement or dismissal,
1.32.1 Contractor Liability	Contractor shall be liable without limitation to the State for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, which may occur or in any way arise out of any act or omission of Contractor, its owners, agents, employees, partners, or Subcontractors.	Contractor shall be liable without limitation to the State for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, which may occur or in any way arise out of any act or omission of Contractor, its owners, agents, employees, partners, or Subcontractors, provided that no act or omission of the State contributed to such liability.
1.32.3 Indemnification	Contractor shall fully indemnify and hold harmless the State, without limitation, for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, which	Contractor shall be liable without limitation to the State for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and

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Contract Section	Contract Language	Proposed Language
	may occur or in any way arise out of any act or omission of Contractor, its owners, agents, employees, partners or Subcontractors. The Contractor shall not indemnify for the portion of any loss or damage arising from the State's act or failure to act.	description, which may occur or in any way arise solely out of any act or omission of Contractor, its owners, agents, employees, partners or subcontractors, provided that not act or omission of the State contributed to such liability

MMA acknowledges receipt of Addendum 1, dated February 22, 2022, Addendum 2, dated March 3, 2022, Addendum 3, dated March 14, 2022, Addendum 4, dated March 16, 2022, containing the answers to bidders' questions, and Addendum 5, dated March 22, 2022, containing Attachment II. CF-1 Sample Contract posted on the LaPAC website. As required, we have uploaded the following proposal components to the box link specified in the RFP revisions provided in Question #49:

- One technical proposal provided as a single file in PDF format. The file is named: RFP #3000018331 Technical Proposal - MMA.
- One cost proposal in PDF format. The file is named: RFP #3000018331 Cost Proposal - MMA.
- One redacted technical proposal is provided as a single file in PDF format. The file is named: RFP #3000018331 Redacted Technical Proposal - MMA.

The Cost Proposal and financial statements are submitted separately from the Technical Proposal.

Following this letter, we have provided our completed and signed Request for Proposal Output Forms.

I, Meredith Delk, PhD, MSW, Senior Vice President and General Manager, Government Markets, am authorized to sign this letter, legally bind MMA, commit MMA to the Scope of Work proposed, and commit MMA to our representations in the proposal. We have provided a certified board resolution granting me this authority in proposal *Section 14.0 Certification Statement*. My address is 11013 W. Broad Street, Suite 500, Glen Allen, Virginia 23060. I can be contacted at mdelk@magellanhealth.com. If you have any questions or concerns, or want any further clarification about our response, please do not hesitate to contact Jason Crowe, PharmD, Vice President Account Management. He can be contacted via telephone at 850-585-2970, via email at JCCrowe@magellanhealth.com or via mail at 11013 W. Broad Street, Suite 500, Glen Allen, Virginia 23060.

MMA has successfully provided our proven comprehensive pharmacy services to public programs, including over half the Medicaid FFS programs in the country, as well as to MCO pharmacy programs, for over three decades. We have simultaneously managed multiple high-volume and complex Medicaid FFS pharmacy services contracts and have hands-on experience implementing our solution for the nation's largest Medicaid pharmacy program (which includes transitioning to a single PBM for MCOs). We are proud to have helped these states maximize limited healthcare dollars while maintaining clinically appropriate care for their most vulnerable citizens. MMA has the requisite experience (both nationally and with the Louisiana Medicaid pharmacy program), capacity, and Medicaid-specific systems and expertise to provide the RFP-required administrative services to support the Louisiana Medicaid Program on day one. There is simply no other company in this space that matches our experience and breadth supporting Medicaid pharmacy programs.

As demonstrated in our proposal, MMA is the best partner to help LDH meet the vision outlined in its RFP of improving the health outcomes of Medicaid Beneficiaries in Louisiana and to streamline and improve its administrative processes and systems, while improving transparency. The proposed solution we present for your review will result in reliable and cost-effective service delivery for LDH. MMA's approach to pharmacy benefit management services will deliver a combination of advanced secure

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technology and infrastructure, easy-to-use tools, and clinical excellence. We will provide LDH with access to thought leaders, enhanced management of healthcare costs, and the benefit of our experience serving Medicaid customers. MMA would be honored to continue to partner with LDH to create innovative pharmacy solutions that benefit Medicaid Beneficiaries and Providers.

Sincerely,

Meredith Delk, PhD, MSW
Senior Vice President and General Manager, Government Markets
Magellan Medicaid Administration, Inc.

11013 West Broad Street, Suite 500, Glen Allen, Virginia 23060

RESPONSES WILL BE PUBLICLY OPENED
03/10/2022
04:00 PM CST

STATE OF LOUISIANA

LDH Medical Vendor Administration
REQUEST FOR PROPOSAL

SUBMIT NON-ELECTRONIC RESPONSE TO:

RFx Number: 3000018331
Version: 1
Buyer: STEPHANIE NEAL
Buyer Phone: 225-219-4401
E-Mail: stephanie.neal2@la.gov
Scheduled Begin Date:
Scheduled End Date:
T-Number:

Vendor No.: 0310090284
Solicitation: 3000018331
Opening Date: 03/10/2022

Vendor Name and Address: (to be completed by Vendor)

Magellan Medicaid Administration, Inc.
11013 W. Broad Street, Suite 500
Glen Allen, VA 23060

Ship To Address:
Invalid Delivery Address
Invalid, LA 99999-9999

Name of Solicitation: MCO Pharmacy Benefit Management. Serv.

Notice to bidder:
The Louisiana Department of Health (LDH) Bureau of Health Services Financing (BHSF) is issuing a Request for Proposals (RFP) for the purpose of obtaining competitive proposals from qualified and experienced organizations interested in serving as the single Pharmacy Benefit Manager (PBM) for Managed Care Program.

RFx text:
This Request for Proposal form is an internal form only. Please refer to the Request for Proposal for all requirements to submit a proposal.

LINE	Description	Quantity	Unit	Unit Price	Extended Amount
1	**Product Category:85101700** FY23 **Required:** 07/01/2022-07/30/2025	N/A	N/A	N/A	
2	**Product Category:85101700**	N/A	N/A	N/A	

VENDOR TELEPHONE NUMBER: 314-347-4141 EMAIL ADDRESS: mdelk@magellanhealth.com	TITLE SVP and GM, Government Markets	DATE 3/24/22
Signature of Authorized Bidder	Name of Bidder (Typed or printed) Magellan Medicaid Administration, Inc.	

Request for proposal: 3000018331 Open Date: 03/10/2022 T-Number:	Bidder: Magellan Medicaid Administration, Inc.	Page 2 of 2

LINE	Description	Quantity	Unit	Unit Price	Extended Amount
	FY24 **Required:** 07/01/2023-07/30/2025				
3	**Product Category:85101700** FY25 **Required:** 07/01/2024-07/30/2025	N/A	N/A	N/A	

RESPONSES WILL BE PUBLICLY OPENED
03/21/2022
04:00 PM CST

STATE OF LOUISIANA

LDH Medical Vendor Administration
REQUEST FOR PROPOSAL

SUBMIT NON-ELECTRONIC RESPONSE TO:

RFx Number: 3000018331
Version: 2
Buyer: STEPHANIE NEAL
Buyer Phone: 225-219-4401
E-Mail: stephanie.neal2@la.gov
Scheduled Begin Date:
Scheduled End Date:
T-Number:

Vendor No.: 0310090284
Solicitation: 3000018331
Opening Date: 03/21/2022

Vendor Name and Address: (to be completed by Vendor)
Magellan Medicaid Administration, Inc.
11013 W. Broad Street, Suite 500
Glen Allen, VA 23060

Ship To Address:
Invalid Delivery Address
Invalid, LA 99999-9999

Name of Solicitation: MCO Pharmacy Benefit Management. Serv.

Notice to bidder:
Addendum 1 - Schedule of Events

The Louisiana Department of Health (LDH) Bureau of Health Services Financing (BHSF) is issuing a Request for Proposals (RFP) for the purpose of obtaining competitive proposals from qualified and experienced organizations interested in serving as the single Pharmacy Benefit Manager (PBM) for Managed Care Program.

RFx text:
This Request for Proposal form is an internal form only. Please refer to the Request for Proposal for all requirements to submit a proposal.

LINE	Description	Quantity	Unit	Unit Price	Extended Amount
1	**Product Category:85101700** FY23 **Required:** 07/01/2022-07/30/2025	N/A	N/A	N/A	

VENDOR TELEPHONE NUMBER: 314-347-4141 EMAIL ADDRESS: mdelk@magellanhealth.com	TITLE SVP and GM, Government Markets	DATE 3/24/22
Signature of Authorized Bidder	Name of Bidder (Typed or printed) Magellan Medicaid Administration, Inc.	

Request for proposal: 3000018331 Open Date: 03/21/2022 T-Number:	Bidder: Magellan Medicaid Administration, Inc.	Page 2 of 2

LINE	Description	Quantity	Unit	Unit Price	Extended Amount
2	**Product Category:85101700** FY24 **Required:** 07/01/2023-07/30/2025	N/A	N/A	N/A	
3	**Product Category:85101700** FY25 **Required:** 07/01/2024-07/30/2025	N/A	N/A	N/A	

RESPONSES WILL BE PUBLICLY OPENED
03/28/2022
04:00 PM CST

STATE OF LOUISIANA

LDH Medical Vendor Administration
REQUEST FOR PROPOSAL

SUBMIT NON-ELECTRONIC RESPONSE TO:

RFx Number: 3000018331
Version: 2
Buyer: STEPHANIE NEAL
Buyer Phone: 225-219-4401
E-Mail: stephanie.neal2@la.gov
Scheduled Begin Date:
Scheduled End Date:
T-Number:

Vendor No.: 0310090284
Solicitation: 3000018331
Opening Date: 03/28/2022

Vendor Name and Address: (to be completed by Vendor)

Magellan Medicaid Administration, Inc.
11013 W. Broad Street, Suite 500
Glen Allen, VA 23060

Ship To Address:
Invalid Delivery Address
Invalid, LA 99999-9999

Name of Solicitation: MCO Pharmacy Benefit Management. Serv.

Notice to bidder:
Addendum 1 - Schedule of Events

Addendum 2 - Schedule of Events revised

The Louisiana Department of Health (LDH) Bureau of Health Services Financing (BHSF) is issuing a Request for Proposals (RFP) for the purpose of obtaining competitive proposals from qualified and experienced organizations interested in serving as the single Pharmacy Benefit Manager (PBM) for Managed Care Program.

RFx text:
This Request for Proposal form is an internal form only. Please refer to the Request for Proposal for all requirements to submit a proposal.

VENDOR TELEPHONE NUMBER: 314-347-4141 EMAIL ADDRESS: mdelk@magellanhealth.com	TITLE SVP and GM, Government Markets	DATE 3/24/22
Signature of Authorized Bidder	Name of Bidder (Typed or printed) Magellan Medicaid Administration, Inc.	

Request for proposal: 3000018331 Open Date: 03/28/2022 T-Number:	Bidder: Magellan Medicaid Administration, Inc.	Page 2 of 2

LINE	Description	Quantity	Unit	Unit Price	Extended Amount
1	**Product Category:85101700** FY23 **Required:** 07/01/2022-07/30/2025	N/A	N/A	N/A	
2	**Product Category:85101700** FY24 **Required:** 07/01/2023-07/30/2025	N/A	N/A	N/A	
3	**Product Category:85101700** FY25 **Required:** 07/01/2024-07/30/2025	N/A	N/A	N/A	

RESPONSES WILL BE PUBLICLY OPENED
03/30/2022
04:00 PM CST

STATE OF LOUISIANA

LDH Medical Vendor Administration
REQUEST FOR PROPOSAL

SUBMIT NON-ELECTRONIC RESPONSE TO:

RFx Number: 3000018331
Version: 2
Buyer: STEPHANIE NEAL
Buyer Phone: 225-219-4401
E-Mail: stephanie.neal2@la.gov
Scheduled Begin Date:
Scheduled End Date:
T-Number:

Vendor No.: 0310090284
Solicitation: 3000018331
Opening Date: 03/30/2022

Vendor Name and Address: (to be completed by Vendor)

Magellan Medicaid Administration, Inc.
11013 W. Broad Street, Suite 500
Glen Allen, VA 23060

Ship To Address:
Invalid Delivery Address
Invalid, LA 99999-9999

Name of Solicitation: MCO Pharmacy Benefit Management. Serv.

Notice to bidder:
Addendum 3 - Schedule of Events revised

Addendum 2 - Schedule of Events revised

Addendum 1 - Schedule of Events

The Louisiana Department of Health (LDH) Bureau of Health Services Financing (BHSF) is issuing a Request for Proposals (RFP) for the purpose of obtaining competitive proposals from qualified and experienced organizations interested in serving as the single Pharmacy Benefit Manager (PBM) for Managed Care Program.

RFx text:
This Request for Proposal form is an internal form only. Please refer to the Request for Proposal for all requirements to submit a proposal.

VENDOR TELEPHONE NUMBER: 314-347-4141 EMAIL ADDRESS: mdelk@magellanhealth.com	TITLE SVP and GM, Government Markets	DATE 3/24/22
Signature of Authorized Bidder	Name of Bidder (Typed or printed) Magellan Medicaid Administration, Inc.	

Request for proposal: 3000018331 Open Date: 03/30/2022 T-Number:	Bidder: Magellan Medicaid Administration, Inc.	Page 2 of 2

LINE	Description	Quantity	Unit	Unit Price	Extended Amount
1	**Product Category:85101700** FY23 **Required:** 07/01/2022-07/30/2025	N/A	N/A	N/A	
2	**Product Category:85101700** FY24 **Required:** 07/01/2023-07/30/2025	N/A	N/A	N/A	
3	**Product Category:85101700** FY25 **Required:** 07/01/2024-07/30/2025	N/A	N/A	N/A	

RESPONSES WILL BE PUBLICLY OPENED
03/30/2022
04:00 PM CST

STATE OF LOUISIANA

LDH Medical Vendor Administration
REQUEST FOR PROPOSAL

SUBMIT NON-ELECTRONIC RESPONSE TO:

RFx Number: 3000018331
Version: 2
Buyer: STEPHANIE NEAL
Buyer Phone: 225-219-4401
E-Mail: stephanie.neal2@la.gov
Scheduled Begin Date:
Scheduled End Date:
T-Number:

Vendor No.: 0310090284
Solicitation: 3000018331
Opening Date: 03/30/2022

Vendor Name and Address: (to be completed by Vendor)

Magellan Medicaid Administration, Inc.
11013 W. Broad Street, Suite 500
Glen Allen, VA 23060

Ship To Address:
Invalid Delivery Address
Invalid, LA 99999-9999

Name of Solicitation: MCO Pharmacy Benefit Management. Serv.

Notice to bidder:
Addendum 4 - Questions and Answers

Addendum 3 - Schedule of Events revised

Addendum 2 - Schedule of Events revised

Addendum 1 - Schedule of Events

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Request for proposal: 3000018331 Open Date: 03/30/2022 T-Number:	Bidder: Magellan Medicaid Administration, Inc.	Page 2 of 2

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STATE OF LOUISIANA

LDH Medical Vendor Administration
REQUEST FOR PROPOSAL

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Version: 2
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Magellan Medicaid Administration, Inc.
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Glen Allen, VA 23060

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Request for proposal: 3000018331 Open Date: 03/30/2022 T-Number:	Bidder: Magellan Medicaid Administration, Inc.	Page 2 of 2

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2.0 Table of Contents (RFP 1.8.2)

The proposal should contain a table of contents, and each section in hard copy submissions should be separated by a tabbed page that includes headings and numbering to match the corresponding section of the RFP.

APPENDICES

Appendix A: Louisiana Medicaid MCO PBM Project Work Plan

Appendix A: Louisiana Medicaid MCO PBM Project Work Plan (Excel) (separate file)

Appendix B: MRx Explore Standard Reporting Package

Appendix C: MRx Continuity of Operations Plan (COOP)

Confidential Information, Trade Secrets, and Proprietary Information

(RFP 1.11)

Magellan Medicaid Administration, Inc. (MMA) considers the following Technical Proposal responses exempt from access under the requirements of the Louisiana Public Records Act (La. R.S. 44.3.2).

Material To Be Protected	Section/Page Number(s)	Reasoning
Key Personnel Tables Proposed Personnel for the Louisiana PBM Services for Medicaid Managed Care Organizations Contract Implementation Team Key Personnel MMA Proposed Key Personnel MMA Proposed General Staff MMA Proposed Implementation Staff MMA Proposed Support Staff Staff Resources for Clinical Pharmacy and Operational Functions Table Key Personnel Job Descriptions Table General Staff Job Descriptions Table Resumes/References	3.3 Approach and Ability to Meet Overall Requirements: Page 3-10 6.3 Management Philosophy: Pages 6-9, 6-10, 6-11 7.0 WORK PLAN/PROJECT EXECUTION: Pages 7-19, 7-20, 7-27 10.1 Staffing: Pages 10-3, 10-4, 10-5, 10-6, 10-7, 10-8, 10-9, 10-10, 10-11, 10-12, 10-13, 10-14, 10-15, 10-16 Staffing Requirements: Pages 10-21, 10-22 10.3 Job Descriptions, Pages 10-27, 10-28, 10-29, 10-30, 10-31, 10-32, 10-33, 10-34 10.4 Resumes: Pages 10-37, 10-38, 10-39, 10-40, 10-41, 10-42, 10-43, 10-44, 10-45, 10-46, 10-47, 10-48, 10-49, 10-50, 10-51, 10-52, 10-53, 10-54, 10-55, 10-56, 10-57, 10-58, 10-59, 10-60, 10-61, 10-62, 10-63	MMA holds the information regarding its employees, job descriptions, and resumes as trade secret under Louisiana Public Records Act, R.S. 44.3.2. Staffing is an integral component of the structure and price in any service contract. The staffing plan reflects MMA's formulas for staffing patterns and its unique approach to managing an integrated system of care. This section should be redacted to limit the risk of poaching or other harm from competitors. MMA asserts that the disclosure of the described portion of information confers a competitive advantage and derives independent economic value, actual or potential, from not being generally known to and not being readily ascertainable by proper means, by other persons, who can obtain economic value from its disclosure or use.
Rebate Cost Savings Rebate Dollars Collected in First Quarter of 2020 Annual Drug Spend MMA Successfully Identifies Overpayments	3.2 Summary of Qualifications: Page 3-3 4.1.1 Brief History: Page 4-3 4.2 Corporate Experience: Pages 4-7, 4-8 8.11 Audit: Page 8-266	MMA holds its cost savings and identifying audit overpayments to be trade secret under Louisiana Public Records Act, R.S. 44.3.2. MMA asserts that this information is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The disclosure of this information could reasonably be expected to result in unfair competitive injury to MMA and is seen as deriving independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use. Additionally, its disclosure would impair the ability of the governmental entity to obtain the necessary information in the future and the interest of MMA in prohibiting access to the

Material To Be Protected	Section/Page Number(s)	Reasoning
		information is greater than the interest of the public in obtaining access, and/or would cause commercial injury to, or confer a competitive advantage upon a potential or actual competitor of MMA.
Subcontractors	3.3 Approach and Ability to Meet Overall Requirements: Page 3-10 8.0 DETAILED SCOPE RESPONSE: Pages 8-4, 8-6 8.3.17.1 Cost Avoidance and Pay and Chase: Page 8-145 8.3.17.4 Coordination of Benefits: Page 8-150 8.8.3 CSC Quality Assurance: Pages 8-254, 8-255 8.11 Audit: Pages 8-265, 8-266, 8-267, 8-268, 8-271, 8-287 8.13 Reporting and Quality Assurance: Pages 8-324, 8-325 Written Materials: Pages 8-355, 8-357 10.1 Staffing: Page 10-12 10.5 Subcontractor Staff, Pages 10-65, 10-66 11.0 VETERAN AND HUDSON INITIATIVE PROGRAMS PARTICIPATION: Pages 11-1, 11-2, 11-3, 11-4, 11-5	MMA holds the information regarding its subcontractors as trade secret under Louisiana Public Records Act, R.S. 44.3.2. MMA asserts that its subcontractor information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy because its disclosure would give competitors a roadmap to MMA's customers and its unique methods and approaches it has used in the past and will use for this project. Additionally, any contact with the subcontractors may interfere with MMA's business relationship or provide proprietary or confidential competitive information damaging to MMA. Additionally, disclosing this information could reasonably be expected to result in unfair competitive injury to MMA or would impair the ability of the governmental entity to obtain the necessary information in the future and the interest of MMA in prohibiting access to the information is greater than the interest of the public in obtaining access, and/or would cause commercial injury to, or confer a competitive advantage upon a potential or actual competitor of MMA.
Customer Names/References	4.2.2 Customer References: Pages 4-26, 4-27	MMA holds the information regarding its customer names and references as trade secret under Louisiana Public Records Act, R.S. 44.3.2. MMA asserts that its customer references derive independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy because they would give competitors a road map to MMA's customers. Any contact with the references may interfere with MMA's business relationship or provide proprietary or confidential competitive information damaging to MMA or of competitive advantage to a competitor of MMA and the disclosure of which could reasonably be expected to result in unfair competitive injury to MMA or would impair the ability of the governmental entity to obtain the necessary information in the future and the interest of MMA in prohibiting access to the information is greater than the interest of the public in obtaining access, and/or would cause

Material To Be Protected	Section/Page Number(s)	Reasoning
		commercial injury to, or confer a competitive advantage upon a potential or actual competitor of MMA.
Government Program Experience Table (Customers)	4.2.1 Description of Relevant Projects: Pages 4-21, 4-22, 4-23, 4-24, 4-25	MMA holds its clients' and other customers' information to be trade secret under Louisiana Public Records Act, R.S. 44.3.2. MMA asserts that this information is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. If a competitor or third party obtains this information, it may be used immediately, and over time, to develop a sales plan. Once this becomes public, MMA would lose its competitive edge and potentially lose the ability to attract future customers and retain present customers, to its competitors. The disclosure of this information could reasonably be expected to result in unfair competitive injury to MMA and therefore can be seen to derive independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use. The interest of MMA in prohibiting access to the information is greater than the interest of the public in obtaining access, and/or would cause commercial injury to, or confer a competitive advantage upon a potential or actual competitor of MMA.
MMA Corporate Organization Chart Louisiana MCO PBM Project Implementation Phase Organizational Chart Louisiana MCO PBM Operations Phase Organizational Chart	6.2 Organizational Structures, Figure 6.2-1: Page 6-4 7.0 WORK PLAN/PROJECT EXECUTION, Figures 7-2, 7-3: Pages 7-22, 7-23 10.2 Project Organization Chart, Figures 10. 1, 10.2: Pages 10-25, 10-26,	MMA holds the information regarding its organizational charts as trade secret under Louisiana Public Records Act, R.S. 44.3.2. Staffing is an integral component of the structure and price in any service contract. The organizational charts reflect MMA's formulas for staffing patterns and its unique approach to managing an integrated system of care. This section should be redacted to limit the risk of poaching or other harm from competitors. MMA asserts that the disclosure of the described portion of information confers a competitive advantage and derives independent economic value, actual or potential, from not being generally known to and not being readily ascertainable by proper means, by other persons, who can obtain economic value from its disclosure or use.
Proposed Louisiana Medicaid MCO Project – Solution Architecture Model (SAM)	8.3.3 Drug Claims System Requirements, Figure 8.3-3: Page 8-74	MMA holds its solutions, formulas, methods, and techniques to be trade secret under Louisiana Public Records Act, R.S. 44.3.2. This section provides granular details about MMA's unique solutions for successfully handling workflow management. MMA's distinctive method and approach for developing the workflow management derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. MMA asserts that the disclosure of the described portion of information could reasonably be expected to result in unfair competitive injury to MMA or would impair the ability of the governmental entity to obtain the necessary information in the future and the interest of MMA in prohibiting access to the information is greater than

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Project Status Report (Page 1) Project Status Report (Page 2) FirstCI Main Menu Window Sample Processing Log Louisiana Medicaid MCO Project Claims Processing Flow Sample Web Portal: Drug Lookup Functionality Okta UI Multi-factor Authentication Screens Okta UI Landing Page with Sample Widgets Formulary Management Tool Screenshot Quantity Limit Screenshot Dose Maintenance Screenshot FirstRx Screen Showing Timestamp for Claim Adjudication FirstRx Adjustment Screen Mass Adjustment Query FirstRx Mass Adjusted Indicator First Databank Rebate Indicator in FirstRx CMS Rebate Indicator in FirstRx FirstRx Supports a Hierarchy/Priority	7.0 WORK PLAN/PROJECT EXECUTION, Figures 7-4, 7-5: Pages 7-33, 7-34 8.1 Coordination with the MCOs, Figure 8.1-1: Page 8-18 8.3.1 General Drug Claim Adjudication System Requirements, Figure 8.3-1: Page 8-62 8.3.3 Drug Claims System Requirements, Figures 8.3-4, 8.3-5: Pages 8-75, 8-76 8.3.7 Information Security and Access Management, Figures 8.3-6, 8.3-7: Pages 8-96, 8-97 8.3.13 Utilization Management, Figures 8.3-8, 8.3-9, 8.3-10, 8.3-11, 8.3-12, 8.3-13, 8.3-14: Pages 8-106, 8-110, 8-111, 8-115, 8-117, 8-119, 8-120 8.3.14.2 Covered Drugs, Figures 8.3-15, 8.3-16: Page 8-123 8.3.16 Drug Claim Edits, Figures 8.3-17a, 8.3-17b, 8.3-18: Pages 8-133, 8-134, 8-139 8.3.17 Third Party Liability, Figures 8.3-19, 8.3-20: Page 8-142 8.4 Covered Drug List (CDL)/Preferred Drug List (Single PDL), Figures 8.4-1, 8.4-2: Pages 8-167, 8-168 8.7.2 Prospective DUR System, Figures 8.7-3, 8.7-4: Pages 8-227, 8-228 8.8.1 Customer Service Center (CSC), Figures 8.8-1, 8.8-2: Pages 8-235, 8-238 8.8.3 CSC Quality Assurance, Figure 8.8-4: Page 8-248 8.11 Audits, Figure 8.11-1: Page 8-275 8.13 Reporting and Quality Assurance, Figures 8.13-1, 8.13-	MMA holds the information regarding its systems' screenshots as trade secret under Louisiana Public Records Act, R.S. 44.3.2. The screen shots contained in this section show an image of MMA's proprietary system and reveal MMA's unique method and approach for developing the workflow management which derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. MMA asserts that the disclosure of the described portion of information could reasonably be expected to result in unfair competitive injury to MMA or would impair the ability of the governmental entity to obtain the necessary information in the future and the interest of MMA in prohibiting access to the information is greater than the interest of the public in obtaining access, and/or would cause commercial injury to, or confer a competitive advantage upon a potential or actual competitor of MMA.

Material To Be Protected	Section/Page Number(s)	Reasoning
for Applying Edits (page 1 of 2) FirstRx Supports a Hierarchy/Priority for Applying Edits (page 2 of 2) AutoPA—Incoming Claim for Second Generation Cephalosporin Antibiotics Sample Adjudicated Claims Window with COB Information Sample Cost Avoidance Window FirstCI Claims Search Screen Web Portal: Drug Lookup Functionality ProDUR Message Sample ProDUR Message Alert Sample Interaction Channels Steps to a Successful Customer Interaction FirstTrax Complaint Resolution Contact Detail Screen Enrollee Profile Merge Information in GUI Sample Overview Dashboard Sample Plan Dashboard Visualization Sample Interactive Report Tab Listing Sample MRx Explore Standard Reporting Package Table of Contents Example PA by Therapeutic Class Return-to-Operations	2, 8.13-3, 8.13-4, 8-13-7: Pages 8-311, 8-312, 8-317, 8-328 8.15 Continuity of Operations Plan, Figure 8.15-1: Page 8-348	

Material To Be Protected	Section/Page Number(s)	Reasoning
(Screenshots)		
Sample PA Processing Flow ePA Process Flow AutoPA—Incoming Claim for Second Generation Cephalosporin Antibiotics ProDUR Process Flow in FirstRx Outbound Campaign Workflow	8.4.2 Prior Authorization (PA), Figure 8.4-3: Page 8-177 8.4.2.1 Prior Authorization Submission, Figure 8.4-13: Page 8-196 8.4.2.2 Timeliness and Adjudication of PAs, Figure 8.4-14: Page 8-202 8.7.2 Prospective DUR System, Figure 8.7-2: Page 8-222 8.8.2 Outbound Campaigns, Figure 8.8-3: Page 8-244	MMA holds the information regarding its process and workflow samples as trade secret under Louisiana Public Records Act, R.S. 44.3.2. MMA asserts that it derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy because they are (1) not disclosed or known by competitors, (2) access to this information was limited to members of the MMA team working on the project, (3) MMA's unique method and approach to developing this part of the proposed solution, and its playbook in general, are highly valuable because this is a competitive field with only a small pool of players competing for the same projects, (4) MMA has spent considerable time and resources preparing its proposed solution, and years developing its playbook, and (5) a competitor would have to expend the same amount of time and significant expense to replicate MMA's solution and playbook.
PA by Therapeutic Class PA by Contact Type PA by Submission Method COVID-19 Pandemic Early Refill Request Statistics COVID-19 Weekly 90 Days Claims Count Statistics Medicaid Pharmacy Trend Report Traditional and Specialty Drug Trends Medicaid Pharmacy Trend Report Pipeline and Forecasting Trends Prior Authorization Detail Prior Authorization Clinical Notes Medicaid Pharmacy Trend Report	8.4.2 Prior Authorization (PA), Figures 8.4-4, 8.4-5, 8.4-6, 8.4-7, 8.4-8, 8.4-9, 8.4-10, 8-4-11, 8.4-12: Pages 8-186, 8-187, 8-188, 8-189, 8-190, 8-191, 8-192 8.6 Specialty Drugs and Pharmacies, Figure 8.6.1: Page 8-211 8.8.3 CSC Quality Assurance: Page 8-252 8.13 Reporting and Quality Assurance: Pages 8-331, 8-332, 8-332, 8-333 8.13 Reporting and Quality Assurance, Figure 8.13-9: Page 8-334	MMA holds the information regarding its report samples as trade secret under Louisiana Public Records Act, R.S. 44.3.2. MMA asserts that it derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy because they are (1) not disclosed or known by competitors, (2) access to this information was limited to members of the MMA team working on the project, (3) MMA's unique method and approach to developing this part of the proposed solution, and its playbook in general, are highly valuable because this is a competitive field with only a small pool of players competing for the same projects, (4) MMA has spent considerable time and resources preparing its proposed solution, and years developing its playbook, and (5) a competitor would have to expend the same amount of time and significant expense to replicate MMA's solution and playbook.

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Traditional and Specialty Impact Reporting Description Table Provider Profiling Report Elements Table Provider Profiling Report Prompts Table Provide Profiling Report Sample		
Innovative concepts and value-added services	9.0 INNOVATIVE CONCEPTS AND VALUE-ADDED SERVICES, Pages 9-1, 9-2, 9-3, 9-4, 9-5, 9-6, 9-7, 9-8, 9-9, 9-10, 9-11, 9-12, 9-13, 9-14, 9-15, 9-16	MMA holds its solutions, formulas, methods and techniques to be trade secret under Louisiana Public Records Act, R.S. 44.3.2. This section provides granular details about MMA's unique solutions for successfully handling workflow management. MMA's distinctive method and approach for developing the workflow management derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. MMA asserts that the disclosure of the described portion of information could reasonably be expected to result in unfair competitive injury to MMA or would impair the ability of the governmental entity to obtain the necessary information in the future and the interest of MMA in prohibiting access to the information is greater than the interest of the public in obtaining access, and/or would cause commercial injury to, or confer a competitive advantage upon a potential or actual competitor of MMA.
Appendix A - LA Medicaid MCO PBM Project Work Plan (PDF version) Appendix A - LA Medicaid MCO PBM Project Work Plan (Excel version)	Appendix A (PDF Version): Pages 1-18 Appendix A (Excel Version): Pages LA MCO PBM Tab – All content	MMA holds the information regarding its work plan as trade secret under Louisiana Public Records Act, R.S. 44.3.2. MMA asserts that its work plans derive independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy because they are (1) not disclosed or known by competitors, (2) access to this information was limited to members of the MMA team working on the project, (3) MMA's unique method and approach to developing this part of the proposed solution, and its playbook in general, are highly valuable because this is a competitive field with only a small pool of players competing for the same projects, (4) MMA has spent considerable time and resources preparing its proposed solution, and years developing its playbook, and (5) a competitor would have to expend the same amount of time and significant expense to replicate MMA's solution and playbook.

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Appendix B - MRx Explore Standard Reporting Package	Appendix B: Pages 1-173	MMA holds its solutions, formulas, methods and techniques to be trade secret under Louisiana Public Records Act, R.S. 44.3.2. This section provides granular details about MMA's unique solutions for successfully handling workflow management. MMA's distinctive method and approach for developing the workflow management derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. MMA asserts that the disclosure of the described portion of information could reasonably be expected to result in unfair competitive injury to MMA or would impair the ability of the governmental entity to obtain the necessary information in the future and the interest of MMA in prohibiting access to the information is greater than the interest of the public in obtaining access, and/or would cause commercial injury to, or confer a competitive advantage upon a potential or actual competitor of MMA.
Appendix C - Continuity of Operations Plan (COOP)	Appendix C: Pages 1 -43	MMA holds its solutions, formulas, methods and techniques to be trade secret under Louisiana Public Records Act, R.S. 44.3.2. This section provides granular details about MMA's unique solutions for successfully handling workflow management. MMA's distinctive method and approach for developing the workflow management derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. MMA asserts that the disclosure of the described portion of information could reasonably be expected to result in unfair competitive injury to MMA or would impair the ability of the governmental entity to obtain the necessary information in the future and the interest of MMA in prohibiting access to the information is greater than the interest of the public in obtaining access, and/or would cause commercial injury to, or confer a competitive advantage upon a potential or actual competitor of MMA.

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APPENDICES

Appendix A: Louisiana Medicaid MCO PBM Project Work Plan

Appendix A: Louisiana Medicaid MCO PBM Project Work Plan (Excel) (separate file)

Appendix B: MRx Explore Standard Reporting Package

Appendix C: MRx Continuity of Operations Plan (COOP)

3.0 EXECUTIVE SUMMARY (RFP 1.8.3)

This section serves to introduce the scope of the proposal. It shall include administrative information including Proposer contact name and phone number, and the stipulation that the proposal is valid for a time period of at least ninety (90) Calendar Days from the date of submission. This section should also include a summary of the Proposer's qualifications and ability to meet the State agency's overall requirements in the timeframes set by the agency.

The Louisiana Department of Health (LDH) is seeking a qualified organization to serve as the single Pharmacy Benefits Manager (PBM) for the Louisiana Medicaid Managed Care Organizations, with a goal of improving management and administration of the pharmacy benefit for its 1.7 million Medicaid Managed Care Beneficiaries. ***Magellan Medicaid Administration, Inc. (MMA) stands ready to support LDH in meeting this goal, with 38 years of state government healthcare-focused pharmacy benefit management (PBM) services refined by almost three decades of experience serving state Medicaid programs.*** MMA is one of the largest stand-alone pharmacy benefit management service providers in the nation, offering a full line of scalable pharmacy services with a focus on providing cost-effective pharmacy solutions to government customers. We provide PBM services to government programs, including 13 Medicaid fee-for-service (FFS) programs, 4 State Pharmaceutical Assistance Programs (SPAPs) including the 2 largest senior drug programs in the nation, and 5 AIDS Drugs Assistance Program (ADAPs) that touch ***50 million lives.*** In addition, we serve as the PBM for four Medicaid managed care organizations.

As a leader in the public sector market for healthcare management and information services, MMA provides integrated MCO coordination, Claims Processing and Payment Services, Provider and Prescriber Network Management, Pharmacy Auditing, Call Center, Security, Reporting and Analytics, Security and Privacy, Staff Training, Retroactive Drug Utilization Review (RetroDUR), Web Portal, and the full range of services outlined in the Request for Proposals (RFP).

MMA and the State of Louisiana Have a Long and Trusted Partnership

MMA has successfully provided Medicaid PDL services to LDH since 2002, single PDL services since 2019, and drug rebate administration services since 2020. With MMA as the single PBM contractor for its Medicaid MCOs in addition to being the incumbent contractor providing its single Medicaid PDL, the State will benefit from a more streamlined Medicaid pharmacy solution and realize several efficiencies:

- The application of the PDL and CDL will be more consistent across LDH's five MCO partners, ***which will translate into higher supplemental rebate yields***.
- State PDL changes will be directly updated in MMA's POS system, without the need for a third-party interface or crosswalk, ***resulting in current drug lists being reflected in the POS system more quickly***.
- ***MMA's inherent understanding of Louisiana's single PDL program goals*** will enable more accurate benefit configuration in our PBM systems, eliminating errors.

Ultimately, these synergies will create more alignment and integration that will generate cost-savings on both the PDL and PBM sides of Louisiana's Medicaid Managed Care Program, as well as improve pharmacy experience for Medicaid Enrollees.

In this section we provide an overview of our experience and qualifications, as well as our approach and ability to implement all of the required services in a timely manner. MMA will provide LDH with a Medicaid MCO PBM partner who has the experience, tools, and knowledgeable staff to assist in the achievement of LDH's desire to improve management and administration of the pharmacy benefit for Louisiana Medicaid Beneficiaries. MMA has a successful track record of providing Medicaid PBM services that increase financial accountability, streamline processes, and ensure alignment with clinical and policy goals, while improving transparency. MMA's focus on serving vulnerable people began in 1972 with our first Medicaid claims processing contract and continues today. ***Our corporate goal is to provide a connected healthcare experience for Enrollees that leads to healthy, vibrant lives.***

3.1 Administrative Information

If LDH has any questions or concerns, or requires further clarification of our proposal, please do not hesitate to contact Jason Crowe, Vice President, Account Management via telephone at 850-585-2970 or via email at jccrowe@magellanhealth.com.

MMA confirms that our proposal will remain valid for a time period of at least 90 Calendar Days from the date of proposal submission, March 30, 2022.

3.2 Summary of Qualifications

MMA's proposal demonstrates that our qualifications exceed the Mandatory Qualifications for Proposers and meet the Desirable Qualifications defined in the RFP. With 38 years of PBM experience for state government healthcare programs (including Medicaid FFS and MCO), and the award in 2019 and Go-Live in 2022 of our PBM solution for over 14 million California Medi-Cal Rx Program members, MMA is well-qualified to provide PBM Services for Louisiana's Medicaid Manged Care MCOs. We are headquartered in the United States, with 27 Magellan offices across the country, including an office in Baton Rouge, Louisiana.

We will leverage our more than three decades of Medicaid PBM experience to deliver our proven MCO PBM solution for Louisiana. MMA understands the unique needs of Medicaid Enrollees. Our comprehensive PBM pharmacy solution currently supports over ***50 million Medicaid and government program Enrollees across the nation, including in several states with more than 1.5 million Beneficiaries, including California (14 million), New York (6 million), Texas (4 million), Florida (3.9 million), North Carolina (2.3 million), and Michigan (2 million).*** We also serve 600,000 eligible Beneficiaries in two of the largest SPAPs in the country—the Pennsylvania Pharmaceutical Assistance Contract for the Elderly (PACE) Program and New York Elderly Pharmaceutical Insurance Coverage (EPIC) Program, as well as 36,000 people served by five state ADAPs. We also provide PBM services for four Medicaid MCO plans in Florida and Michigan and served as the single PBM for Tennessee's TennCare Medicaid Program.

In-Depth Medicaid PBM Experience—Contracts Spanning Three Decades

- Alaska Medicaid POS/PDL since ***1987***
- Arkansas Medicaid POS/PDL since ***2014***
- California Medicaid POS since ***2019***
- Colorado Medicaid POS/PDL since ***2015***
- District of Columbia POS since ***2015***
- Florida Medicaid POS since ***2006***
- Idaho Medicaid POS since ***2009***
- Kentucky Medicaid POS/PDL since ***2004***
- Michigan Medicaid POS/PDL since ***2000***
- Nebraska Medicaid POS since ***1994***
- New Hampshire Medicaid POS/PDL since ***2001***
- South Carolina Medicaid POS/PDL since ***2000***
- Virginia Medicaid POS/PDL since ***2017.***

We meet LDH's Desirable Qualifications, with the ability to provide the following services:

- Our flexible, configurable POS system (FirstRx℠) ***has the ability to accept, price, and process physician-administered Drug (PAD) Claims*** for Medicaid Enrollees according to the same edits and utilization management criteria as those applied for NCPDP Drug Claims, or additional edits as specified by LDH.
- Our ***mobile app solution called MRx Connect*** allows Medicaid programs to leverage the high read rates of text messaging to target customized health messages to encourage Enrollees to adopt healthy behaviors.
- MMA offers a ***state-of-the-art ePrescribing integration solution*** through one of our long-term partners—Surescripts©—that aligns with industry best practices, benefits our customers and Enrollees, and demonstrates MMA's interoperability and drive toward MITA maturity. We currently provide our ePrescribing solution to seven Medicaid FFS programs, as well as several commercial and

non-Medicaid government programs, and include this solution in our proposed scope of services in proposal *Section 8.3, Drug Claims System Requirements*.

MMA currently contracts directly with 26 state government agencies to provide Medicaid pharmacy benefit management services, including 13 full Medicaid FFS PBM POS contracts and four Medicaid Managed Care contracts. We have recently implemented our pharmacy solution for the California Medi-Cal Rx Program. The scope of work of this contract is similar to Louisiana's, and it demonstrates our ***ability to support a large-volume customer and the MCO transition to a single benefit***. We are currently implementing our POS Solution for the Nevada Medicaid Program, as well.

In addition to our extensive history providing PBM services to customers across the country, MMA is a longstanding partner of the State of Louisiana since 2002, when we designed and implemented the Medicaid Preferred Drug List (PDL) and Supplemental Rebate program. In 2020, we began providing drug rebate administration services for the State's Medicaid Program and worked with LDH to transition the PDL program to a single PDL model in 2019.

Established Partnership and Extensive Experience with the State of Louisiana

MMA is proud of the long-term partnership we have developed with LDH, which began in 2002 when we designed and implemented the Medicaid PDL and Supplemental Rebate Services Program.

Our support of LDH has also included implementing an innovative Hepatitis C drug purchasing program and creating the Louisiana Behavioral Health Partnership (LBHP), a system of care for Medicaid and non-Medicaid adults and children who required specialized behavioral health services.

In 2019, we worked with LDH to transition the PDL program to a single PDL model, and ***in 2020, we implemented rebate administration services for the State's Medicaid Program, which has helped LDH collect*** ***for the State of Louisiana.***

MMA fully understands all of the program elements and level of effort required for this project. This is not possible with an untested vendor. We stand poised to expand our valued partnership to improve the health of Louisianians and exceed LDH's expectations by lowering pharmacy costs and improving Enrollee health outcomes.

Our hands-on knowledge of LDH, its programs, and its Enrollees and stakeholders will add tremendous value throughout the term of this contract. ***MMA proposes to implement an MCO PBM solution that will ensure the application of the single PDL and Covered Drug List (CDL) will be more consistent across LDH's five MCO partners, which will ultimately translate into higher supplemental rebate yields and greater cost-effectiveness, efficiency, alignment, and integration for Louisiana's Medicaid pharmacy benefit.***

Our solutions rely on sophisticated use of reporting, analytics, clinical, and quality assurance to drive program success. MMA's systems and processes enable our customers to develop innovative cost containment strategies and provide analysis for complex issues such as policy and reimbursement changes. Our CMS-certified, NCPDP-compliant, MITA-mature, scalable claims adjudication platform, FirstRx, provides configurable benefit management and pharmacy claims processing including system edits, ProDUR, Coordination of Benefits, and AutoPA functionality integrated within the POS system. We also provide real-time PA services through our Call Center using our PA and call tracking system, as well as electronic PAs (ePAs). ***Our Medicaid Pharmacy Module has been certified by CMS for 13 of our customers.*** In each CMS certification, there were no findings, corrective actions, or follow-up action items required of us. CMS has recognized our FirstRx claims processing system as "outstanding."

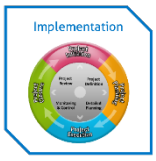
We have a solid track record of successfully implementing on schedule, Enrollee-centric, flexible Medicaid pharmacy systems and services, including claims administration services. We understand the volume and complexity of the Louisiana Medicaid Managed Care Program and are well-poised to successfully transition pharmacy services to a single PBM model in accordance with LDH standards and time frames.

3.3 Approach and Ability to Meet Overall Requirements

MMA's 50 years of experience processing Medicaid pharmacy/Drug Claims and administering claims payments to Medicaid Network Providers, combined with our 38 years of PBM administration experience equips us with the knowledge and qualifications necessary to fulfill the requirements of this RFP. We offer a full line of pharmacy services with a singular focus on serving government customers. Our experience enables us to partner with LDH to meet the scope of work outlined in the RFP, as well as maintain superior levels of service by efficient management of the program. Our MCO PBM solution can effectively and efficiently meet or exceed all of Louisiana's expectations. We commit to incorporating ***innovation, collaboration, accountability, responsiveness, and excellence*** into all of the services and systems we provide LDH, with a ***multi-faceted approach that provides rapid, efficient, and effective operational and clinical solutions that best meet the specific needs of Louisiana's Medicaid population.***

MMA will provide a smooth and efficient transition to our program, keeping the Enrollee experience at the forefront of our planning. MMA offers a credible, proven solution that is built on decades of implementing multi-faceted government-sponsored pharmacy benefits programs and managing complex populations. MMA's approach to implementation will be well planned and managed, seamless, and will ensure continuity of care and access to medications for Louisiana Medicaid Enrollees, while reducing duplication and administrative overhead. By blending the industry-leading expertise of our seasoned account management staff, clinical support staff, compliance, implementation, and information technology staff, as well as our Customer Services Center staff, ***MMA provides the resources and system infrastructure to deliver a successful Medicaid MCO PBM solution based on decades of experience in PBM administration.***

Low-Risk Implementation



MMA employs an efficient and effective decision governance structure and prioritization of implementation tasks, which is informed by our decades of experience implementing on-time and successful pharmacy benefit management systems and services. We use our proven Project Management Methodology (PMM), which is based on the standards and techniques developed by the Project Management Institute (PMI) and fully documented in the Project Management Body of Knowledge (PMBOK®) seventh edition. We possess far-reaching Medicaid PBM, managed care, and government pharmacy understanding and expertise coupled with the programmatic, technical, clinical, and quality assurance resources necessary to meet the Louisiana RFP requirements according to the agreed upon time frames. MMA will implement our proven PBM Solution that is currently supporting 13 Medicaid pharmacy programs, 5 ADAP programs, and 4 SPAPs (including the two largest senior drug programs in the nation). Our most recently implemented government Medicaid PBM contract, which went live on January 1, 2022, was for the California Medi-Cal Rx Program, the largest Medicaid pharmacy program in the country. In helping the state transition over 14 million managed Medicaid members from 26 MCOs to a single FFS program, we completed the implementation on schedule by leveraging our established PMM standards and proven project management approach.

The Louisiana MCO PBM project requires detailed planning and execution, experienced resources, clear communication lines, and rigorous monitoring and adherence to quality standards. Our overall approach

to proposing, developing, implementing, operating, and enhancing a modern pharmacy solution to support LDH includes:

- Sound project management principles
- A veteran Implementation Team
- Experienced Medicaid PBM operations professionals
- Industry-leading and proven PBM experience and technology
- A corporate culture that promotes partnership with our customers to produce collaborative and successful relationships.

Our MMA Louisiana Account Team and other support staff assigned to the project, including analysts, quality assurance specialists, and developers, will work autonomously with LDH to put State-desired changes and enhancements into action throughout the life of the contract.

Visibility and access to key members of our organization are crucial components of our account management strategy. Providing clear reporting lines, both direct and indirect, helps us to promote internal efficiencies and in turn deliver superior service to LDH. Our account management structure reports directly to our executive leadership, allowing an added layer of top-level accountability and support, which ensures that high impact concerns receive attention, resources, and a timely response. Our team of professionals is supported by experienced and expert staff members who have a proven track record of success in pharmacy implementations and operations.

MMA has provided a Draft Project Work Plan in our proposal detailing the steps that will be taken to ensure that MMA is able to meet LDH's overall requirements in the timeframes set by the agency. We will work in conjunction with Louisiana's Medicaid MCOs as well as other stakeholders to be well prepared to provide a low-risk seamless transition focused on a positive experience for Enrollees and Providers with minimal disruption. Our Project Work Plan uses industry standards and best practices based on the PMI and fully documented in the PMBOK to promote excellence in our project execution. Our project management process provides regular progress and performance evaluations based on strict adherence to task plan goals, deliverables, milestones, and plans that satisfy requirements and meet deadlines. This plan focuses on the detailed tasks, deliverables and documents that must be created in order to satisfy the goals and objectives of the requirements defined in the RFP.

MMA's implementation approach relies on the development and successful management of working relationships with governmental entities, health plans, providers, local community-based organizations, advocates, and private non-profit organizations. During the implementation phase, our Implementation and Account Teams will work closely with LDH and its related partners as well as the MCOs and their PBMs and hold frequent meetings with LDH staff to promote ***comprehension and collaboration***. ***We truly welcome another opportunity to partner with LDH in support of state goals and objectives to ensure cost-effective services for Enrollees with no disruptions.***

Comprehensive Solution to Scope of Work/Services Requirements

MMA will implement our proven PBM solution, which is ***in operation for 13 Medicaid programs today.*** We are able to provide all of the required Scope of Work/Services deliverables in a timely manner. In the following table, we provide an overview of how our solution will meet LDH's overall requirements.

Louisiana Medicaid MCO PBM Services	MMA's Approach
Coordination with the MCOs	MMA proposes an ***Enrollee-centric concierge model*** to ensure no Louisiana Medicaid Managed Care Program Enrollee is prevented access to their medications during the implementation. MMA will develop a detailed plan to transition all Louisiana Medicaid

Louisiana Medicaid MCO PBM Services	MMA's Approach
	Managed Care Program Enrollee demographic data, claims history and PA-related files into our comprehensive claims adjudication system.
Pharmacy and Prescriber Network Management	MMA proposes our established nationwide pharmacy network to provide PBM Services for Enrollees, which includes ***1,196 pharmacies in our Louisiana statewide network.*** This network includes all major and regional chains, as well as independent pharmacies, specialty pharmacies, and mail order pharmacies.
Drug Claims/System Requirements	Using our proprietary ***FirstRx℠*** drug claims processing system, MMA will conduct POS operations 24/7/365, editing drug claims to ensure compliance with all Louisiana regulations. ***FirstRx*** is designed for Medicaid, with 6,245 Medicaid-tailored claim checks and edits that manage care within the guidelines of Medicaid rules. ***FirstRx*** is a proven system that will be used to process Drug Claims consistently across all MCOs. ***FirstRx*** provides fully integrated capabilities for claims processing, including rules and limit application, formulary management, and third-party liability/coordination of benefits (TPL/COB) and cost avoidance. ***FirstRx*** is a highly configurable, rules-based system that allows for efficient deployment of changes with minimal development effort and is in full compliance with Federal and State regulations, including the HIPAA regulation for transactions and code sets and supports the current HIPAA-named standards: NCPDP Telecommunication D.0, Batch 1.2, SCRIPT, and Medicaid Subrogation 3.0. Our comprehensive solution supports programming flexibility, compound drug policy, benefit changes as needed, data exchanges/interfaces, real-time POS claims processing and adjudication, pharmacy network management, payment to pharmacies, audits, clinical management, COB, auditing for drug pricing compliance, recoupment services, trend/cost management, formulary adherence, data analysis and reporting, personalized customer service and customization, correction of invalid claims and overpayments, help desk services, and eligibility and enrollment services.
Covered Drug List (CDL)/Preferred Drug List (Single PDL)	Using best practices to operationalize and maintain compliance with the Single PDL and prior authorization (PA) requirements, MMA will receive a weekly file of ***new National Drug Codes (NDCs) that enter the market*** and develop business rules in collaboration with LDH to ensure our clinical team understands exactly how each NDC will be covered based on LDH's Single PDL and CDL. Formularies will be loaded into the ***FirstRx*** system for use in claims adjudication, and ***all changes to either the Single PDL and CDL will be reflected in the system***. We provide drug benefit management services and can configure drug coverage parameters through our innovative ***Formulary Management Tool (FMT) SM***, which provides the ability to configure drug coverage parameters through the use of customized indicators.
Behavioral Health Policies and Procedures	MMA will work in collaboration with the Louisiana MCOs to ensure that patients who have been enrolled in psychiatric and residential substance use facilities are able to continue to have access to medically necessary behavioral health medications upon discharge from a facility. This includes offering Louisiana Prescribers the option to use the universal PA form to indicate that a Louisiana Enrollee is being discharged from a psychiatric or a residential substance use facility and will need access to behavioral health medications such as, but not limited to, naloxone, buprenorphine containing products, and long-acting injectable anti-psychotics prior to discharge. ***FirstRx's*** flexibility allows the configuration of edits to match the State's behavioral health policies. ***Once the form is received by MMA, we will immediately approve the medication through the PA process for at least 90 Calendar Days.***
Specialty Drugs and Pharmacies	MMA will apply our proven expertise to manage a network of contracted specialty pharmacies for the Louisiana Medicaid Managed Care Program. ***This specialty pharmacy network management will include pharmacy network enrollment, contracting, and***

Louisiana Medicaid MCO PBM Services	MMA's Approach
	maintenance. MMA has an established statewide Louisiana pharmacy network that will provide access to PBM-covered services for Enrollees.
Drug Utilization Review (DUR)	MMA proposes to leverage the depth of our DUR expertise and SMEs with specific areas of clinical therapeutic focus, Enrollee safety, and cost-effectiveness to serve the Louisiana Medicaid Managed Care Program. With 20 years of hands-on experience with the Louisiana Medicaid pharmacy program, we understand the relevance of appropriate clinical and therapeutic management services, compliance with Federal regulations and coordination with the LDH DUR Board, LDH pharmacy staff, and the MCOs. ***Our ProDUR solution is an integrated component of our FirstRx system*** and will include the following: configuring edits to message or deny resulting in meaningful interventions that do not over-burden dispensing pharmacy Providers; monitoring utilization data and ProDUR edit/message trends; providing clear and concise ProDUR messaging to address only the most clinically significant circumstances; and configuring claims edits to provide enhanced ProDUR refinement functional capability.
Provider and Enrollee Support	MMA will provide excellent CSC support and functionality for LDH, its Network Providers, Prescribers, MCOs, and, most importantly, the Enrollees the Program serves MMA will ensure that our CSC is appropriately staffed to respond to Provider and Enrollee inquiries***. We will provide a fully-trained CSC staff of skilled clinicians—including pharmacists (RPh and PharmD) and Certified Pharmacy Technicians (CPhTs)***—to respond to Point-of-Sale (POS), PA, and Enrollees' service requests submitted via telephone (through one dedicated toll-free number), fax, mail, web portal, and/or email. MMA's proprietary Provider contact and problem resolution tracking system, ***FirstTrax***^{SM}, records, tracks from receipt to response, and indexes all incoming or outgoing contacts.
Oversight and Monitoring	MMA will leverage our five decades of experience working with state Medicaid agencies and managed care organizations to ensure that we comply with oversight and monitoring requirements of the Louisiana MCO PBM Services for Medicaid MCOs Contract. If one of the 5 Louisiana Medicaid MCOs requires a Corrective Action Plan (CAP), ***MMA will develop and submit a CAP that identifies the cause, the expected impact, and the expected time of problem resolution, correct the issue, and take measures to prevent the problem from occurring in the future***. Monitoring activities to prevent reoccurrence will also be provided.
State and Federal Mandate Compliance	MMA has a successful track record of implementing Medicaid PBM systems that comply with Federal and State requirements, evidenced by the fact that our Medicaid Pharmacy Module has been certified 13 times by CMS. ***MMA will comply with all applicable State and Federal laws, rules, regulations, policies, procedures, and manuals, and the State Plan in the performance of the Louisiana PBM Services for Medicaid MCOs Contract.*** MMA employs the latest technology standards and equipment regarding the protection of the critical internal infrastructure and is confident the deployed systems and technology will remain current on an ongoing basis. In addition to being CMS-certified, our PBM systems have achieved advanced levels of maturity in our efforts to align with CMS' MITA initiative.
Audit	Led by our Special Investigations Unit (SIU) in partnership with our pharmacy auditing subcontractor, Integrated Pharmacy Solutions, Inc. (IPS), ***MMA will develop and execute our pharmacy audit program to assess, monitor, and control pharmacy-related program costs and improve operational effectiveness*** for the Louisiana MCO PBM Project. As part of our Louisiana pharmacy audit program goals, we will review audit results as a potential source for fraud and abuse leads, focus on quality measures, identification of errors, and compliance with regulatory and contractual requirements,

Louisiana Medicaid MCO PBM Services	MMA's Approach
	emphasize educational opportunities for Network Providers, and provide meaningful feedback about identified opportunities for program improvement.
Security and Privacy	MMA meets all State and Federal privacy and security regulatory requirements for protecting data confidentiality, including those defined by the HIPAA Security Rule and HITECH Act. We base our controls and guidelines on the NIST SP 800-53 framework, as well as State and Federal security criteria. ***In delivering the solutions outlined throughout this proposal, we will employ the latest technology standards and equipment to protect our critical internal infrastructure, and we are confident that the deployed systems and technology will remain current on an ongoing basis.*** To address this need, we have implemented technical, physical, and administrative safeguards to enhance physical security, personnel security, and information systems security. In addition, our organization is also HITRUST-certified.
Reporting and Quality Assurance	Using ***MRx Explore℠***, our proprietary flexible business intelligence (BI) and analytics product, MMA will provide a comprehensive suite of reports and tools specifically for the Medicaid population and refine that offering, as needed, to further support any unique needs of the Louisiana Medicaid Managed Care Program. ***MRx Explore*** provides a suite of dashboards, a robust package of pre-existing proprietary standard interactive reports, and a comprehensive proprietary self-service ad hoc reporting tool that allows authorized users to create customized ad hoc reports using a catalog of data elements and parameters. ***MRx Explore*** provides a suite of ***more than 100 standard reports*** and dashboards and a suite of more than 16 additional reports to support the growing need for opioid usage monitoring. We offer a sophisticated reporting solution that provides information on different facets of pharmacy data. We also provide access to our pre-existing proprietary self-service query building tool, ***Report Studio℠***.
Emergencies and Disaster Planning	In the event of an emergency, as determined by LDH, MMA understands that LDH will have the authority to require the implementation of any necessary configuration modifications within 72 hours of notification. Across MMA's book of business, 98% of benefits and adjudication rule change requests are configurable. The need for additional software development, coding, and testing has been greatly reduced; MMA is able to take immediate action to address critical Enrollee health needs. Our POS system is designed to support clinical efficiency and the configuration of edits and rules based on Enrollee designation, including lock-in, or any other designation as directed by LDH.
Continuity of Operations Plan (COOP)	MMA's disaster and continuity planning approach will utilize best practices to prevent emergencies and disasters and to ensure prompt detection. We report incidents to all appropriate authorities and stakeholders, respond to and address all types of emergencies and disasters, and maintain contingency plans for sufficient back-up and recovery for all operations. MMA's disaster recovery provisions include backup network connectivity to the local facility, primary production, and disaster recovery environments. We have both primary and secondary circuits to our production data center and our disaster recovery data center. Our proposed business continuity and disaster recovery strategy includes off-site replication of data and infrastructure necessary to maintain critical business services if our primary data center should become unusable.

Innovative Concepts and Value-Added Services

MMA has proposed innovative and value-added solutions that can be made available in addition to the solutions described in our attached proposal and cost model. MMA has a long history of providing value-added and innovative pharmacy solutions to Medicaid agencies and MCOs, as well as other government and commercial customers. We are prepared to work in conjunction with LDH and the MCOs to explore

value-added and innovative solutions that support Louisiana's entire Medicaid population as well as the MCO-specific populations. We continuously look for ways to improve the delivery of health care for our customers and propose the following innovative solutions for LDH's consideration.

Experienced Staff

MMA has 930 employees nationwide. Our team of PBM experts has hands-on Medicaid PBM experience implementing and operating pharmacy systems and providing the related services. We bring the varied experience of our entire company, which includes staff who are managed care pharmacy thought leaders, national innovators in delivering specialty pharmaceutical solutions, clinical leaders with NCPDP certification, and experts in health plan leadership, as well as an understanding of the nuances of federal and state regulations that govern Medicaid pharmacy services. Our staff members are experts in government healthcare programs, processes, and protocols. We combine a wealth of clinical expertise, derived from a team of over 300 pharmacists, nurses, biostatisticians, and physicians. These diverse experts use their comprehensive array of analytical capabilities to identify potential cost-savings opportunities and to quickly implement clinically-sound, cost-effective programs for our customers. Our health management and analytics capabilities are supported by technology focused on meeting the needs of government healthcare programs, including Medicaid pharmacy programs. We are committed to providing exceptional, highly qualified, and experienced staff to ensure services to clients continue without interruption.

Our proposed team of dedicated personnel is not only highly experienced, trained, and licensed, but offers an unparalleled level of expertise and knowledge. ***MMA proposed Key Personnel members have a combined 131 years of experience in healthcare and pharmacy service delivery and a combined 55 years of experience working with Medicaid customers on behalf of MMA.*** MMA understands the importance of providing a sound staffing approach to adequately perform the scope of work and meet the requirements outlined in the RFP. Our staff members have successfully worked together on past government PBM projects for MMA. Proposed staff members have all been with MMA for multiple years and collaborated on multiple Medicaid and government PBM programs. As a result, LDH will benefit from the highest level of service and ultimately have immense customer satisfaction. Our staff has the necessary internal networks established allowing them to navigate the process efficiently, escalate as necessary, and gain visibility as appropriate.

MMA will provide LDH with an experienced and seasoned Implementation Team that has an extensive, proven record of success in the effective and timely delivery of pharmacy systems and services. Our team is skilled in communication with the wide variety of pharmacy stakeholders needed for a highly successful project. Our team will be backed by our considerable corporate resources, including Senior Management, IT, Clinical, and Operations specialists to assure the State a successful and on-time implementation. We have also proposed an experienced Account Team to meet LDH requirements during maintenance and operations.

Our veteran team provides a collective wealth of knowledge and expertise to LDH and the Louisiana MCO PBM project. Our staffing approach includes LDH-required Key Personnel and General Staff, as well as support staff and corporate oversight executives who are highly qualified individuals, with extensive track records in the government healthcare industry. The consultative approach they bring to customer collaborations distinguishes these team members. As a result, LDH will experience a smooth implementation and ongoing operations throughout the life of the contract.

MMA proposes a core Account Team, as well as support personnel who will work with LDH throughout all phases of the project. MMA has chosen our core team with providing a commitment to excellence and success in mind. We provide only highly qualified and experienced personnel to work on the Louisiana MCO PBM project. The table below lists the individuals who MMA proposes to fill each LDH-

required Key Personnel role, along with the number of years of experience that each has with MMA and in the Healthcare/Pharmacy Industry.

In addition to these Key Personnel, MMA will assign highly qualified individuals to serve in the following required General Staff positions:

- Chief Executive Officer:
- Audit Pharmacist
- Financial Manager
- Provider/Enrollee Relations Manager
- Lead Data Analyst
- Fraud, Waste, and Abuse Investigator
- Implementation Manager.

Subcontractors

Summary

MMA will provide LDH with a PBM solution that meets the Louisiana Medicaid Managed Care Program's needs and will serve as a collaborative partner who will help LDH achieve its mission and vision for the future. ***Our corporate goal is to provide a connected healthcare experience for Enrollees that leads to healthy, vibrant lives.*** This goal aligns closely with LDH's stated goal of striving to improve health outcomes for Louisianians while advancing the efficiency and economy of the Louisiana Medicaid Program's pharmacy benefits. As experts in pharmacy administration, with a history of successfully supporting Medicaid Enrollees in accessing critically needed medications, we are energized by discovering new and better ways to deliver solutions in today's rapidly evolving healthcare environment. ***We are dedicated to improving outcomes for complex populations by providing needed support and information to help beneficiaries make better healthcare decisions.*** Our solution focuses on educating Providers and giving them the tools necessary to make informed decisions so they can improve the quality of care provided to their patients. Our deep Medicaid PBM knowledge, combined with the flexibility of our technical solution, enables us to deliver pharmacy services that will not just meet but exceed the unique needs of LDH.

MMA has extensive experience supporting PBM programs across the nation, comprehensive transition experience and a successful record of pharmacy implementations—making us the optimal vendor to meet the stated objectives of Louisiana's program. We have a long track record of successful implementations that demonstrate our infrastructure capabilities to implement on schedule. We will cooperate fully with all program stakeholders. We consistently demonstrate our expertise by identifying, creating, and demonstrating value for our customers, Providers, and Beneficiaries. Our proposal demonstrates our ability to partner and collaborate with LDH to transition Louisiana's five MCOs to a single PBM solution and empower LDH to protect and enhance the health of Medicaid Beneficiaries in Louisiana.

4.0 COMPANY BACKGROUND AND EXPERIENCE (RFP 1.8.4)

The Louisiana Department of Health has stated that the purpose of this RFP is to choose a qualified and experienced organization to serve as the single Pharmacy Benefit Manager (PBM) for the Louisiana Medicaid Managed Care Organizations. MMA's long history—***this year marks our fiftieth year of providing pharmacy claims processing services to state government healthcare programs, and our thirty-eighth year of providing state government-specific PBM services***—well qualifies us to serve as contractor for Louisiana's MCO PBM Project. Our experience as a PBM contractor for Medicaid programs, our expertise with the Medicaid population, our 20 years of hands-on experience with the Louisiana Medicaid pharmacy program, and our agile solution tailored to Medicaid program requirements position us to be the best choice to support Louisiana's Medicaid Managed Care Program as the single MCO PBM.

We offer a customer-oriented approach to meeting the Scope of Work requirements that is collaborative, innovative, cooperative, and flexible. MMA has successfully provided PBM services to over half the Medicaid FFS programs in the country, as well as several Medicaid managed care organizations. Currently, we provide PBM services to 26 state Medicaid FFS programs—***including the Louisiana Medicaid Program***—as well as 4 Medicaid managed care health plans, 5 state ADAPs, and 4 SPAPs, which combined serve over ***50 million lives.*** Many of our current customers are similar in size and scope to the Louisiana Medicaid Program. In addition to these current PBM customers, implementation is now underway for our Medicaid FFS PBM solution for the State of Nevada. MMA's proven PBM services help these states deliver cost-effective pharmacy services while improving health outcomes for their most vulnerable citizens. Our nationally recognized solution is geared towards meeting the unique needs of people who receive their health benefits through Medicaid, a focus that strongly differentiates us from our competition.

As a leader in the public sector market for PBM services, MMA helps state government agencies meet the challenges of a demanding healthcare environment and consistently provide optimal services to their beneficiaries. We offer a comprehensive, Medicaid-specific PBM solution that encompasses integrated MCO coordination, Claims Processing and Payment Services, Provider and Prescriber Network Management, Pharmacy Auditing, Call Center, Reporting and Analytics, Security and Privacy, Staff Training, Drug Utilization Review (both prospective and retrospective), Web Portal, and the full range of services outlined in the RFP.

MMA offers LDH a comprehensive MCO PBM solution that will support its mission to control pharmacy costs while achieving positive health outcomes and protecting the health of Louisiana's most vulnerable citizens. We propose to implement our industry-leading pharmacy solution in support of the LDH, along with value-added approaches and optional innovative services that will meet today's challenges while simultaneously preparing Louisiana for tomorrow's opportunities. ***There is simply no other company that can offer the breadth and depth of Medicaid PBM qualifications, and the commitment to the health and well-being of Medicaid Beneficiaries, that MMA will bring to this contract.***

In the following narrative we describe our corporate history and organizational structure, detail our extensive and relevant previous experience working in partnership with our Medicaid pharmacy program customers, and provide the requested administrative data. We also clearly illustrate not only how we meet, but how we ***exceed***, the Mandatory Requirements for Proposers and the Desirable Qualifications identified in the RFP.

4.1 Corporate Description

The Proposer should give a brief description of their organization or corporate entity including brief history, corporate or organization structure, number of years in business. The Proposer shall include copies of its latest three (3) years of audited financial statements.

MMA is a stand-alone pharmacy benefit administrator, offering a full line of pharmacy services with a singular focus on serving government customers, and currently contracted with over half of the nation's Medicaid programs. MMA has the depth of experience and knowledge required to provide the State of Louisiana with a strong and scalable, comprehensive Medicaid MCO PBM solution. We offer a customer-oriented approach to meeting the Scope of Work requirements that is collaborative, innovative, cooperative, and flexible.

MMA's mission is to deliver unsurpassed service to our customers by driving results that maximize investment in pharmaceuticals. We possess the clinical, technical, quality assurance, financial, and data processing resources, coupled with the vast Medicaid PBM expertise necessary to meet and exceed LDH's expectations and requirements. In addition, ***we have first-hand knowledge of the State's Medicaid Program***, serving as the Louisiana PDL/Supplemental Rebate contractor since 2002 and implementing the single PDL in 2019 and rebate administration services in 2020. We have also supported the Louisiana Coordinated System of Care (CSoC) since 2012, providing services and supports for children and youth ages 5 to 20 with serious mental health and substance abuse issues.

MMA currently contracts directly with 26 government agencies to provide Medicaid pharmacy benefit management services, including 13 Medicaid FFS full PBM POS contracts and 4 Medicaid Managed Care contracts. We have recently implemented our pharmacy solution for the California Medi-Cal Rx Program. The scope of work of this contract is similar to Louisiana's, and it demonstrates our ***ability to handle a large-volume customer and the MCO transition to a single benefit***.

4.1.1 Brief History

With 50 years of Medicaid-specific experience and 38 years of experience as a government sector PBM, MMA offers LDH the benefit of experienced staff, state-of-the-art operational systems, existing capacity, and the programmatic and clinical expertise to rapidly implement our Medicaid PBM solution in a high-quality and cost-effective manner for Enrollees throughout Louisiana's 64 parishes. MMA's technological solutions are best-in-class, but what truly makes us different is our ability to create long-term, productive collaborative relationships with our customers. We have a long track record of successful on-schedule implementations. Our team of seasoned Medicaid pharmacy experts and our proven and scalable industry-leading pharmacy solution can effectively meet the high volume, complex needs of LDH. MMA currently has 13 complex Medicaid FFS point-of-sale pharmacy administrative services contracts that have a scope of work similar to this RFP. This portfolio of PBM Medicaid customers includes some of the largest volume Medicaid FFS programs in the country such as Arkansas, Colorado, Florida, Michigan, and as of January 2022, California.

Louisiana-Specific Experience

In addition to our extensive history providing PBM services to government customers, MMA has worked with the State of Louisiana since 2002, when we designed and implemented the Medicaid PDL. In 2012, Louisiana also partnered with our affiliate, Magellan Health Services of Louisiana, to create the Louisiana Behavioral Health Partnership (LBHP), a system of care for Medicaid and non-Medicaid adults and children who required specialized behavioral health services, including those children who are at risk for out of home placement under Louisiana's Coordinated System of Care (CSoC). In 2019, we worked with LDH to

transition the PDL program to a single PDL model, and in 2020, we implemented rebate administration services for the State's Medicaid Program. ***Our hands-on knowledge of LDH, its programs, and its Beneficiaries and stakeholders will add tremendous value throughout the term of this contract.***

As the incumbent vendor for supplemental rebate/PDL services with an extensive history of working in Louisiana, MMA brings in-depth knowledge of the operations and objectives of LDH. We have collaborated with Louisiana to build and sustain a successful State Supplemental Rebate/PDL Program, and we look forward to assuming responsibility for the Louisiana MCO PBM project. Having worked with LDH and other state Medicaid and government programs, we have leveraged lessons learned to build best practices for implementing and supporting Medicaid PBM services. LDH can be confident that these best practices will result in Louisiana receiving cost-effective Medicaid pharmacy services for Louisiana's most vulnerable residents, without compromising the quality of care.

Long-Term Partnership

MMA and LDH have worked together for 20 years, experiencing many successes over the years, such as increased drug class reviews.

MMA has had complete responsibility for meeting the contractual requirements of LDH's PDL/supplemental rebate services for 20 years and drug rebate administration services since 2020. ***As a result, MMA and LDH have achieved many successes over the years, such as an increase in reviewed drug classes and increased supplemental rebate savings.*** Our experience, knowledge gained, program successes, and expertise in the supplemental rebate/PDL and drug rebate processing services outlined in the RFP support our ability to uphold responsibility for all contractual responsibilities under the new contract.

Existing Louisiana Footprint: Together with Magellan Healthcare and our affiliate MRx, MMA has an extensive existing footprint in Louisiana that includes:

- Contract with the State of Louisiana to provide formulary management, data analysis and reporting, PDL, supplemental rebate, rebate administration, and clinical consulting for over 1.9 million Medicaid FFS and MCO Enrollees across the state, as well as supplemental rebate administration support to LDH's innovative Hepatitis C drug purchasing program as part of the State's PDL.
- Contracts with several local and regional Medicare, Medicaid, and commercial health plans to provide specialty health services to over 750,000 Louisiana residents
- Contracts to provide Employee Assistance Program (EAP) services to six employers in the state, covering over 53,000 Louisianians
- Contracts to provide PBM services to 40 employers in the state, covering over 10,000 Louisianians
- As of February 2022, 1,196 existing pharmacies across the State, including 574 chain pharmacies, 609 independent retail pharmacies, 39 specialty pharmacies, and 13 other types (e.g., government)
- Over 100 Magellan Health employees and contractors living and working remotely in Louisiana
- A Magellan Healthcare office located in Baton Rouge that is dedicated to serving the needs of our Louisiana customers.

National Experience

Beyond our Louisiana-specific experience, MMA has a long and proven history of experience including implementing successful PBM services, claims processing, formulary management, reporting and data

management, 24/7/365 Technical Support/Customer Service, and pharmacy POS services tailored to meet the unique needs of state Medicaid programs. Grounded in good faith and integrity, our unique approach currently helps 26 government customers (Medicaid, ADAP, and SPAP), including LDH, maximize limited healthcare dollars while maintaining quality and clinically appropriate care for their most vulnerable citizens.

We have served different facets of the Medicaid program for the past five decades. Our core competency is a full-service Medicaid PBM, providing all aspects of pharmaceutical benefit management. MMA provides integrated clinical management, superior operational administration, and leading information technology solutions including comprehensive pharmacy benefit management services. The following table provides a comprehensive list of our PBM services relevant to those required by this RFP, as well as our years of experience by service type.

MMA PBM Services	Experience
Drug Claims/System Requirements	50 years
Pharmacy Benefit Management	38 years
Pharmacy POS	38 years
MCO Coordination	10 Years
Pharmacy and Prescriber Network Management	37 years
Administering Payments to Network Providers	50 years
Covered Drug List/Preferred Drug List (Single PDL)	21 years
Processing Prior Authorization (PA) requests	30 years
Behavioral Health Policies and Procedures	44 years
Specialty drugs and pharmacies	22 years
Prospective Drug Utilization Review (DUR)	32 years
Retrospective Drug Utilization Review	35 years
Customer Service/Provider and Enrollee Support	34 years
Oversight and Monitoring	50 years
State and Federal Mandate Compliance	50 years
Network Audit	18 years
Security and Privacy	50 years
Reporting and Analytics	50 years
Quality Assurance	50 years
Disaster and Business Continuity Planning	50 years
ePrescribing	13 years
Website Services	20 years
Mobile App Services	5 years
CMS Certification	11 years
P&T Committee/Drug Utilization Review (DUR) Board Support	35 years
Formulary Management and Support	37 years
Third Party Liability Services	50 years
Coordination of Benefits/Payer of Last Resort	23 years
Lock-In Services	18 years

MMA PBM Services	Experience
State MAC List Development and Maintenance (Rate Setting)	21 years
CMS Drug Rebate Administration	31 years
Supplemental Drug Rebate Administration	21 years
Supplemental Rebate Negotiation and Management for PDL	21 years
Diabetic Supply Rebate Programs	14 years
Drug-Related Medical Supply Rebate Management	13 years
Developing Medicaid Pharmacy Benefit Cost Containment Strategies	29 years
Medical Pharmacy Management Program	17 years
Medication Therapy Management (MTM) (Medicare)	10 years
AIDS Drug Assistance Program (ADAP) Services	26 years
State Pharmaceutical Assistance Program (SPAP) Administration Services	38 years
Health Care Management Services	33 years
Medicaid Fiscal Agent Services	40 years

Beyond our long history of serving as a partner to LDH, MMA has an unparalleled breadth of experience and depth of knowledge in the implementation and delivery of PBM services for Medicaid Beneficiaries. ***MMA's qualifications are reflected in our 50 years of government pharmacy experience and our 38 years of PBM experience.*** Proposal *Section 4.2.1, Description of Relevant Projects* details this extensive prior experience to demonstrate our significant history, depth, and knowledge in providing PBM services to Medicaid programs across the country.

We serve a variety of governmental and commercial FFS and MCO customers, offering a full-service platform, including customized formularies, claims processing, specialty pharmacy management, medical pharmacy management, targeted clinical solutions, and mail service.

4.1.2 Corporate Organization Structure

Corporate Structure Overview: Magellan Medicaid Administration, Inc. (MMA) is a wholly-owned subsidiary of Magellan Healthcare, Inc., which in turn is a wholly-owned subsidiary of Magellan Health, Inc., which is a wholly-owned subsidiary of Centene Corporation. Magellan Health is composed of two lines of business: Magellan Healthcare, which offers an integrated clinical portfolio of behavioral health and radiology solutions, and Magellan Rx Management, Inc. (MRx), Magellan Health's pharmacy services division. MMA operates as a division under MRx.

Magellan Health, Inc. is a part of Health Care Enterprises (HCE), a portfolio of companies within Centene Corporation. Centene Corporation is a Fortune 25 corporation with over 75,000 employees across the country and more than $111 billion in revenue that trades under CNC on the New York Stock Exchange (NYSE). CNC is a leading multi-national healthcare enterprise that is committed to helping people lead healthier lives. CNC provides a portfolio of services to government-sponsored and commercial healthcare programs that is focused on under-insured and uninsured individuals.

HCE is an operating unit with a separate governance structure apart from Centene's health plans. HCE is a portfolio of high growth companies designing differentiated platform capabilities and delivering industry-leading products and services to third-party customers. As a company within the HCE portfolio, Magellan Health serves commercial and public sector customers with collective footprints in all 50 states. As a part of Magellan Health, MMA operates and is managed independently from Centene's managed care plans, which are operated and managed as part of Centene's Markets and Products group.

MMA offers an approach to pharmacy benefit administration that delivers a combination of advanced technology, easy-to-use tools, and clinical excellence for government customers. MMA leverages this PBM expertise and infrastructure to provide services focused on serving the unique needs of Medicaid Beneficiaries and other vulnerable individuals through direct contracts with state agencies. MMA currently provide services to government programs, including state Medicaid programs, ADAPs, and SPAPs, that touch 50 million lives through the processing of 263 million claims annually**.** This includes our most recently implemented state Medicaid contract, which transitioned more than 14 million California Medi-Cal Rx members from 26 MCOs to a single statewide PBM. As a national leader in the Medicaid pharmacy space, MMA is committed to providing high-quality healthcare services to government customers as we have for decades.

MMA's Internal Revenue Service (IRS) Employer Identification Number is 54-0849793. The division's headquarters is located at 11013 West Broad Street, Suite 500, Glen Allen, Virginia 23060, along with 22 Magellan offices in 14 states. A list of all office locations is included in the Cover Letter for this proposal per the RFP requirements. Magellan and its affiliate companies employ a combined 9,000+ people nationwide; approximately 92% of these employees are based remotely in work-from-home (WFH) arrangements across the country. As an organization with a workforce that is predominantly work at home, MMA has honed our ability to manage remote staff to ensure work is completed in a high-quality and timely manner. This arrangement has allowed us to react quickly at the onset of the COVID-19 pandemic to ensure continuation of all PBM services. In addition to our remote operational capabilities, MMA's scalable infrastructure and existing Louisiana footprint means that we have the capability to quickly establish on-site dedicated facilities to service the PBM Services for Managed Care MCOs Contract. We have experience quickly setting up and staffing on-site facilities to serve our Medicaid customers in Florida, Arkansas, and California.

Mission-Driven Commitment to Health Equity: Across our organization we share a commitment to

solving complex healthcare challenges by delivering meaningful solutions to positively impact the total cost and quality of care for individuals. As experts in pharmacy benefit management, with a history of successfully supporting low-income, uninsured, and underinsured individuals, we are energized by discovering new and better ways to deliver solutions in today's rapidly evolving healthcare environment. ***We are dedicated to improving outcomes for complex populations by providing services to government programs that touch 50 million lives.*** Our solutions focus on educating providers and giving them the tools necessary to make informed decisions so they can improve the quality of care provided to their patients. We have direct experience supporting continuity of care through collaboration with managed care stakeholders. Our extensive government healthcare knowledge, combined with the flexibility of our platform, enables us to deliver PBM services that will meet and exceed the unique requirements of LDH.

In addition to MMA's and MRx's pharmacy benefit management experience, Magellan Health has a long history of managing complex, specialty and behavioral health services across commercial and public sector markets. We play a leading role in bringing solutions that improve health equity within communities that experience health disparities. Our organization possesses distinctive capabilities to make a difference in this area given how much we care, and our existing and future plans to help clients, families and communities manage the burdens of mental health, stress, and anxiety.

Magellan is committed to remain a leader in helping all Americans in this difficult time while modeling the behaviors necessary to move all of us forward. Magellan continues to focus on the valuable work we accomplish each day and the resulting positive impact we have on the people and the communities we serve. Our work to improve our individual and collective understanding of Diversity, Equity, and Inclusion, and the behaviors and structures to support them, are not negotiable.

4.1.3 Number of Years in Business

Magellan Medicaid Administration, Inc. (MMA) was incorporated in the Commonwealth of Virginia on December 4, 1968, as The Computer Company. MMA has been in business for over ***53 years***, administering a wide range of public sector claims administration services since 1972. We have been a provider of PBM administration services for 38 years. ***Additionally, we have served as the Supplemental Rebate/Preferred Drug List (PDL) and Drug Rebate Processing Services contractor for the State of Louisiana Medicaid Program for 20 years, beginning in 2002.***

4.1.4 Audited Financial Statements

We have provided Magellan's financial statements for the last three years in our Cost Proposal in *Appendix A – Audited Financial Statements.*

4.2 Corporate Experience

The proposal should indicate the Proposer's firm has a record of prior successful experience in the implementation of the services sought through this RFP. Proposers should include statements specifying the extent of responsibility on prior projects and a description of the projects' scope and similarity to the scope of services outlined in this RFP. All experience under this section should be in sufficient detail to allow an adequate evaluation by the Department. The Proposer should have, within the last 36 months implemented a similar type of project.

MMA consistently demonstrates our expertise in identifying, creating, and demonstrating value for Medicaid agencies, providers, and beneficiaries. ***We are proud of our long-standing relationship with the State of Louisiana.*** We have served the State's Medicaid agency—and the people it cares for—since 2002. We have enjoyed a positive and productive working relationship with LDH, and members of our team are already known and trusted partners. The implementation of a single PBM to serve Louisiana's five MCOs will require a partner who has experience working with key stakeholders and is prepared for this significant task. MMA understands the unique Louisiana Medicaid environment and has 20 years of Louisiana-specific Medicaid pharmacy experience working with LDH.

MMA has proven our ability to provide a comprehensive and successful PDL and Supplemental Rebate Services and Rebate Administration solution that brings unmatched experience in preferred drug and rebate administration and management to Louisiana.

Since the implementation of MMA's single PDL model, the number of reviewed PDL classes for Louisiana Medicaid has increased to 132, an important achievement because a positive correlation exists between the number of reviewed classes and the savings accrual. In addition, the State now reviews the HIV/AIDS and the Anticonvulsant drug classes which is a major milestone for LDH as legislative regulations and Medicaid policy in the past had mandated that these drugs be available to beneficiaries without a prior authorization. The State can now achieve significant cost avoidance in these drug classes as they are some of the top classes for Louisiana in terms of spend.

We also provide supplemental rebate administration support to LDH's innovative Hepatitis C drug purchasing program. On July 15, 2019, the State executed its Hepatitis C Subscription Model to help eradicate this disease in Louisiana while using a cost-effective initiative. The State entered into a five-year Supplemental Rebate Agreement with Asegua that caps gross annual expenditure for one contracted hepatitis C medication (velpatasvir/sofosbuvir). Once this cap is met, the net cost for this drug to the state becomes zero for the rest of the state fiscal year. This model allows unlimited access

to the hepatitis C treatment for Medicaid MCO and FFS Beneficiaries, as well as incarcerated individuals in the state.

Beyond our experience in Louisiana, MMA provides PBM services ***to 25 other Medicaid PDL programs, 13 Medicaid FFS programs, 5 ADAPs, and 4 SPAPs with over that touched more than 50 million lives.*** Most recently, we implemented Medicaid FFS PBM services for 14 million Beneficiaries as part of our California Medi-Cal Rx Program contract. Implementation of our Medicaid PBM solution is currently underway for the State of Nevada.

MMA's Extensive Relevant Experience

- ***50 years*** of Medicaid pharmacy claims processing experience, beginning with our first Medicaid contract with the State of Virginia in 1972.
- ***38 years*** of full-service PBM experience to state healthcare programs, including 13 current Medicaid PBM POS customers and are implementing our solution for a fourteenth state.
- ***20 years*** of experience providing PDL and Supplemental Rebate Services to the ***Louisiana Medicaid Program since 2002***
- Provide PDL and Supplemental Rebate Services to 25 Medicaid agencies currently, including Louisiana.
- Provide full-service PBM solutions to 5 state ADAPS, 4 SPAPs, and 4 Medicaid MCOs.

MMA has extensive experience and an outstanding track record for successful Medicaid FFS and Medicaid Managed Care PBM implementations for customers of a complexity similar to Louisiana; we have been on-time every time—delivering a scope of work that is customized to our customers' unique needs and requirements. ***With 50 years of Medicaid experience, our proven approach to project management and pharmacy program implementation has been fine-tuned over the years and further strengthened by our enhanced tools and experienced professionals in the Medicaid PBM space.*** We have successfully worked with MCOs as well as every major MMIS vendor; additionally, our prior background as an MMIS fiscal agent gives us a greater understanding of the interfaces required to successfully exchange data, the need to effectively coordinate programs, and the essential nature of communicating clearly and timely. We have experience from both sides of the transition process which has provided us with a dual perspective and clear understanding of each party's transition responsibilities and the key factors that contribute to a successful implementation. Our deep experience managing Medicaid programs across the nation, our experience transitioning pharmacy programs from multiple vendors, and our successful record of pharmacy implementations—makes MMA the vendor of choice in meeting the requirements for the Louisiana PBM Services for Medicaid MCOs Contract.

MMA's solutions and processes enable our customers to develop innovative cost containment strategies and provide analysis for complex issues such as policy and reimbursement changes. Our CMS-certified, NCPDP-compliant, MITA-mature, scalable claims adjudication platform, FirstRx, provides configurable benefit management and pharmacy claims processing including system edits, ProDUR, Coordination of Benefits, and AutoPA functionality integrated within the POS system. We also provide real-time PA services through our Call Center using our PA and call tracking system, as well as electronic PAs. ***Our Medicaid Pharmacy Module has been certified 13 times by CMS.*** In each CMS certification, there were no findings, corrective actions, or follow-up action items required of us. CMS has recognized our FirstRx claims processing system as "outstanding."

We have a solid track record of successfully implementing on schedule Enrollee-centric, flexible Medicaid pharmacy systems and services, including claims administration services. We understand the volume and complexity of the Louisiana Medicaid Managed Care Program and are equipped to successfully transition pharmacy services to a single PBM model in accordance with LDH standards and time frames. ***We have successfully provided PBM services to some of the highest volume Medicaid FFS***

programs in the country, such as Arkansas, Colorado, Florida, and Tennessee (former customer), and most recently, California, which has the largest Medicaid pharmacy program in the country.

4.2.1 Description of Relevant Projects

As a nationally recognized expert developing and delivering a full line of industry-leading pharmacy services to Medicaid programs, we have the depth of experience, technical expertise and state-of-the-art systems solution, operational capability, and capacity to support LDH. We manage the fastest-growing, complex, high-cost areas of health care and lead the way in tackling the population health challenges of today, as well as those of tomorrow. ***We have extensive Medicaid-specific experience in 25 states and the District of Columbia and offer a comprehensive array of pharmacy services that includes clinical utilization management programs supported by business-driven information management.*** Our approach to Medicaid pharmacy benefit management delivers a combination of advanced technology, easy-to-use tools, and clinical excellence. We provide our customers with increased access to thought leaders, enhanced management of healthcare costs, and the benefit of our experience serving Medicaid programs. As a nationally recognized expert developing and delivering a full line of industry-leading pharmacy services to state Medicaid programs, we have the extensive experience, operational capability, and capacity to support LDH.

As demonstrated in our proposal, MMA has experience in providing all the required services outlined in the RFP. We are fully capable of performing each required component and deliverable as detailed in the Scope of Work, and we have demonstrated our good faith, integrity, and reliability throughout our history of supporting multiple, Medicaid programs, state ADAPs, and other state healthcare programs. MMA is committed to providing a comprehensive and proven MCO PBM solution. As a leader in the public sector market for healthcare management and information services, MMA uses integrated clinical management, superior operational administration, and leading information technology solutions to provide comprehensive pharmacy services. Our systems and services have been designed from the ground up to provide the best possible support for government programs and populations.

Our staff is knowledgeable and broadly experienced in healthcare policy development, healthcare program management, information technology, pharmacy and other healthcare claims processing, clinical data analysis, and the unique challenges presented by the pharmaceutical industry. The following table provides an overview of our experience and qualifications to provide the specific scope of services described in this RFP.

Louisiana MCO PBM Services	MMA Experience
Coordination with MCOs	MMA has been providing MCO coordination services ***since 2012.*** We have the depth of experience and knowledge required to provide the services and support needed to facilitate the transition of Louisiana Medicaid Managed Care Program from the 5 individual Louisiana Medicaid MCOs to a single PBM arrangement. We understand that this undertaking is an integral part of an approach to address rising prescription drug prices and achieve cost savings while promoting access to high quality affordable health care for Louisiana residents. MMA staff understand that consistent, proactive coordination between LDH, MCOs, and MMA is essential for a successful transition with minimal disruption to services. Our proven MCO Coordination approach includes making data feeds available to the MCOS to allow them to perform their own analytics and holding quarterly meetings with the MCOs to discuss pharmacy-related trends, challenges, and to jointly develop solutions. We also provide an MCO Liaison Team dedicated to assisting the MCOs and ensuring coordination of efforts through a toll-free telephone number to resolve clinical pharmacy-related issues.

Louisiana MCO PBM Services	MMA Experience
Pharmacy and Prescriber Network Management	MMA has provided pharmacy network management and administration services ***since 1985***. Our nationwide pharmacy network consists of over 68,600 pharmacies, including 1,196 pharmacies in Louisiana, including 574 pharmacy chain stores, 594 independent retail pharmacies, and 28 other types (Gov/Federal and Alternative), as well as mail order options to ensure maximal access and equity for all Enrollees. This established statewide Louisiana network will provide access for Medicaid Beneficiaries in all areas and regions/service areas throughout the State. Our retail network has excellent coverage and participation by all major retail pharmacy chains, mass merchandisers, grocery store pharmacies, regional retail chains, hospital pharmacies, and local independent pharmacies including those represented by Pharmacy Services Administration Organizations (PSAOs). ***Our network management experience includes a commitment to providing Enrollee-centric communication materials***, such as pharmacy provider directories and provider and enrollee materials member packets designed specifically for vulnerable population groups. We understand the importance of effective communication, including member packets, technical support, and customer service. ***We have been producing provider and enrollee materials since the beginning of our Pennsylvania PACE Program contract 38 years ago.***
Drug Claims Processing and Payments to Network Providers	MMA has ***50 years*** of Medicaid experience providing claims processing services to our customers. We began processing Medicaid pharmacy claims in 1972 with our first Medicaid fiscal agent contract. This includes over 38 years of PBM expertise and experience. Our proven proprietary ***claims processing system, FirstRx,*** handles real-time pharmacy claims adjudication and responses. FirstRx is a highly configurable and flexible business rules-based pharmacy claims processing application that serves the complex, ever-changing Medicaid market. Our system supports online benefit configuration and claims adjudication in real time, 24/7/365, as well as encounter claim loads/pricing. FirstRx accepts pharmacy claims via real-time and batch submission, web claims submission, and manually-entered paper claims. In addition to processing claims, we have 50 years of experience providing claims-related financial services to our customers. Using our ***financial management system, FirstFinancial***, MMA currently provides accounts payable/check write services for 5 Medicaid FFS programs: Kentucky, Idaho, Michigan, and New Hampshire, and California, as well as for the Pennsylvania Pharmaceutical Assistance contract for the Elderly (PACE) and New York Elderly Pharmaceutical Insurance Coverage (EPIC) programs. We also make payments for ADAP customers in California, Connecticut, Idaho, and New Hampshire. FirstFinancial, consists of accounts payable, accounts receivable, and cash management modules. We currently use our claims processing and financial systems to process claims for 5 ADAPs, as well as 13 Medicaid FFS PBM contracts, and 4 SPAPs.
Third Party Liability (TPL) and Coordination of Benefits (COB)/Payer of Last Resort	MMA has provided state Medicaid agencies and government customers with TPL services for ***50 years*** and COB/Payer of Last Resort services for ***23 years***. The ***FirstRx COB/TPL functionality*** requires providers to follow a methodology in which the Medicaid program is always the payor of last resort. We currently perform TPL and COB services for 19 state government customers, including 13 PBMs, 5 ADAPs, and 3 SPAPs.
Covered Drug List (CDL)/Preferred Drug List (Single PDL)	MMA developed the nation's first Medicaid Supplemental Rebate and PDL program in 2001 for the State of Florida. This program became the model for all subsequent programs in the country. We have ***21 years*** of experience providing PDL design, development, implementation, and operations/maintenance services similar in size and scope to this program. Our ***38 years*** of experience providing PBM services affords us the expertise in formulary management, making us the best choice for Louisiana's CDL management as well. MMA has provided PDL services to the State of Louisiana since 2002, when we designed and implemented the Medicaid Preferred Drug List (PDL) and supplemental rebate services for the State's Medicaid Program. This long and successful partnership well-positions MMA to assume the additional role of providing PBM services for Louisiana's Medicaid MCOs. By having MMA serve as the single PBM contractor for its Medicaid MCOs in addition to being the long-time incumbent contractor providing its single Medicaid PDL, the State will benefit from a more streamlined

Louisiana MCO PBM Services	MMA Experience
	Medicaid pharmacy solution and realize several efficiencies. The application of the PDL and CDL will be more consistent across LDH's 5 MCO partners, which will translate into higher supplemental rebate yields. State PDL changes will be directly updated in MMA's POS system, without the need for a third-party interface or crosswalk, resulting in current drug lists being reflected in the POS system more quickly. MMA's inherent understanding of Louisiana's single PDL program goals will enable us to configure the benefit more accurately in our PBM systems, eliminating errors. Ultimately, these synergies will create more alignment and integration that will generate cost-savings on both the PDL and PBM sides of Louisiana's Medicaid Managed Care Program, as well as improve pharmacy experience for Medicaid Enrollees.
Prior Authorizations	MMA has robust systems and clinical experience to verify eligible beneficiaries have access to care through therapeutically appropriate use of pharmaceuticals. We have ***30 years*** of experience managing and performing utilization management and pharmacy PA activities that include developing and implementing clinical PA requirements. MMA currently provides PA services for 20 government pharmacy programs, including Medicaid FFS, as well as 4 Medicaid MCOs. MMA responds to PA requests using many different channels, including automated PA (AutoPA) through our FirstRx system, electronic PA (ePA), and manual PA entry through our Call Center. Given our incumbency as the Medicaid PDL and Supplemental Rebate contractor, an additional benefit that we will bring to this contract is an ability to design PA criteria that align closely with Louisiana's current single Medicaid PDL and Supplemental Rebate contracts. This alignment will result in further efficiencies for the Medicaid pharmacy program, in addition to the one discussed above. MMA's FirstTrax, MMA's proprietary online contact and PA management system, is powered by our configurable, business rules-driven clinical decision module, MRx Decide. FirstTrax and MRx Decide are highly configurable, supporting the administration of customer-specific prior authorization (PA) policies and procedures. Together, these systems integrate in real time with eligibility, Providers, and our claims system, providing our Customer Service Center (CSC) agents with easy access to data and a view across claims and PAs.
Behavioral Health Policies and Procedures	For more than ***43 years***, Magellan Health, Inc. has been a trusted partner to state, federal, and county governments, as well as health plans who serve Medicaid, Medicare, and commercial members. We began with a focus on mental health and substance abuse programs offered by state and county governments, and from those beginnings have designed a fully-integrated solution that builds on the important lessons we learned in those early years. While we have evolved dramatically in the decades since, we have built solutions that uniquely address the challenges of meeting the needs of both the general Medicaid population and the "hardest to serve" populations. Through our behavioral health programs, we provide business and technical solutions to support opioid management through our system and programmatic capabilities. Our experience empowers us to tackle this widespread epidemic. Magellan was an early pioneer in innovative, comprehensive models to promote, educate, and guide effective, evidence-based SUD prevention, treatment, and recovery services. This experience supporting individuals living with mental health issues and SUDs–including OUD–through complete-person care has demonstrated the importance of leaning into the complexity and interplay between an individual's behavioral, medical, and pharmaceutical needs to positively impact overall health and wellness. As a result, MMA recognizes the importance of continuity of care for behavioral health patients and ensuring they are able to access medications in accordance with LDH's Behavioral Health Policies and Procedures.
Specialty Drugs and Pharmacies	MMA has over ***22 years*** of specialty pharmacy management and 21 years of specialty pharmacy distribution, occupying a unique competitive position in the specialty pharmacy space. Our innovative, industry leading specialty pharmacy solutions are proven to control unit cost; units utilized, increase utilization of preferred drugs, improve clinical management of the patient, and improve medication adherence.

Louisiana MCO PBM Services	MMA Experience
Retrospective Drug Utilization Review (RetroDUR)	MMA was an innovator and early adopter of RetroDUR, implementing our first RetroDUR services for the Pennsylvania PACE Program in 1984. After successfully expanding its RetroDUR model to Virginia in 1987, MMA partnered with legislators to help shape OBRA '90 legislation. We currently support RetroDUR activities for 11 Medicaid customers and 4 commercial plans, including three Medicaid MCO programs. All of our RetroDUR programs provide quality clinical care, assist in improving the Enrollee care experience, and/or promote safety.
Prospective Drug Utilization Review (ProDUR)	With ***32 years*** of ProDUR experience, MMA continuously enhances our ProDUR solution and editing capability. Our ProDUR solution is an integrated component of our FirstRx system and includes the following: configuring edits to message or deny resulting in meaningful interventions that do not over-burden dispensing pharmacy providers; monitoring utilization data and ProDUR edit/message trends; providing clear and concise ProDUR messaging to address only the most clinically significant circumstances; and configuring claims edits to provide enhanced ProDUR refinement functional capability.
Provider and Enrollee Support and Customer Service	MMA has ***34 years*** of Help Desk experience and currently provides these services to 22 government pharmacy programs, including Medicaid and ADAP. We are committed to providing excellent Customer Service Center support and functionality for LDH and its participating pharmacies. Having provided PBM services for ***38 years***, MMA is thoroughly familiar with the management of services necessary to serve Medicaid beneficiaries and can provide personalized customer service and customization for LDH. We provide personalized customer services and customization for all 27 government programs (26 state Medicaid programs and the District of Columbia) we serve, including 13 Medicaid FFS PBMs. MMA's proprietary provider contact and problem resolution tracking system, ***FirstTrax***, records, tracks from receipt to response, and indexes all incoming or outgoing contacts.
Oversight and Monitoring	With ***50 years*** of services to the Medicaid community, MMA has an outstanding reputation of service to our customers. This service includes oversight and monitoring to address issues with program and contract compliance. We follow established procedures to perform problem resolution, issue resolution, and reoccurrence prevention.
State and Federal Mandate Compliance	MMA has ***50 years*** of experience working with Medicaid programs to ensure that services are delivered in compliance with all Federal and State laws, rules, and regulations. Our proven, scalable, modular, MITA-focused, HIPAA-compliant, CMS-certified PBM solution is in full compliance and interfaces with the major MCOs, MMIS/fiscal agents, and data warehouse vendors operating today and many large PBMs. Every Medicaid program is unique, and MMA's MCO PBM solution delivers scalable, flexible, and customizable services that are compliant and compatible with all government and industry stakeholders.
Network Audit	MMA has provided pharmacy network audit services ***since 1985***. Our experience includes providing network and audit support for state Medicaid agencies that perform their own pharmacy Provider contracting and credentialing. Our pharmacy audit process includes extensive monitoring and auditing of provider usage and claims to help identify and eliminate pharmacy billing errors, ensure pharmacy compliance with regulatory and contractual requirements, and to identify opportunities for additional controls and education. We use a collaborative approach to address program integrity through close and integrated relationships between MMA, our audit subcontractor IPS, and LDH partners. IPS has been conducting pharmacy audits since 1996, conducting audits for seven Medicaid Programs, as well as for commercial plans, Medicaid plans, and Medicare plans, plus 340B audits nationwide.
Security and privacy	With more than ***38 years*** of government PBM experience, MMA's systems meet all federal and state privacy, confidentiality, and security regulatory requirements for protecting data confidentiality, including those defined by the HIPAA Security Rule and HITECH Act. MMA employs the latest technology standards and equipment regarding the protection of critical internal infrastructure. We will deploy systems and technology for this program that will

Louisiana MCO PBM Services	MMA Experience
	remain current throughout the life of the contract. We will make certain our systems comply with federal and LDH security criteria. MMA meets all State and federal privacy and security regulatory requirements for protecting data confidentiality, including those defined by the HIPAA Security Rule and HITECH Act. We are in full compliance with all security aspects of the Sarbanes-Oxley Act of 2002 (SOX), and our policies are aligned with NIST SP 800-53rev4 guidelines. Our compliance with Federal requirements is proven by our successful track record in implementing federally-certified pharmacy systems. To attest to our data security and privacy, vendor management, risk management, and corporate governance, MMA performs a universal AICPA AT-C 205 SOC 2 report for our customers. An independent auditor reports on management's description of a service organization's system and the suitability of the design and operating effectiveness of controls.
Reporting	With ***50 years*** of experience providing reporting services for our Medicaid customers, since the inception of our first Medicaid contract in 1972, MMA is well prepared to not only meet, but to exceed LDH's reporting and information requirements. We offer a sophisticated reporting solution–***MRx Explore***–that provides robust reporting capabilities on different facets of pharmacy data. ***We provide our proven reporting and quality services for 26 existing Medicaid customers and 4 Medicaid MCO customers.*** Using MRx Explore, our proprietary flexible business intelligence (BI) and analytics product, we provide a comprehensive suite of reports and tools specifically for the Medicaid population. MRx Explore provides a suite of more than 100 standard reports and dashboards and a suite of more than 16 additional reports to support the growing need for opioid usage monitoring.
Quality Assurance	MMA is committed to the highest level of Quality Assurance (QA) practices to ensure accuracy of the drug file, claims processing, and the other systems that make up our PBM solution. With ***50 years*** of experience providing quality assurance services for our customers, s, MMA is well prepared to meet LDH quality assurance requirements. . We will validate that the deliverables and services provided to LDH for pharmacy services fully meet the Department's expectations and requirements.
Providing LDH and the MCOs with daily, real-time, unredacted, read-only access to Drug Claims and online Reporting Systems	MMA has ***20 years*** of experience creating and managing online reporting systems that provide static and dynamic content for our government customers through our integrated IT solutions architecture that consists of several transactional PBM systems. MMA provides on-demand access to ***real-time, unredacted, read-only*** data through our ***FirstTrax Client Interface (CI) tool*** and standard and ad hoc reporting capabilities through ***MRx Explore*** for 13 Medicaid FFS PBM customers, as well as our Medicaid PDL, ADAP, and SPAP customers. ***FirstCI*** is a read-only companion to FirstTrax, that contains numerous search fields that allow users to locate unredacted information pertaining to Enrollees, Enrollees' Drug Claims, Network Providers, drugs, Prescribers, PAs, and call tracking against both the FirstRx database and the FirstTrax database. The application provides a standard set of required search parameters to protect the integrity and responsiveness of the POS system as it processes in-flight transactions. This integrated architecture is supported by a centralized pharmacy data warehouse (PDW) that stores data from all MMA's transactional PBM systems each day. ***MRx Explore***, MMA's reporting and business intelligence (BI) solution, pulls data from the PDW to provide a variety of dashboard, standard, and ad hoc reports to PBM customers, including the required claims, demographics, enrollment, drug utilization, rebate, adherence, and suspended/reversed claims reports, as well as financial reports. ***MRx Explore*** is able to provide Louisiana MCOs with data on a ***daily*** basis, updated by 10:00 a.m. every day.
Emergencies and Disaster Planning	MMA has more than ***50 years*** of experience in successfully providing emergency planning, business continuity, and disaster recovery services for our customers. MMA has the people, processes, and systems in place to address emergencies and disasters and proven and robust contingency plans for adequate backup and recovery. MMA's disaster recovery provisions include backup network connectivity to the local facility, primary production, and disaster

Louisiana MCO PBM Services	MMA Experience
	recovery environments. We have both primary and secondary circuits to our production data center and our disaster recovery data center. Our business continuity and disaster recovery strategy includes off-site replication of data and infrastructure necessary to maintain critical business services if our primary data center should become unusable.
Continuity of Operations Plan (COOP)	MMA's ***50 years*** of experience in successfully ensuring continuity for our PBM services in the face of unforeseen pandemics, natural disasters, or man-made emergencies. Operational continuity is supported by our proven process for developing and implementing Continuity of Operations Plans (COOPs). Our established COOP strategy is based on industry standards that are deemed effective in the prevention and mitigation of systems problem management due to various threats and unplanned disruptions. During the ***COVID-19 pandemic***, MMA has ***enabled 100% of Help Desk staff***, who support our Government line of business, to ***work from home while maintaining and/or exceeding all current Service Level Agreements.*** Most recently, in response to the COVID-19 pandemic, MMA was able to execute our COOP processes to ensure continuity of service for our existing customers. We reacted quickly at the onset of the pandemic to ensure continuation of all customer meetings by transitioning to virtual platforms such as Zoom and Microsoft Teams. Our Clinical, IT, and Operations Teams partnered with our customers to quickly configure our systems to comply with state-specific executive orders, such as lifting early refill edits, adjusting days' supply edits, and implementing new ICD-10 overrides.

With 50 years of experience as a nationally recognized expert developing and delivering a full line of industry-leading pharmacy services, MMA has the experience, operational capability, and capacity to support LDH. *Figure 4-1: National Medicaid Footprint,* MMA contracts with 26 of the nation's Medicaid FFS programs. We provide our full point-of-sale PBM solution for 13 Medicaid programs and PDL services for 25 programs, as well as PBM services for 4 Medicaid managed care health plans.

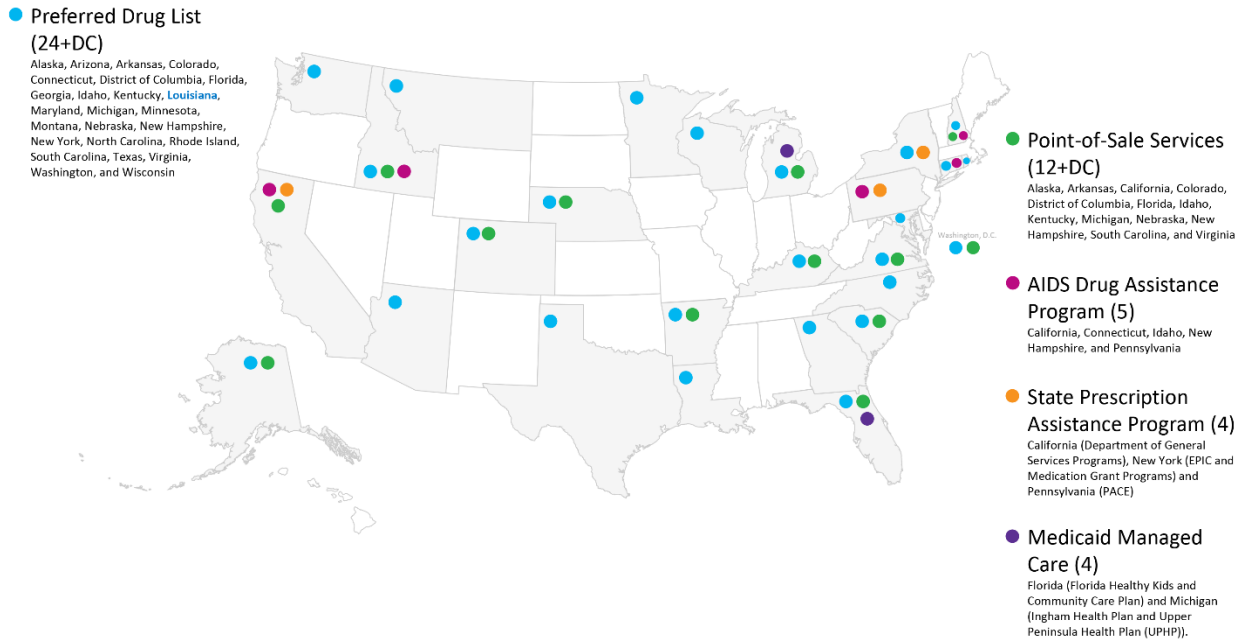


Figure 4-1: National Medicaid Footprint

Medicaid Managed Care Experience

As ***one of the largest independent PBMs in the marketplace***, MMA together with our affiliate MRx possesses direct knowledge of the Medicaid Managed Care landscape and have provided services to Medicaid Managed Care customers since 2012. As a result, MMA understands the nuances associated with Managed Medicaid programs compared to Medicaid FFS and has demonstrated experience working with both models. MRx has leveraged its experience managing these special populations with our flexible technology to develop proven tools for Medicaid Managed Care programs. We assist health plans in developing population-specific programs that comply with state and federal regulations. Currently, MRx has 4 Medicaid Managed Care Health Plans under contract in the states of Florida and Michigan, as well as previous experience providing Managed Medicaid services to health plans in Kentucky, Arizona, Florida, Virginia, Colorado, and Michigan. Our current Medicaid managed care customers are listed in the following table.

Customer	Services Provided
Community Care Plan	Implemented in July 2014, MRx assisted in creating an overall pharmacy program from the ground up. We have assisted Community Care Plan (CCP) in navigating the State's single formulary requirements and instituting specialty pharmacy programs for drugs paid through the medical benefit. Working closely with the Medical and Pharmacy Director, MRx implemented outreach programs to their prescriber network aimed at closing gaps in care. We also provide POS DDI and Operations, Enrollment and Eligibility, POS ProDUR, Formulary Management, RetroDUR, Claims Payment and Processing, Analysis and Reporting, Clinical Consulting, TPL, Help Desk, Pharmacy Audits, Formulary Development, MAC List, and Lock-In programs.
Florida Healthy Kids	Implemented in January 2020, Florida Healthy Kids provides coverage to kids ages 5 through 18. MRx provides PBM services including POS DDI and Operations, Enrollment and Eligibility, POS ProDUR, Formulary Management, PA, RetroDUR, Billing and Reimbursement, Analysis and Reporting, Clinical Consulting, TPL, Help Desk, Pharmacy Audits, Formulary Development, MAC List, and Lock-In programs.
Ingham Health Plan	Ingham Health Plan is a health coverage program that provides medical, pharmacy, and dental coverage for low-income Ingham County residents who do not have health insurance. MRx provides POS DDI and Operations, Enrollment and Eligibility, POS ProDUR, Formulary Management, PA, RetroDUR, Claims Payment and Processing, Analysis and Reporting, Clinical Consulting, Member Services, TPL, Help Desk, Pharmacy Audits, Formulary Development, MAC List, and Lock-In programs.
Upper Peninsula Health Plan (UPHP)	Implemented in 2013, UPHP is an MCO licensed by the State of Michigan to provide Medicaid medical services. UPHP is the only organization of this kind in the Upper Peninsula. MRx provides extensive Managed Medicaid services for the UPHP including POS DDI and Operations, Enrollment and/or Eligibility Verification, POS ProDUR, Formulary Management, PA, RetroDUR, Billing and Reimbursement, Drug Rebates, Analysis and Reporting, Clinical Consulting, TPL, Help Desk, Pharmacy Audits, MAC List, and Lock-in programs.

National Leader with Proven Expertise in PDL Services

While PDL development and maintenance are not part of the scope of work for this Contract, we have extensive PDL experience and have partnered with LDH to develop and implement PDL and Supplemental Rebate services for Louisiana since 2002. ***Our PDL experience and expertise are broad and deep; MMA has been a national leader in this area since 2001.*** We developed the first CMS-approved Medicaid purchasing pools in the country, the NMPI in 2004 and TOP$ in 2005. Today, these two pools have a total of 19 state participants. We also provide seven individual-state PDLs. In addition, ***MMA offers a Medical/Diabetic Supply Program Pool that currently consists of eight Medicaid customers. An individual-state Medical Supply program is provided to one customer.*** MMA also

designed and implemented the country's ***first single PDL program in Texas in 2013, an innovative model that we subsequently implemented in Louisiana in 2019.*** This is a successful hybrid of managed care patient care principles and FFS pharmacy pricing that became a model program for many other states to implement. ***In addition to Louisiana, MMA currently supports 11 customers with single PDL maintenance.***

Successful and Reliable Drug Rebate Administration and Processing Experience

While these services are not part of this Contract, we have described our lengthy drug rebate administration experience. We currently provide efficient and effective rebate administration services for Federal (FFS and MCO), Supplemental, ADAP, SPAP, Diabetic Supply, and Physician Administered/J-Code rebate programs. ***With 30 years of rebate processing experience, MMA demonstrates the successful and reliable experience required for this Contract.***

MMA's experience in managing federal drug rebates is unmatched. Our drug rebate processing services have been implemented and are operational for the Department and are also currently supporting 22 other Medicaid agency customers. Our experienced Rebate Operations Team uses our rebate reporting module and follows our proven processes and procedures to efficiently invoice, collect and post rebate payments and to handle dispute resolution.

Figure 4-2 illustrates our extensive service offering and national footprint of rebate experience that includes providing rebate administration services for 22 states and the District of Columbia. We are currently in the process of implementing rebate services for the Medi-Cal Rx Program, as well as for Nevada's Medicaid Program under a recently awarded PBM contract.

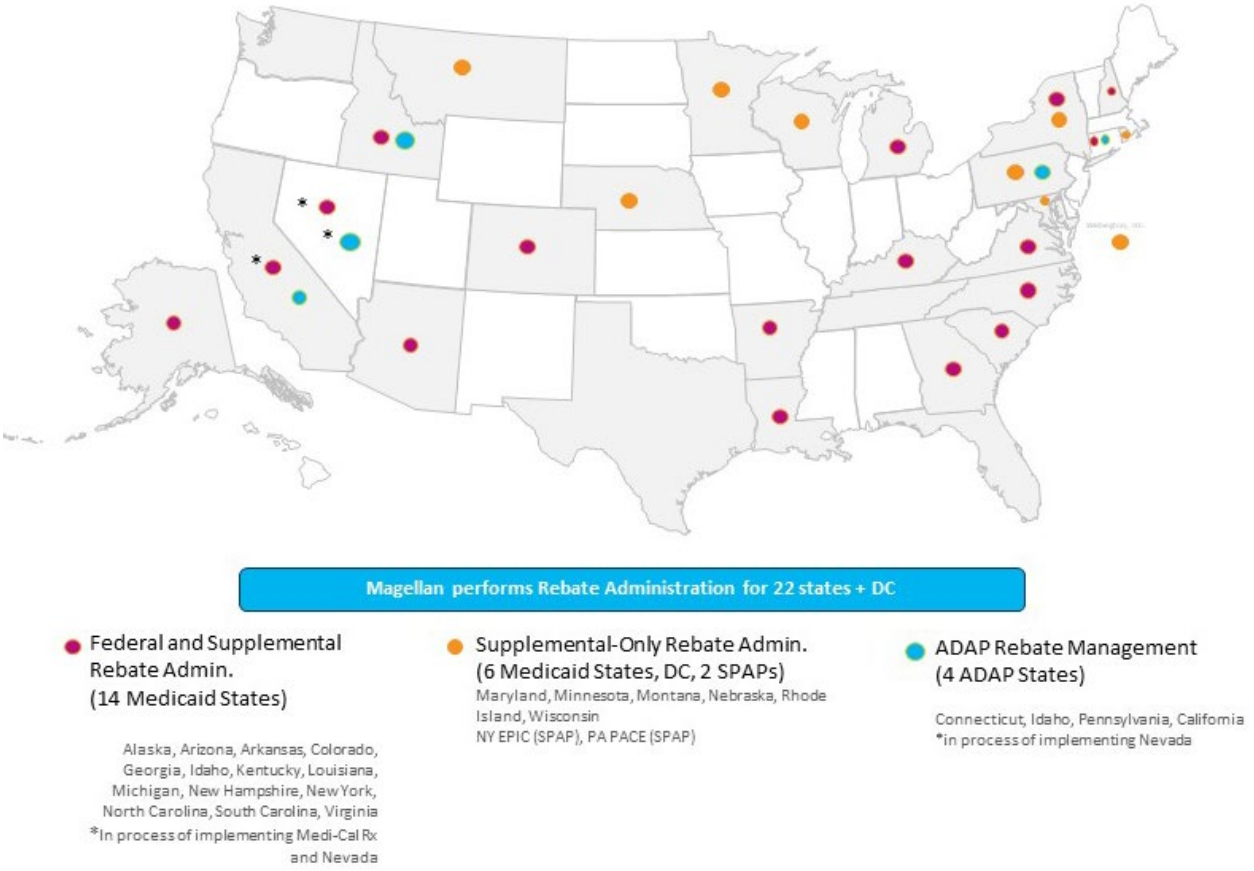


Figure 4-2: National Footprint of Rebate Administration Experience

The following table presents our rebate processing and PDL experience with state agencies.

Customer	PDL	CMS Federal Rebates Administration	Supplemental Rebate Administration	Diabetic (Medical) Supplies Rebates	Other Rebate Program
Louisiana Medicaid	●	●	●		
Arizona Medicaid	●	●	●		
Alaska Medicaid	●	●	●		
Arkansas Medicaid	●	●	●		
Colorado Medicaid	●	●	●		
Connecticut Medicaid	●			●	●
District of Columbia Medicaid	●		●	●	
Florida Medicaid	●				
Georgia Medicaid	●	●	●	●	
Idaho Medicaid	●	●	●		

Customer	PDL	CMS Federal Rebates Administration	Supplemental Rebate Administration	Diabetic (Medical) Supplies Rebates	Other Rebate Program
Kentucky Medicaid	●	●	●	●	
Maryland Medicaid	●		●		
Michigan Medicaid	●	●	●		●
Minnesota Medicaid	●		●	●	
Montana Medicaid	●		●		
Nebraska Medicaid	●		●		
New Hampshire Medicaid	●	●	●	●	
New York EPIC					●
New York Medicaid	●	●	●	●	●
North Carolina Medicaid	●	●	●	●	
Pennsylvania PACE Program					●
Rhode Island Medicaid	●		●		
South Carolina Medicaid	●	●	●	●	
Texas Medicaid	●				
Virginia Medicaid	●	●	●		
Washington Medicaid	●				
Wisconsin Medicaid	●		●	●	

Additional Relevant Experience Managing Other Government Programs

AIDS Drug Assistance Programs (ADAPs): MMA has over 26 years of experience providing PBM services for ADAP programs. Currently we provide PBM services that serve over 36,000—California, New Hampshire, Idaho, Pennsylvania, and Connecticut ADAP members—and we are in the process of implementing our PBM solution for Nevada, Florida, and Massachusetts ADAP programs. We provide proven clinical programs for individuals living with HIV that improve adherence and prevent adverse drug events. Our ADAP services are supported by our ADAP Center of Excellence (COE), which provides Help Desk services dedicated to the needs of ADAP participating pharmacies, clients, state staff, and health care practitioners. In addition to operational excellence, our COE is focused on clinical quality management, leveraging best practices, and offering additional solutions that can support medication adherence and medication therapy management to improve client outcomes. Through our ADAP COE, we serve some of the largest ADAP populations in the country, providing a comprehensive range of PBM services that includes Network Management, Claims Processing, Prior Authorization, Client Help Desk, Rebate Reporting, COB, TrOOP Reporting, Data Analytics/Reporting Enrollment Benefits Management, Formulary Management, Rebate Administration, and RetroDUR.

State Drug Assistance Programs (SPAPs): MMA provides PBM services for 4 SPAPs, including two of the largest senior-focused SPAPs in the nation, New York EPIC State Pharmaceutical Assistance Program, which we have served since 1997, and the Pennsylvania PACE State Pharmaceutical Assistance Program, which we have served since 1984. We also provided State Prescription Assistance services for the California Department of General Services programs and serve as the contractor for the New York Medical Grant Program (MGP), which provides grants to support the cost of medications and other services needed by eligible individuals with a mental illness who are transitioning from hospitals or correctional facilities. MMA has full responsibility over the management and implementation of these contracts.

Nationally-Recognized Expertise and Accreditations

We are recognized as national experts in the design, development, and deployment of robust, HIPAA-compliant, flexible, and configurable systems to support PBM operations. Our systems and processes enable our customers to implement innovative cost containment strategies and provide analysis for complex issues such as policy and reimbursement changes. Our MCO PBM Solution is compliant with National Council for Prescription Drug Programs (NCPDP) standards. Our MMA Louisiana Account Team has hands-on, specific experience implementing and operating pharmacy systems and providing related services. We bring the varied experience of our entire company, which includes staff who are PBM thought leaders, national innovators in delivering specialty pharmaceutical solutions, clinical leaders with NCPDP certification, and managed care experts who are well-versed in the nuances of federal and state regulations that govern Medicaid MCO programs. Our MMA staff brings unparalleled experience to support state Medicaid programs. Members of our Account Team have served as task group leaders, contributed to white papers, and presented in national webinars with NCPDP and have good working relationships with the National Alliance of State and Territorial AIDS Directors (NASTAD).

MMA holds full International Organization for Standardization (ISO), ISO Version 9001:2015 certification for the design and delivery of pharmacy benefit administration for government contracts. Through the ISO process, our organization's operations were examined in each area listed to ensure that we are delivering healthcare in a manner consistent with nationally high standards. This certification is effective from March 1, 2021 to March 1, 2024. The ISO 9001 certification is a quality management system standard that was developed by ISO, which is an international association of governmental and nongovernmental organizations. This standard is utilized to certify quality management systems that focus on continuous improvement, customer satisfaction and the active involvement of both management and employees in a process-based approach.

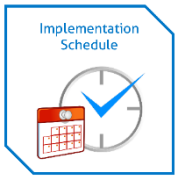
In addition to these nationally recognized accreditations, MMA has earned consistent repeat business in the form of contract extensions and re-awards from existing customers, which is a testament to our expertise and solid reputation as a provider of reliable and effective Medicaid and government PBM services.

MMA's expertise extends far beyond claims processing to include solutions that are responsive to evolving healthcare industry needs. MMA uses our focused expertise in government programs to create solutions that help states manage their government-funded pharmacy programs. With this specialized market in mind, we analyze the landscape and follow emerging trends and regulations that will impact the way programs are administered. We have been responsive to evolving regulations and industry trends and changes and have created solutions to assist states in taking advantage of new management tools and opportunities, such as web-based applications. We provide government pharmacy program development and cost containment strategies by conducting analysis (policy, reimbursement, clinical,

informatics, and information exchange), guidance, and services. We also administer pharmacy clinical programs directed at over-use and misuse of opioids as well as behavioral health therapies. MMA's exclusive focus on government pharmacy programs, combined with our clinical expertise and technical ability in PBM administration, clearly distinguishes us from our competitors.

MMA is a successful company with a national presence, employees, and established operations infrastructure across the country, including in Louisiana.

Successful History of On-Time Implementations



Adding to this depth and breadth of experience is MMA's history of successful implementations. This history provides us with a blueprint for setting up and executing a successful implementation phase that ensures continuity of service to patients and pharmacies while proactively anticipating and resolving any implementation-related issues. During the implementation phase, MMA prioritizes keeping customer experience at the forefront of our planning. ***Our PBM solution is credible and built on decades of our successfully implementing and operating it for complex programs and managing complex populations***. Our current PBM contracts were implemented on-time and according to each customers' schedule. LDH can be assured that the implementation phase for this project will be well-planned, closely managed, and seamless to stakeholders and will ensure continuity of care and expanded access across the State. ***By joining account management and clinical support staff, MMA provides the resources and system infrastructure to deliver a successful PBM solution based on decades of experience in personalized customer support.***

We take pride in our ability to create long-term, productive collaborative business and technical relationships with our customers, such as our PBM POS services contracts with Alaska since 1987, South Carolina since 2000, Michigan since 2000, New Hampshire since 2001, and Virginia since 1972. ***We are dedicated to expanding our collaborative working relationship with LDH, Louisiana Medicaid MCOs, Network Providers, and other state-identified stakeholders, entities, and vendors.*** We truly welcome the opportunity to partner with LDH in support of Louisiana Medicaid Managed Care Program goals and objectives to ensure a high level of care for Beneficiaries, with no service disruptions.

Experience and Reputation

MMA is recognized as a national expert in state government pharmacy program development and cost containment strategies, providing analysis (policy, reimbursement, clinical, informatics, and information exchange), guidance, and services. We have a long track record of successful implementations of our pharmacy solution that demonstrates our infrastructure capabilities to implement on schedule. Our customers will attest to our smooth and successful implementation, operations, and turnover experience.

Our breadth of government program experience is detailed in the table on the following pages.

4.2.2 Customer References

Proposers should identify at least two customer references for projects implemented in at least the last 24 months. References should include the name, email address, and telephone number of each contact person.

As detailed in the previous sections, we have 38 years of experience providing PBM services. Our PBM solution successfully supports the provision of Medicaid FFS services to 26 government customers, including POS claims processing services to 13 Medicaid programs. Per the requirements stated above for proposal *Section 4.2.2,* in the table below MMA provides references for two projects where services were implemented in at least the last 24 months for long-time Medicaid PBM POS customers

With a January 1, 2022, Go-Live we have also implemented Medicaid FFS PBM services (including pharmacy claims adjudication and POS processing services, as well as TPL/coordination of benefits, reporting, web portal, and call center services) for the California Medi-Cal Rx Program, the largest Medicaid pharmacy program in the country that serves over 14 million low-income patients. We have also implemented our manufacturer rebate administration and Retrospective Drug Utilization Review solutions for our California ADAP customer within the last 24 months.

4.2.3 Contract Terminations

The Proposer shall provide a brief statement if any of the following has occurred: Within the last 10 years, Proposer's Pharmacy Benefits Manager contract was (1) terminated or not renewed for non-performance or poor performance; and/or (2) terminated on a voluntary basis prior to the contract end date. The Proposer must provide the name and contact information of the lead program manager of the contracting entity.

MMA confirms that within the last 10 years, we have not had a contract that was terminated or not renewed for non-performance or poor performance; and/or terminated on a voluntary basis prior to the contract end date.

4.2.4 Disclosure of Interests

The Proposer shall disclose all financial, legal, contractual, and other business interests of the Proposer and any Subcontractor, affiliate, partner, parent, subsidiary, or other similar entity related to the activities detailed in the Scope of Work.

MMA has in place operational firewalls and an organizational conflict avoidance program that provides for independence and separateness between MMA and affiliate-owned pharmacies and Medicaid managed care plans. We additionally have put in place tailored conflict avoidance plans to the satisfaction of our government agency customers. We presently operate without conflict as a government agency Contractor in Louisiana while affiliates operate Louisiana business activities. These affiliates' activities are separate and firewalled from the contemplated activities of MMA under the scope of this contract. Louisiana Healthcare Connections, owned by Centene, is a Medicaid MCO. Additionally, the following Centene and Magellan pharmacies participate in our commercial network which we are using to build the Medicaid MCO pharmacy network: Acaria Health Pharmacy, Foundation Care Pharmacy, PantherRx Pharmacy, and MagellanRx Pharmacy.

MMA affirms that none of our subcontractors have any conflicts to disclose.

4.2.5 Litigation

In this section, a statement of the Proposer's involvement in litigation that could affect this work should be included. If no such litigation exists, Proposer should so state

MMA confirms that no such litigation exists that would affect our work in the performance of the LDH contract.

4.2.6 Ability to Meet or Exceed Mandatory Qualifications for Proposer (RFP 1.7.1)

Proposers should clearly describe their ability to meet or exceed the qualifications described in the Mandatory Qualifications for Proposer section. Proposers must meet or exceed the following qualifications prior to the

deadline for receipt of proposals. In order to be considered for award, the Proposer must demonstrate that it has met the following mandatory requirements:

MMA far exceeds the Mandatory Qualifications for Proposers to have at least five full consecutive years of experience providing FFS or MCO PBM services similar in scope to those outlined in this RFP. ***We have 38 consecutive years of experience providing PBM services to state government healthcare programs, including Medicaid.***

MMA's proposal demonstrates that our qualifications exceed the Mandatory Qualifications for Proposers defined in the RFP. With 38 years of PBM experience, and a recent (within 36 months) implementation of our PBM solution for over 14 million California Medicaid FFS members, MMA is well-qualified to provide a MCO PBM solution for Louisiana's Medicaid MCOs. The following table outlines how we not only meet, but how we ***exceed***, the Mandatory Qualifications for Proposers outlined in the RFP.

Mandatory Qualifications for Proposers		
RFP Mandatory Qualification	**MMA Meets**	**MMA Qualifications**
Have a minimum of five (5) full years of experience as a PBM for a state Medicaid program (fee for service (FFS) or MCO) prior to the deadline for receipt of proposals.	Yes	MMA exceeds the Mandatory Qualifications for Proposers ***with 38 years of experience providing a full line of Medicaid-specific, tailored, effective PBM services.*** Since 1984, we have provided government customers with a comprehensive range of PBM and POS processing services. W***e currently provide PBM services to 13 Medicaid FFS POS customers:*** Alaska Medicaid POS/PDL *(since 2010)*, Arkansas Medicaid POS/PDL *(since 2014)*, California Medicaid POS *(operational since January 1, 2022),* Colorado Medicaid POS/PDL *(since 2015)*, District of Columbia Medicaid POS *(since 2015)*, Florida Medicaid POS *(since 2006)*, Idaho Medicaid POS *(since 2009)*, Kentucky Medicaid POS/PDL *(since 2004)*, Michigan Medicaid POS/PDL *(since 2000)*, Nebraska Medicaid POS *(since 1994)*, New Hampshire Medicaid POS/PDL *(since 2001)*, South Carolina Medicaid POS/PDL *(since 2000),* and Virginia Medicaid POS/PDL *(since 2017).*
Have, within the last thirty-six (36) months prior to the deadline for receipt of proposals, been engaged in a contract or awarded a new contract as a PBM with a population equal to or greater than 1.5 million Beneficiaries.	Yes	MMA has been engaged in contracts and/or awarded a new contract in the past 36 months to serve as a PBM for state Medicaid populations with greater than 1.5 million Beneficiaries. MMA was awarded a new contract and has been engaged in the implementation of the California Medi-Cal Rx FFS PBM services contract since December 2019; we ***completed implementation and began operations of our comprehensive PBM solution for 14 million Californians*** effective January 1, 2022. In addition, we have been engaged in the operation of Medicaid PBM contracts (some of these contracts are for full POS claims processing services, while others are for PDL and rebate services) within the past 36 months with the following states: Arizona Medicaid Drug Rebate/PDL ***(1,900,792 MCO Beneficiaries)*** Colorado Medicaid POS/PDL ***(1,500,000 FFS Beneficiaries)*** Florida Medicaid PDL ***(3,921,453 FFS Beneficiaries)***

Mandatory Qualifications for Proposers		
		Georgia Medicaid PDL/Drug Rebate ***(1,760,260 MCO Beneficiaries)*** Kentucky Medicaid POS/PDL ***(1,500,000 FFS and MCO Beneficiaries)*** Michigan Medicaid POS/PDL ***(2,075,000 MCO Beneficiaries)*** New York Medicaid Rebate ***(6,000,000 MCO, FFS, EPIC Beneficiaries)*** North Carolina Medicaid RetroDUR/PDL ***(2,357,426 FFS and MCO Beneficiaries)*** Texas Medicaid PDL ***(4,070,000 Beneficiaries)*** Washington Medicaid PDL ***(1,900,000 Beneficiaries).***
Have its principal place of business be located inside the continental United States.	Yes	MMA is headquartered in the United States, with 27 Magellan offices across the county, including a Magellan office in Baton Rouge, Louisiana.
Provide copies of its latest three (3) years of audited financial statements. The Proposer may submit this information in electronic format (USB drive or electronic submission) in lieu of hard copy.	Yes	MMA has provided Magellan's audited financial statements for the last three years in our Cost Proposal in *Appendix A – Audited Financial Statements.*

4.2.7 Ability to Meet or Exceed Desirable Qualifications for Proposer (RFP 1.7.2)

Proposers should clearly describe their ability to exceed the desired qualifications described in the Desirable Qualifications for Proposer section.

It is desirable that Proposers should meet the following qualifications prior to the deadline for receipt of proposals.

In RFP Section 1.7.2, the State indicates that it is desirable for Proposers to meet the following qualifications prior to the deadline for receipt of proposals. As a result of our 38 years of experience providing PBM services to Medicaid and other government programs, ***MMA meets the Desirable Qualifications outlined in the RFP.*** We possess these Desirable Qualifications today. Specifically, our deep experience delivering Medicaid-focused PBM services ensures that we bring unparalleled knowledge and expertise about LDH's Medicaid pharmacy requirements. Our PBM solution is designed to ensure that all Medicaid managed care pharmacy services comply with CMS rules. The following table demonstrates how MMA meets these desirable qualifications today.

Desirable Qualifications for Proposers	
RFP Desirable Qualification	**MMA Meets**
Have the ability to accept, price, and process physician-administered Drug Claims, applying the same edits and utilization management (UM) criteria as those applied to a National Council for Prescription Drug Programs	Should LDH request it, MMA is able to offer a customized solution that would allow physician-administered Drug (PAD) Claims to be accepted, priced, and processed for Medicaid pharmacy Beneficiaries according to the same edits and utilization management criteria as those applied for NCPDP Drug Claims, or additional edits as specified by LDH. Our PAD solutions, which are based on clinical evidence and provide proven cost savings, are currently being implemented for three state contracts – Idaho ADAP, California ADAP, and Nevada PBM. More details about this

Desirable Qualifications for Proposers	
(NCPDP) Drug Claim, and/or additional edits as specified by LDH.	innovative capability are included in proposal *Section 9.0: Innovative Concepts and Value-Added Services.*
Have the ability to enhance Enrollee access and convenience (e.g., mobile app access).	MMA offers an innovative mobile app solution called MRx Connect. MRx Connect is a tailored mobile messaging service that helps to prevent gaps in care and improve Enrollee engagement and adherence. MRx Connect allows Medicaid programs to leverage the high read rates of text messaging to target customized health messages to encourage Enrollees to adopt healthy behaviors. MRx Connect can be used to encourage follow-through on a wide range of actions and behaviors, such as breast cancer screening and prescription refills. More details about this innovative capability are included in proposal *Section 9.0: Innovative Concepts and Value-Added Services.*
Have the capability to, as directed and/or approved by LDH, implement a suite of technical Prescriber tools/electronic prescribing systems, or health information exchanges to maintain and support the PDL, prior authorizations (PAs), and coverage details of the Louisiana Medicaid Program.	Through Surescripts©, MMA offers a state-of-the-art partner integration that aligns with industry best practices, benefits our customers and Beneficiaries, and demonstrates our interoperability and drive toward MITA maturity. ***We have worked with Surescripts for 13 years and offer LDH an established ePrescribing solution.*** We currently provide our ePrescribing solution to seven Medicaid FFS programs, as well as several commercial and non-Medicaid government programs, and include this solution in our proposed scope of services in proposal *Section 8.3: Drug Claims System Requirements*. Our partnership supports data exchanges, through which benefit information such as eligibility, insurance coverage, formulary, and prescription history is transmitted electronically to a prescriber at the point of prescribing, and through which prescription information is transmitted electronically from a prescriber's office to the Enrollee's pharmacy of choice. In addition, a single connection to the largest network of long term and post-acute care facilities, pharmacies, EHRs, health systems, and health information exchanges offers expanded reach and makes direct connections unnecessary. MMA maintains over 4,600 data interfaces that enable us to receive data electronically to support PA determinations, and to support innovative enhancements that refine and hone the PA process. MMA has the ability to provide electronic PA capabilities with our ePA application. ePA allows Prescribers to complete a PA request directly from their practice management software. The ability for doctors to request a PA without having to leave their standard workflow results in greater efficiency and seamless Enrollee care. We also offer innovative enhancements such as the support of secure, electronic health data exchange through Lab Link, a solution that provides a critical link between our customers and key national clinical laboratory providers to capture lab results data to support improved PA processes. More details about Lab Link are included in proposal *Section 9.0: Innovative Concepts and Value-Added Services.*

Summary

As the incumbent for the State of Louisiana's PDL and Supplemental Rebate contract, MMA is well-positioned to assume full responsibility for the Louisiana PBM Services for Medicaid MCOs Contract, serving as the single PBM contractor for Louisiana's five Medicaid MCOs. MMA will provide LDH with a MCO PBM solution that exceeds the State of Louisiana's requirements, as well as a trusted, collaborative partner who will help it achieve its mission and vision for the future. ***Our corporate goal is to provide a connected healthcare experience for Enrollees that leads to healthy, vibrant lives.*** This goal aligns

closely with the LDH goal of ensuring business goals are met by advancing the efficiency and economy of the Louisiana Medicaid Managed Care Program's pharmacy benefit. As experts in pharmacy administration, with a history of successfully supporting low-income, uninsured, and underinsured Enrollees, we are energized by discovering new and better ways to deliver solutions in today's rapidly evolving healthcare environment. ***We are dedicated to improving outcomes for complex populations by providing needed support and information to help beneficiaries make better healthcare decisions.***

We are recognized for the design, development, and deployment of robust, flexible, and configurable systems to support Medicaid pharmacy programs and operations. We provide Medicaid pharmacy program development and cost containment strategies by conducting analysis (policy, reimbursement, clinical, informatics, and information exchange), guidance, and services. We also administer pharmacy clinical programs directed at over-use and misuse of opioids as well as behavioral health therapies. MMA's exclusive focus on Medicaid, combined with our clinical expertise and technical ability in PBM administration, clearly distinguishes us from our competitors. We look forward to the opportunity to partner with LDH to further streamline and improve the Medicaid pharmacy benefit for Enrollees by implementing our PBM solution.

5.0 APPROACH AND METHODOLOGY (RFP 1.8.5)

Proposals should define the Proposer's approach and methodology ~~functional approach~~ in providing services and identify the tasks necessary to meet the RFP requirements of the provision of services, as outlined in the RFP, and as specifically found in Section 1.8.6, Administrative Data; Section 1.8.7, Work Plan/Project Execution; and 1.8.8, Detailed Scope Response.~~ ~~in Section 2. Scope of Work.~~ Proposals should include enough information to satisfy evaluators that the Proposer has the appropriate experience, knowledge, and qualifications to perform the scope of services as described herein~~, especially.~~ and Proposers should respond to all requested areas.

MMA brings a proven approach and methodology for implementing and operating our highly customizable PBM solution for the Louisiana MCO PBM Project. We have provided services to government healthcare programs for 50 years—since our first Medicaid fiscal agent contract in 1972. This experience includes ***38 years of government healthcare program PBM-specific experience, including Medicaid.***

As the incumbent LDH contractor administering Louisiana's PDL, we understand LDH's need to continue to safeguard the Medicaid program and contain costs without sacrificing quality of care. Together, we have accomplished a great deal since the beginning of our Louisiana Supplemental Rebate/PDL Contract in 2002 including transitioning Louisiana to a Single PDL in 2019 and implementing drug rebate administration services in 2020. We value the trust and confidence that you have placed in us, and we look forward to continuing to partner with LDH by expanding our role to provide a MCO PBM Solution that will give LDH a customer-centric services environment, as well as a cost-efficient, modular, interoperable solution that is highly configurable, allowing for rapid deployment of program changes. MMA offers LDH a continued collaborative partnership with a Medicaid-focused PBM staff. As the State's Medicaid program continues to evolve, LDH can be confident that MMA has the depth and breadth of experience to accommodate change and evolve with it.

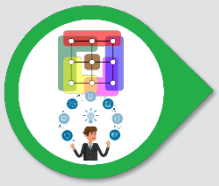
We possess pharmacy-specific expertise and the capability to perform all PBM services, including project execution, MCO coordination, pharmacy and prescriber network, drug claims adjudication, third party liability, CDL/PDL, prior authorization, behavioral health medication, specialty drug lists, DUR, Provider and Beneficiary support, Customer Service Center, audit services, program integrity, security and privacy, reporting and quality assurance, emergency and disaster planning, business continuity of operations, lock-in, portal services, and turnover services for the Louisiana Medicaid Program pharmacy benefit.

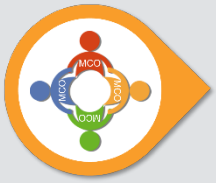
The flexibility of our PBM solution allows us to customize it to meet Louisiana MCO PBM Project requirements and needs. Components of our solution are currently in place and operational for 26 Medicaid programs (including Louisiana), including 13 Medicaid programs, 5 AIDS Drug Assistance Programs (ADAPs), and 4 State Pharmaceutical Assistance Programs (SPAPs) for which we provide full pharmacy POS claims processing services. We most recently implemented and are operating the largest Medicaid pharmacy program in the nation, the California Medi-Cal Rx Program where we coordinated with 26 MCOs, 10 PBMs, and 20 data supply entities to implement our single PBM solution. We are currently in the process of implementing our PBM solution (including both FFS and ADAP PBM services) for the Nevada Medicaid Program.

In the following table, MMA provides an overview of our experience in meeting the requirements as outlined in the RFP, and as specifically found in RFP Section 1.8.6, Administrative Data; RFP Section 1.8.7, Work Plan/Project Execution; and RFP Section 1.8.8, Detailed Scope Response. We have provided detailed information about our experience, as well as our approach and methodology to meeting these requirements in the following sections of our proposal:

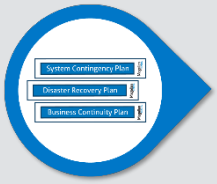
- Section 6.0, Administrative Data (RFP Section 1.8.6)

- Section 7.0, Work Plan/Project Execution (RFP Section 1.8.7)
- Section 8.0, Detailed Scope Response (RFP Section 1.8.8).

Scope of Work Requirements	MMA Experience
Administrative Data Needs 	***MMA has 50 years of Medicaid extensive experience, operational capability, and capacity to support the Louisiana PBM Services for Medicaid MCOs Contract.*** Our focus on serving Medicaid and other government healthcare program customers has led to a deep understanding of the populations these programs serve and the State and Federal rules under which they operate, as well as state-specific benefit designs, clinical policies, and programs. MRx is able to accommodate and support the exchange of either industry-standard files or agreed-upon custom interfaces, thus our system can easily integrate with other information systems including LDH, and its vendor's systems, as well as the MCOs. Our experience dealing with a multitude of file formats, as well as our ability to process disparate data sources and custom formats, is a core competency. We understand the importance of complete and accurate data interfaces in order to meet Louisiana data needs. Our staffing solution provides LDH with a highly qualified and experienced organizational structure with the appropriate level of expertise and knowledge to meet the scope of work requirements set forth in the RFP. We have identified a team of experts with experience in Managed Medicaid that are supported by corporate resources across the enterprise. MMA's management philosophy embodies a focus on population management, adherence, safety and education, gaps in care, and a respect for all Enrollees. This focus is enhanced by an organizational structure that is designed to serve customers across all levels in our organization. From the top down, LDH will receive MMA executive support for high-level concerns that may require additional resources and time. MMA general and support personnel communicate and work together with MMA account management key personnel who are in direct communication with MMA executive leaders to ensure successful program deployment and maintenance.
Work Plan/Project Execution 	***MMA has been successfully executing government healthcare program contracts since the start of our first Medicaid Fiscal Agent contract in 1972.*** We know that successful project execution begins with a thorough Project Work Plan. We establish project management standards and procedures to manage requirements completion for each contract phase using our Project Work Plan to define all key and critical tasks and deliverables and providing necessary support to make certain each requirement and project deliverable identified in the RFP is submitted on time. ***We have 50 years of government healthcare experience, including 38 years of PBM experience,*** providing effective implementation services and expertise for Medicaid government pharmacy systems and services, which ensures a smooth project implementation and project execution with minimal risk to Louisiana Medicaid Program pharmacy benefit Beneficiaries, Pharmacy Providers, Prescribers, and other stakeholders. Our ***track record for successful implementations***, as well as partnerships and relationships, is built upon the experience we have gained in creating and executing project work plans that enable us to anticipate and respond to project challenges rapidly and follow a logical sequence.

Scope of Work Requirements	MMA Experience
Coordination with MCOs 	MMA's experience implementing full Medicaid pharmacy POS contracts for 13 Medicaid FFS programs and four Medicaid Managed Care Plans across the country underscores our capabilities to provide comprehensive support for stakeholders transitioning to our services. ***We have experience coordinating with 26 MCOs alone during our most recent MCO transition.*** MMA understands the importance of ensuring a smooth transition from the MCOs and providing consistent and continual claims processing without a break in service. MMA will develop a detailed plan to transition all Louisiana Medicaid Managed Care Program Enrollee demographic data, claims history and PA-related files into our comprehensive claims adjudication system. MMA will work closely with LDH, the MCOs, and all LDH stakeholders during implementation, as well as throughout the contract. This process ensures that all tasks are completed on schedule, provides a smooth transition for both LDH, Providers, Prescribers, and most importantly, ensures continuity of care for Enrollees and the successful operation of the contract.
Pharmacy and Prescriber Network 	***MMA has provided pharmacy network management and administration since 1985.*** Our retail pharmacy networks are competitive, broad-based open networks with excellent coverage and participation by all major retail pharmacy chains, mass merchandisers, grocery store pharmacies and Independent Pharmacy Services Administration Organizations (PSAOs), most regional retail chains, and independent community pharmacies. Our established Louisiana pharmacy network consists of ***1,196 pharmacies, including 574 pharmacy chain stores, 594 independent retail pharmacies, and 28 other types (Gov/Federal and Alternative). We also provide options for mail order.***
Drug Claims/System Requirements 	***MMA has been providing pharmacy POS claims processing services since 1984, the beginning of our first PBM contract with Pennsylvania.*** Using our established Medicaid PBM solution, MMA will provide POS claims processing and adjudication. Our solution will process claims in accordance with existing LDH policy and rules, as well as federal regulations Our proven POS claims processing system, ***FirstRx***, handles real-time pharmacy POS claims adjudication and responses. The main transaction data flow consists of POS claims that are received from pharmacies through national pharmacy transaction switch vendors. Claims transactions will be processed against the business rules established by LDH during the adjudication process.
Covered Drug List (CDL)/Preferred Drug List (PDL) 	***MMA will leverage our 37 years of experience providing formulary management services to support Louisiana's Single Preferred Drug List (PDL) and Covered Drug List (CDL)*** We will utilize best practices to operationalize and maintain compliance with the Single PDL and prior authorization (PA) requirements. This includes receiving a weekly file of new National Drug Codes (NDCs) that enter the market and developing business rules in collaboration with LDH to ensure our clinical team understands exactly how each NDC will be covered based on LDH's Single PDL and CDL. ***Formularies are loaded to the FirstRx system for use in claims adjudication, and all changes to either the Single PDL or the CDL are reflected in the system.***
Behavioral Health Policies and Procedures 	***Our deep-rooted experience in behavioral health — more than 44 years affords us the unique opportunity to utilize our thought-leading experience to ensure strict compliance with Louisiana MCO PBM behavioral health policies and procedures.*** MMA understands the importance of working in collaboration with the Louisiana MCOs to ensure that patients who have been enrolled in psychiatric and residential substance use facilities are able to continue to have access to medically necessary behavioral health medications upon discharge from a facility.

Scope of Work Requirements	MMA Experience
Specialty Drugs and Pharmacies 	***MMA has provided pharmacy network management and administration services since 1985***, and we will apply our proven expertise to manage a network of contracted specialty pharmacies for the Louisiana Medicaid Managed Care Program. MMA understands the importance of providing sufficient access to Specialty Drugs to Louisiana Medicaid Program pharmacy benefit Enrollees and ensure proper management of the handling and utilization of Specialty Drugs.
Drug Utilization Review (DUR) 	Using expertise gained from 38 years of pharmacy experience, which includes ***32 years of ProDUR experience and 35 years of RetroDUR experience***, MMA continuously enhances our ProDUR solution and editing capability, as well as RetroDUR support services. MMA brings value to LDH by leveraging the depth of our DUR expertise and SMEs with specific areas of clinical therapeutic focus, Enrollee safety, and cost-effectiveness to serve the Louisiana Medicaid Managed Care Program**.** ***Our ProDUR solution is an integrated component of our FirstRx system and includes the following: configuring edits, monitoring utilization data and ProDUR edit/message trends, providing clear and concise ProDUR messaging, and configuring claims edits to provide enhanced ProDUR refinement functional capability.***
Provider and Enrollee Support 	***With 38 years of PBM experience, MMA is thoroughly familiar with providing technical support and customer service*** through dedicated account management and Customer Service Center (CSC) services delivered 24/7/365 by our Medicaid-experienced, well-trained staff. Through our established proven state-of-the-art customer service center, MMA will provide CSC assistance to Louisiana Enrollees, Pharmacy Providers, Prescribers, LDH and MCO staff, and other stakeholders. ***We will use FirstTrax, our proprietary contact management tracking system to record and track all Drug Claim inquiries, Network Provider/Enrollee communications and complaints, and Grievances, and Appeals received from Prescribers, Network Providers, and Enrollees***.
Oversight and Monitoring 	MMA has served the Medicaid population for five decades and has an outstanding reputation of service to our customers. MMA acknowledges that LDH will provide oversight and monitoring of all MMA activities and operations and promote collaboration between MMA and the MCOs. MMA understands that LDH will enforce the terms of the contract, however, all payments will be made under the contracts MMA will hold with each of the MCOs.
State and Federal Mandate Compliance 	***We have 38 years of experience in providing pharmacy systems and services for Medicaid and other publicly funded government programs.*** MMA's proven approach to providing MCO PBM services will meet all of the compliance-related requirements as described within this RFP and the related documents.

Scope of Work Requirements	MMA Experience
Audit 	***MMA has been providing pharmacy audit services for 18 years.*** We have experience in performing desk and onsite audits, both fully executed by our internal SIU Pharmacy personnel and through partnerships with pharmacy audit contractors for multiple state and federal agency customers throughout all 50 states. Our subcontractor, Integrated Pharmacy Solutions, Inc. (IPS), has been conducting pharmacy audits since 1996.
Security and Privacy 	***With more than 38 years of government PBM experience,*** MMA's systems meet all federal and state privacy, confidentiality, and security regulatory requirements for protecting data confidentiality, including those defined by the HIPAA Security Rule and HITECH Act. We base our controls and guidelines on the NIST SP 800-53 framework, as well as state and federal security criteria. MMA employs the latest technology standards and equipment regarding the protection of the critical internal infrastructure, and we are confident that the deployed systems and technology will remain current on an ongoing basis.
Reporting and Quality Assurance 	***With more than 38 years of pharmacy reporting experience dating back to our first PBM contract in 1984,*** MMA has the experience and expertise to meet all Louisiana MCO PBM Project reporting requirements. ***To support reporting needs, authorized LDH and MCO users will have access to MRx Explore, our web-based Business Intelligence (BI) reporting solution.*** MRx Explore allows scheduling reports, as well as making all data elements available for self-service reporting. In addition, the tool allows for graphical views. We will provide LDH with our MRx Explore Standard Reporting Package that contains a suite of more than 100 parameterized pharmacy management, financial, and operational reports. We will provide required program data to LDH within the approved time frame identified in the final, approved contract. Using more than three decades of pharmacy reporting experience, we will use our team of reporting specialists from the Business Intelligence (BI) and Clinical Outcomes and Analytics Reporting (COAR) teams to develop customized reports to meet LDH requirements. ***With 50 years of experience providing quality assurance services for our customers, since our first Medicaid Fiscal Agent contract in 1972, including 28 years of PBM experience***, MMA is well prepared to meet LDH quality assurance requirements. MMA is committed to the highest level of Quality Assurance (QA) practices to ensure the accuracy of the drug file, claims processing, and the other systems that make up our Louisiana MCO PBM Project solution. We will validate that the deliverables and services provided to Louisiana MCO PBM Project for pharmacy services fully meet LDH expectations and requirements.
Emergency and Disaster Planning 	***MMA brings 50 years of Disaster Recovery and Emergency Planning experience to the Louisiana MCO PBM Project.*** In the event of an emergency, as determined by LDH, MMA affirms that LDH will have the authority to require the implementation of any necessary configuration modifications within 72 hours of notification. Using FirstRx, our POS claims processing system, MMA is able to implement configuration modifications. ***The configurability of FirstRx allows the responsive and quick support of the Louisiana Medicaid Managed Care Program with customized edits, including those required for natural disasters and public health emergencies***
Continuity of Operations Plan 	MMA's solution for continuity of operations will comply with Louisiana Medicaid Managed Care Program standards and requirements and will comply with new or enhanced data security, confidentiality, and business continuity throughout the life of the contract. ***We offer LDH 50 years of Medicaid experience, including 38 years of government PBM experience.*** Throughout all these years of experience, we have maintained emergency system contingency, data security, confidentiality, and business continuity for each of our government pharmacy contracts

Scope of Work Requirements	MMA Experience
Transition/Turnover Phase 	***With 38 years of experience serving complex government PBM contracts, MMA has established best practices and continual process improvement*** for both contract startups and turnover. LDH can be assured that a transition from MMA will be well-planned, managed, and executed with the primary goal of ensuring continuity of care while expanding access across the state.

Today we support 26 Medicaid pharmacy programs across the nation with our industry-leading pharmacy solutions, and we are in the process of implementing our PBM solution for Nevada. ***We are known for our excellent PBM system platform and equally important, for the superior customer support consistently provided by our responsive, highly experienced staff.*** LDH can be assured that by choosing MMA, they will be served by customer-focused, knowledgeable pharmacy professionals who are supported by a corporate culture dedicated to providing personalized, coordinated, cost-effective care. We are an independent pharmacy benefit manager, offering a full-line of pharmacy services, including a state-of-the-art POS drug claims adjudication system, with a singular focus on working with Medicaid government customers and the vulnerable populations they serve. We possess the necessary experience, expertise, and knowledge to provide a proven single PBM Solution for the Louisiana PBM Services for Medicaid MCOs Contract.

We support LDH in providing life-saving medications, formulary recommendations, medication adherence tools, and information in a cost-effective way. We commit to incorporating ***innovation, collaboration, accountability, responsiveness, and excellence*** into the services and systems we provide in support of the Louisiana MCO PBM Project. ***Our multi-faceted approach provides rapid, efficient, and effective operational and clinical solutions that best meet the specific needs of Louisiana's vulnerable Medicaid population.***

In the following narrative, MMA presents our functional approach to providing pharmacy benefits management services and identifies the tasks necessary to meet the requirements identified in RFP 1, Administrative and General Information, Section 1.8 Proposal Response Format and RFP 2, Scope of Work, Sections 2.1 Task and Services, 2.2 Deliverables, and 2.3 Notices. Our proposed solution meets the objectives, requirements, and intent as described in the RFP.

6.0 ADMINISTRATIVE DATA (RFP 1.8.6)

In the following sections, we provide the administrative data required by the RFP.

6.1 Knowledge and Understanding of Needs and Objectives

State Proposer's knowledge and understanding of the needs and objectives of LDH Pharmacy and the MCOs as related to the scope of this RFP.

MMA has the extensive experience, operational capability, and capacity required to support the Louisiana PBM Services to Medicaid MCOs Contract. ***Our focus on serving Medicaid and other government healthcare program customers has led to a deep understanding of the populations these programs serve*** and the State and Federal rules under which they operate, as well as state-specific benefit designs, clinical policies, and programs. This understanding has proven effective in providing and preserving access to clinically appropriate care in a cost-effective manner. We have demonstrated success in developing and delivering pharmacy solutions that encompass the myriad of complex business needs and regulations of Medicaid pharmacy programs together into highly efficient, cost-effective, and flexible program operations. Our systems are highly configurable, enabling us to make rapid adjustments in response to changing demands of program strategy and tactics, including formulary design, therapy limits, lock-in services, opioid utilization management, orphan drug costs, behavioral health programs, and other policy changes.

With an existing Louisiana footprint, MMA and our affiliate companies currently serve almost one million Louisianians. This work includes serving as the contractor providing Louisiana Medicaid Formulary Management, Data Analysis and Reporting, PDL, Supplemental Rebate, Rebate Administration, and Clinical Consulting services for Medicaid Enrollees across the State. We also provide a unique supplemental rebate administration solution for LDH's innovative Hepatitis C drug purchasing program as part of the State's PDL.

Beyond Louisiana, MMA has a solid reputation as a national leader in providing PBM solutions. We provide a comprehensive range of pharmacy benefit management and point-of-sale processing services to state government programs, 26 Medicaid programs (including Louisiana), five ADAPs that include two tuberculosis programs, and four SPAPs. ***Collectively, these programs touch 50 million lives in 26 states and the District of Columbia.*** MMA's qualifications are reflected in our 50 years of Medicaid experience and 38 years of experience providing PBM services.

We have thoroughly reviewed the RFP requirements and understand that the business goals of the Louisiana PBM Services for Louisiana Medicaid Managed Care Organizations RFP are to:

- Ensure business outcomes are delivered
- Strive to improve health outcomes
- Advance the efficiency and economy of the Louisiana Medicaid Program's pharmacy benefit.

MMA further understands that LDH is seeking a qualified and experienced contractor to provide one PBM solution that interfaces with each Managed Care Organization, to ensure that all Medicaid Drug Claims are processed equally and uniformly for all MCOs to avoid duplication and reduce administrative overhead.

Our goal for this contract will be to implement innovative, flexible pharmacy solutions to meet the Louisiana Medicaid pharmacy program's needs of improving cost-effectiveness and health outcomes for its Medicaid Enrollees by delivering quality, efficient, and compliant PBM services. ***Our commitment to these goals is demonstrated through our partnerships with numerous state Medicaid programs, including the Louisiana Medicaid Program, over the last two decades where we have helped protect***

the health of these states' citizens. We have supported innovative efforts to control pharmacy costs while achieving positive Beneficiary health outcomes.

We understand that LDH requires a contractor who can support the Louisiana Medicaid pharmacy program's volume and complexity. Our platform, deployed and in production, is designed to address the dynamic, high-volume demands of your program. ***Our flexible and customized pharmacy solution will rapidly accommodate modifications through configuration.*** Our pharmacy solution has been subjected to significant plan benefit changes and proven effective for multiple state Medicaid programs. Our platform has been tested and is customized to address the dynamic demands of each of our state Medicaid FFS and Medicaid Managed Care customers, ***with 6,245 Medicaid-tailored claim checks and edits currently configured to manage patient care within the confines of Medicaid regulations and requirements. Our edit capability is unlimited.*** These pre-existing, proprietary systems are highly configurable, enabling rapid adjustments to be made in response to the changing demands of program strategy, including formulary design, therapy limits, lock-ins, COVID-19 adjustments, and other policy changes. To ensure that processing time performance requirements are consistently met and exceeded, we propose to host systems in both the cloud and in our data center. Our experienced development and configuration staff will ensure that our Louisiana pharmacy solution operates according to agreed-upon functionality even under high stress.

Our staffing solution provides LDH with a highly qualified and experienced team with the appropriate level of expertise and knowledge to meet the scope of work requirements set forth in the RFP. We have identified a team of experts with experience in Managed Medicaid that is supported by corporate resources across the enterprise. Our team of experts will work as a collaborative partner with LDH and the MCOs to ensure a seamless implementation and the success of the Louisiana MCO PBM project.

MMA understands that a successful transition for the Louisiana MCOs depends on a thoughtful and comprehensive implementation and migration strategy. The process begins with MMA assessing and understanding MCO-specific business processes and procedures that will integrate into the new solution. ***With a solid understanding of the key needs and challenges of each specific plan, we will provide robust technical and business guidance to support the MCOs throughout the Implementation Phase.*** MMA understands the magnitude of the transition to a new system and based on LDH preferences, can provide a range of communication channels through which MCOs and/or other contracted vendors can access information. We will incorporate what we have learned from our recent implementation in California, as well as our experience serving as the single PBM for Tennessee's TennCare Program, in which we provided PBM services in support of multiple Medicaid MCOs. Following are key approaches MMA utilizes to ensure a successful implementation:

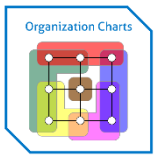
- Providing support to ensure that solutions are implemented in compliance with CMS directives
- Leading regular meetings to disseminate critical information around timelines, testing, systems, and processes
- Partnering, as needed, with LDH in hosting meetings related to policy transitions and other topics impacting the MCOs
- Creating a dedicated email box through which the MCOs can submit questions to the MCO Liaison Team
- Creating and posting comprehensive reference documentation in designated, shared access locations
- Scheduling regular meetings (e.g., weekly) with LDH and/or the MCOs to address organization-specific challenges and questions
- Offering recurring office hours as a forum for ad hoc discussions and questions.

In all of our implementations, we have developed and successfully managed working relationships with governmental entities, MCOs, Providers, local community-based organizations, advocates, and private nonprofit organizations. During the Design, Development, and Implementation Phase, our Implementation and Account Management teams will work closely with LDH and its related partners, as well as the MCOs. Frequent meetings with LDH promote comprehension and collaboration. We understand the importance, as well, of gaining a thorough business understanding of the MCOs' processes and their data needs. ***We truly welcome the opportunity to partner with LDH in support of Louisiana Medicaid managed care pharmacy program goals and objectives to ensure a high level of care for Enrollees with minimal service disruptions.***

6.2 Organizational Structures

Provide a written explanation of the Proposer's organizational structures of both operations and program administration, and a description of how the components communicate and work together in both an administrative and functional capacity from the top down.

Organizational Chart



Visibility and access to key leaders of our organization are crucial components of our account management strategy. Providing clear reporting lines, both direct and indirect, helps us to promote internal efficiencies and in turn deliver superior service to LDH. Our account management structure incorporates direct linkage to our executive leadership, allowing an added layer of top-level oversight, accountability, and support.

On the following page, *Figure 6.2-1: MMA Corporate Organizational Chart* depicts the top-down organizational structure of personnel who communicate and work together in administrative and functional capacities, and the place of the Louisiana Medicaid MCO PBM Team within that organization.

The Louisiana PBM Services for Medicaid Managed Care Organizations Contract will be assigned a team of talented individuals who will provide dedicated support. Our Louisiana project Chief Operating Officer (COO), Claudia Soto, will oversee all day-to-day business activities and serve as the single point of contact for LDH and the MCOs. Ms. Soto will oversee a team of experienced PBM professionals who will serve as Key Personnel on the project, including Clinical Pharmacy Director Tina Hawkins, PharmD, Information Technology (IT) Manager Russell Thompson, Point-of-Sale Programmer Amy Quinn, CPhT, and Compliance Officer Reina Navarra. These Key Personnel will work closely with the General Staff Members, including the Audit Pharmacist, the Financial Manager, the Provider/Enrollee Relations Manager, the Lead Data Analyst, the Fraud, Waste, Abuse Investigator, and the Implementation Manager. All Key Personnel and General Staff members will report to Ms. Soto for purposes of this project, while receiving subject matter expertise, guidance, and support from their respective organizational departments, including support staff that will be assigned to provide additional support for the project.

These departments are depicted in the Corporate Organizational chart in *Figure 6.2-2* and include Legal, Government Affairs, Compliance, Information Technology, Security, Disaster Recovery/Business Continuity, Implementation, Human Resources, Reporting, Clinical Quality, and Government Affairs. These teams provide guidance and share the knowledge we have gained serving customers across the nation. *Figure 6-2: Customer Support Partnership* illustrates the various teams and departments with which our Louisiana Account Team will collaborate in support of the Louisiana PBM Services to Medicaid MCOs Contract.

Figure 6.2-2: Corporate Support Partnership Structure for Louisiana Project Account Team

Program Management Approach

The MMA team of PBM experts has hands-on experience implementing and operating pharmacy systems and providing the related services for Medicaid MCO Enrollees. We bring the varied experience of our entire company, which includes staff who are managed care pharmacy thought leaders, national innovators in delivering pharmaceutical solutions, and experts in health plan leadership, as well as an understanding of the nuances of federal and state regulations.

Our overall approach to proposing, developing, implementing, operating, and enhancing a modern PBM program to support LDH is comprised of:

- Experienced Implementation Team

- Experienced PBM operations professionals
- Industry leading, existing technology
- Proven PBM experience
- Sound project management principles
- Support from a corporate culture that is conducive to partnering with our customers to produce collaborative and successful relationships.

6.3 Management Philosophy

Contain a brief summary setting out the Proposer's management philosophy including, but not limited to, the role of Quality Control, Professional Practices, Supervision, Distribution of Work and Communication System.

MMA's management philosophy embodies a focus on population management, adherence, safety and education, gaps in care, and a respect for all Enrollees. This focus is enhanced by an organizational structure that is designed to serve customers across all levels in our organization. From the top down, LDH will receive MMA executive support for high-level concerns that may require additional resources and time. LDH support personnel communicate and work together with MMA account management key personnel who are in direct communication with MMA executive leaders to ensure successful program deployment and maintenance. All levels of MMA's organization work in concert to support administrative and functional capacities to address Louisiana MCO PBM requirements and service levels.

In the following section, we elaborate on the roles of Quality Control, Professional Practices, Supervision, Distribution of Work, and Communication Systems that contribute to our program management approach for successful program delivery.

Quality Control

Our corporate Quality, Compliance, and Performance Improvement departments are responsible for supporting compliance, clinical, product, and service quality culture through well-defined, measurable, and repeatable processes and practices. Measurement feeds continuous process improvement. Performance measures will reflect LDH's goals and objectives.

MMA follows the Project Management Body of Knowledge (PMBOK®) seventh edition to ensure the highest possible quality of implementation. We follow these key principles and processes to ensure a smooth implementation:

- **Effective Planning and Control of the Project –** MMA develops and maintains a detailed Project Work Plan with agreed-upon milestones and deliverables established. MMA creates and obtains internal stakeholder signoff on the Project Charter, which includes identifying initial requirements, assumptions, and risks.
- **Key Resources –** MMA establishes the Project Team and identifies the Subject Matter Experts/Owners for each milestone. Subject matter experts from MMA are identified, assigned, and committed for the established implementation time frame, to support program build-out for their respective areas. All project resources are involved at the start of the project.
- **Fully Documented Program Requirements –** We use templates for each program component and the proven success of MMA process for fully vetting program requirements with customers. MMA creates a Requirements Traceability Matrix (RTM) identifying every requirement. In addition to the detailed business requirements, rules, and data needs, our documentation captures project objectives, scope, dependencies, assumptions, risks, and constraints.

- **Quality Plan –** MMA will create a Quality Assurance Plan that promotes a project environment focused on quality outcomes. The plan will identify the stakeholders and key participants in the quality process and their respective roles and responsibilities in the delivery of a successful implementation.
- **Risk Management Plan –** The plan establishes a process for identifying and addressing risk areas in execution of the plan. Proper identification and escalation are critical in deploying mitigation strategies.
- **Disaster Recovery Plan –** The MMA Continuity of Operations Plan (COOP) consists of our Disaster Recovery, Business Continuity, and Contingency Plans. It is our comprehensive plan of action for responding to any natural or man-made disasters, preventing interruptions to regular business, protecting critical business processes, and providing strategies for resumption of regular business activities.
- **Review of the Project Budget and Time Reporting –** Our Louisiana COO will closely monitor actual project budget expenditures versus the plan and track the hours of every project participant to help ensure budget and schedule adherence. During implementation, Ms. Soto will work closely with our Implementation Manager to ensure the project stays on schedule and on budget.
- **Change Management Process –** We will establish a structured Change Control Board with LDH and MMA representatives. Changes to the program are inevitable, and we use our proven process for working effectively with customers to manage changes to existing Contract requirements, prioritization, development, and deployment in a manner that meet LDH's defined timelines.

During the implementation phase, potential measures are developed and documented in a QA work plan. Performance measures shall address the key clinical and outcome measures critical to the effectiveness of Louisiana MCO PBM services.

Beyond the implementation phase, MMA's fundamental QA approach is embedded within all operations and processes and ensures the accuracy of the drug compendia, claims processing, and other systems utilized in our solution. This focus is built into our organizational structures, planning methods, workflow analysis, training, metrics definition related directly to performance requirements, and our management methodologies. MMA will follow our effective QA program using the same practices and principles we currently employ on all our pharmacy PBM contracts and across the Magellan enterprise. More details on our quality approach can be found in proposal *Section 8.13, Reporting and Quality Assurance.*

Professional Practices

MMA's PBM solution ensures LDH that our practices comply with CMS rules and the current Medicaid eligibility of the Beneficiary. We are experienced in administering PBM services for Medicaid programs and extensively familiar with all applicable state and federal rules and regulations. MMA provides services that meet pharmacy industry standards, comply with state and federal regulations, and are implemented as directed by LDH. We ensure all claims adjudication and provider payments are in accordance with program policy, established reimbursement rates, state and federal statutes and regulations, and the Health Insurance Portability and Accountability Act (HIPAA) of 1996. We ensure all of these requirements are met through our CMS-certified solution. Prior to implementation, MMA develops a Contract Compliance Plan with numerous, proven Quality Management and Compliance Auditing mechanisms to measure all aspects of our processes and systems, monitor our performance to contracted requirements and responsibilities, from Takeover through Operations, and ensure compliance with all applicable laws, regulations, standards, and contractual requirements. On an ongoing basis, the MMA Team monitors legislation and regulations to identify new laws and requirements which would require updates to our reference materials and associated staff training and

vendor communications. We also work with the state to identify program-specific guidelines and standards to ensure we meet program requirements.

Supervision

As discussed above, Claudia Soto will serve as project COO and the single point of contact for LDH and the MCOs, with oversight of day-to-day activities. Tina Hawkins, PharmD, will serve as the Clinical Pharmacy Director, responsible for all MMA clinical decisions. Ms. Soto and Dr. Hawkins can be reached via telephone and e-mail during normal business hours and can be reached after hours on their mobile phones (which is equipped with text, email, and internet); Ms. Soto will report to Jason Crowe, PharmD, Vice President, Account Management; Dr. Hawkins will report to Ms. Soto. Dr. Crowe reports to Meredith Delk, MSW, PhD, who serves as the Senior Vice President and General Manager for Government Markets. Ms. Delk reports to our Chief Executive Officer, Mostafa Kamal. Mr. Kamal's proximity and accessibility to the proposed project is indicated on the above Corporate Organization Chart, as well as on the Project Organizational charts in proposal *Section 10: Proposed Staff Qualifications*.

Communication Systems

MMA will utilize data provided by LDH to disseminate critical program information to Enrollees in a manner that is secure and HIPAA-compliant. If this information (mobile phone numbers, land line numbers, validated emails, and addresses) is not available, MMA will create a mechanism on the program website for Enrollees to sign up and provide the information.

Communication channels will include cell phone and/or land line telephone, email, text, and letters. In addition, pertinent public program information can be posted to MMA's website via static links accessible by MCOs, Providers, and Enrollees. This information will include PDL information, pharmacy Provider directories, and information about how to access Provider and Enrollee Support. MMA's email system is capable of attaching and sending documents created using software compatible with LDH's installed version of Microsoft Office (currently 2016) and any subsequent upgrades as adopted. The email system shall also be capable of sending email blasts to Providers. MMA will also establish a secure Microsoft SharePoint site that can be used to share internal documents between MMA, LDH, and the MCOs.

As a PBM with numerous government contracts, MMA will provide Ms. Soto and the project team with all necessary tools and support staff to manage the Louisiana MCO PBM Contract. We will consolidate LA MCO PBM Program information and documents into a single database so business users can more easily access and manage it. The other main functions of this software include recording various customer interactions (email, phone calls), recording/monitoring tasks, calendars and alerts, and giving managers the ability to track performance and productivity based on information logged within the system. In order to facilitate a proactive, consistent, and productive dialogue with LDH, the MMA Account Team will be responsible for holding weekly status meetings to present and discuss project status updates.

For a data communication perspective, MMA is able to accommodate and support the exchange of either industry-standard files or agreed-upon custom interfaces, thus our system can easily integrate with other information systems including LDH, and its vendor's systems, as well as the MCOs. Our experience dealing with a multitude of file formats, as well as our ability to process disparate data sources and custom formats, is a core competency. We understand the importance of complete and accurate data interfaces in order to meet Louisiana data needs.

Distribution of Work

MMA proposes an experienced team of PBM experts to serve the Louisiana MCO PBM Contract, with a ***combined 380 years of experience in the healthcare and pharmaceutical industries and a combined 199 years' experience with MMA.*** The Contract will be administered through collaboration among cross-functional teams at MMA, consisting of a combination of key personnel, general staff, implementation, support, and executive staff. Implementation staff will consist of the respective leaders for each relevant department, to include the leaders of Quality Management, System Implementation (which encompasses benefit plan and finance configuration), Clinical Outcomes Analytics and Research (COAR), Business Intelligence Reporting, Call Center, Network Management, System Architecture, Data Integration/Interface, Training, Testing, and Special Investigative Unit (SIU). Once implementation is complete, each of these leaders will assign a team member to serve as support staff who will work directly with the Louisiana MCO PBM team. Our proposed personnel for the Louisiana PBM Services for Medicaid Managed Care Organizations Contract are listed in the table below.

Our focus on serving Medicaid customers has led to a well-developed staff and corporate infrastructure that has proven effective in providing and preserving access to clinically appropriate care in a cost-effective manner. Our systems are highly configurable, enabling us to make rapid adjustments in response to changing demands of program strategy and tactics, including MCO coordination, refining prior authorization criteria, lock-in services, opioid, Drug Utilization Review (DUR), specialty drug management, behavioral health programs, and other policy changes. LDH will not only gain access to a well-tested infrastructure and systems that exceed all project and procurement goals, but also to an MMA Louisiana Account Team with extensive Medicaid/government healthcare backgrounds, whose sole focus is to meet the needs of Louisiana and its Medicaid Enrollees.

7.0 WORK PLAN/PROJECT EXECUTION (RFP 1.8.7, 2)

The Proposer should articulate an understanding of, and ability to effectively implement services as outlined within Part 2 Scope of Work of the RFP. In this section the Proposer should state the approach it intends to use in achieving each objective of the project as outlined, including a project work plan and schedule for implementation.

MMA has 50 years of Medicaid Program experience, including 38 years of PBM experience providing effective implementation services and expertise for Medicaid pharmacy systems and services. We have 20 years of experience with LDH including serving as the Louisiana State Supplemental Rebate/PDL contractor since 2002, transitioning Louisiana to a Single PDL in 2019, and implementing drug rebate administration services in 2020. Our experience assures LDH of a smooth project execution and implementation of services with minimal risk to Louisiana Medicaid Managed Care Program, Beneficiaries, Pharmacy Providers, Prescribers, and other stakeholders.

Currently providing pharmacy services to 26 of the nation's Medicaid programs including Point-of-Sale (POS) services to 13 Medicaid programs, as well as to 4 Medicaid MCOs, we have a long track record of successful on-schedule implementations. We have implemented pharmacy services for some of the larger volume Medicaid FFS programs in the country, such as Arkansas, California Medi-Cal Rx, Colorado, Florida, Michigan, Tennessee, and Texas, as well as Medicaid MCOs, such as Community Care Plan (CCN), Florida Healthy Kids, Ingham Health Plan, and Upper Peninsula Health Plan (UPHP).

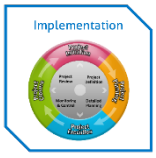
Implementation Effort for the Virginia Medicaid Program Earns Department of Medical Assistance Services Award

The Commonwealth of Virginia DMAS received a Project Excellence Award from the 7th Annual VITA IT Project Management Summit for the MMA-managed Medicaid FFS PBM implementation.

We have extensive experience in overall project management including project execution, work plan and schedule development, and operational expertise to support the Louisiana PBM Services for Medicaid MCOs Contract implementation, as well as all phases of the contract. We will bring value to LDH by leveraging the depth of our project management expertise, technology, and Subject Matter Experts (SMEs) to serve the Louisiana Medicaid Managed Care Program.

In the following narrative, we detail our approach to meeting and/or exceeding all Work Plan/Project Execution requirements detailed in RFP Section 1.8.7, as well as all Scope of Work requirements identified in RFP Section 2.1.

MMA Approach



MMA is pleased to present our approach and understanding of implementation activities as outlined in Part 2 Scope of Work of the RFP. We will use a formalized structured project implementation and management process that has been developed over decades of experience to support the Louisiana PBM Services for Medicaid MCOs Contract. We continuously evolve our implementation process to adapt to lessons learned and apply industry best practices. We bring deep experience managing PBM functions for Medicaid programs across the nation; and comprehensive implementation experience for our current 26 Medicaid customers. We are currently in the process of implementing our PBM solution for the Nevada PBM and ADAP (NMAP) programs. This direct experience well prepares us to manage a smooth implementation for this contract.

Of special benefit to LDH, is our recent experience performing implementation and transition activities to serve as the single PBM for the multiple MCOs for the State of California Medi-Cal Rx Program–the largest Medicaid pharmacy program in the country. This complex implementation effort included ***coordinating with 26 MCOs, 10 PBMs, and 20 Data Supply Entities to transfer the Medicaid pharmacy benefit from the MCOs to FFS.***

In addition, MMA coordinated with three MCOs during the single PBM implementation of the Tennessee TennCare Program. We will incorporate what we have learned from our successful implementation in California, as well as our experience serving as the single PBM for the TennCare Program and as the PBM for four Medicaid MCOs, to ensure a successful implementation for the Louisiana PBM Services for Medicaid MCOs Contract. We will leverage the experience we have gained from this massive coordination and project management effort to ensure a successful transition for the Louisiana PBM Services for Medicaid MCOs Contract.

MMA has been highly successful with implementing the single PBM model for Medicaid customers. ***Nationwide, only five states have a single Medicaid PBM model. MMA serves as the single PBM for two of the five states.*** We have solid experiences to draw upon in transitioning LDH's single PBM program.

We understand the importance of collaboration with LDH and the MCOs and will use the following key approaches for both implementation and operations:

- Leading regular meetings to disseminate critical information around timelines, testing, systems, and processes
- Partnering, as needed, with LDH in hosting meetings related to policy transitions and other topics impacting the MCOs
- Creating a dedicated email box through which the MCOs can submit questions to the MCO Liaison Team, in addition to the dedicated telephone line
- Creating and posting comprehensive reference documentation in our online shared document repository
- Scheduling regular meetings (e.g., weekly) with LDH and/or the MCOs to address organization-specific challenges and questions
- Offering recurring office hours as a forum for ad hoc discussions and questions.

Our Implementation Team will bring these valuable insights and lessons learned to the Louisiana PBM Services for Medicaid MCOs Contract implementation, because many members of our California Implementation Team will transition to Louisiana. The experience we have gained from these implementations provides us with a firm foundation to achieve success, a clear understanding of the potential challenges, and a strong platform for a successful implementation.

As your current trusted partner for the Louisiana State Supplemental Rebate/PDL and Drug Rebate Processing Contract, MMA offers LDH proven expertise and a partnership that no other contractor can provide. Our knowledge of the PDL and drug rebates currently used by the Louisiana MCO's is unmatched. We offer LDH a low-risk approach to meeting the goals and requirements of the RFP. We will continue to provide a proven and successful State Supplemental Rebate/PDL and Drug Rebate Processing solution that brings unmatched experience in PDL and rebate administration and management with Medicaid programs, and will implement our proven PBM Solution.

We have supported LDH and Louisianians for 20 years. We have collaborated with LDH, have extensive Medicaid experience for both FFS and managed Medicaid, established relationships, and knowledgeable staff that provide commitment and a proven pharmacy solution for the Louisiana MCO PBM Project. ***We have worked with the major MCOs, as well as MMIS/fiscal agents, and data warehouse vendors operating today. This provides us with great insight into the opportunities and challenges presented both individually and collectively–we understand the nuances of their individual operations.*** We will take extra steps necessary to ensure that the Louisiana MCOs feel comfortable with the changes to the program (i.e., the pharmacy benefit being moved from the MCOs into one single PBM), and we propose to implement similar approaches for the Louisiana MCO PBM Project. MMA's Louisiana-focused expertise, combined with extensive pharmacy experience, makes us the lowest risk solution for LDH. We understand the Louisiana Medicaid Managed Care Program and have established relationships with the Louisiana provider community and LDH staff.

MMA will leverage our direct experience and knowledge of the Louisiana Medicaid Program, as well as decades of experience implementing Medicaid programs to meet all the implementation requirements in the PBM Services for Louisiana Medicaid MCOs RFP, as well as our reliable, predictable, and reusable standard processes, tools, and experienced staff that are the foundation of our successful implementations.

In our implementations, we have developed and successfully managed working relationships with Medicaid governmental entities, MCOs, pharmacies, prescribers, local community-based organizations, advocates, and private non-profit organizations***. Our team of seasoned Medicaid FFS and Managed Medicaid pharmacy experts and our proven and scalable industry-leading pharmacy solution will effectively meet the needs of the Louisiana Medicaid Managed Care Program pharmacy benefit.***

MMA employs an efficient and effective decision governance structure and prioritization of Medicaid PBM project implementation tasks. We possess far-reaching Medicaid pharmacy understanding and expertise, coupled with the programmatic, technical, clinical, and quality assurance resources necessary to meet the RFP requirements. MMA establishes project management standards and procedures to manage requirements completion for each part of the implementation using the following governance structure:

- Providing oversight to promote adherence to the Project Management Methodology (PMM), tools, and best practices
- Providing insights in maintaining and operating a system similar in scope to the one required in this RFP with our years of experience implementing successful pharmacy systems and services in the government sector

MMA Implementation Success

In 2018, we successfully implemented Connecticut ADAP on schedule in four months. Raul Pino, MD, MPH, Connecticut Department of Public Health Commissioner, provided this comment on the success of the project:

"The team assigned to Connecticut was extremely knowledgeable about all aspects of the CADAP and CIPA Programs and the transition was seamless and timely. Magellan staff were very supportive and responsive to our needs and requests every step of the way."

- Developing a Project Work Plan defining all key and critical tasks and deliverables and providing necessary support to make certain each project deliverable is met on time
- Creating an organization structure with defined lines of authority, decision-making structure, and roles and responsibilities
- Adhering to state and federal rules and regulations and to the highest ethical standards.

MMA has a long track record of successful on-schedule implementations. We take pride in our ability to create long-term, productive collaborative business and technical relationships with our Medicaid customers, including Louisiana, as well as Alaska since 1987, Nebraska since 1994, South Carolina and Michigan since 2000, and New Hampshire since 2001. We have provided PBM services for more than 10 years for 8 of our 13 Medicaid PBM customers. In the following tables, we illustrate our implementation success with our Medicaid FFS PBM customers and our Managed Medicaid PBM customers. We have a long, proven track record of successful on-schedule implementations.

Medicaid FFS PBM Pharmacy Implementation Experience					
POS Contract	**Scope of Work**	**Last Install Date**	**Time to Transition**	**Contractor at Time of Transition**	**On-Time Transition**
Alaska **Medicaid Pharmacy Program**	POS Design, Development, Implementation, and Operations; Enrollment and/or Eligibility Verification, POS Pro-DUR Edits & Drug Monitoring, Prior Authorization, Retro-DUR, Billing and Reimbursement, Federal Drug, Supplemental Drug, and Diabetic Supply Rebates; Analysis and Reporting, PDL Development, Implementation; Provider Services; TPL; and Help Desk	2003	90 days	MMA	Yes
Arkansas Medicaid Pharmacy Program	Full POS, Federal Drug, Supplemental Drug, and Diabetic Supply Rebates; Analysis and Reporting; PDL Development, Implementation; Pharmacy Network, Prior Authorization, Client/Provider Services, Call Center, Web Portal, Provider Reimbursement, TPL Reporting/Analytics, and MAC	2014	14 months	Gainwell Technologies	Yes
California **Medicaid Pharmacy Program (Medi-Cal Rx)** ***Transitional services (including Call Center, education and outreach, and web portal implemented on 01/01/2021.	POS Design, Development, Implementation, and Operations; Enrollment and/or Eligibility Verification, Formulary Management, POS Pro-DUR Edits & Drug Monitoring; Prior Authorization; Retro-DUR; Billing and Reimbursement, Federal Drug, Supplemental Drug, and Diabetic Supply Rebates; Analysis and Reporting, Clinical Consulting, Disease Management, Provider Services; TPL; Call Center; Web Portal; Pharmacy Audits, and MAC	2022	24 months	Gainwell Technologies, IBM and 26 MCOs	Yes

Medicaid FFS PBM Pharmacy Implementation Experience					
POS Contract	**Scope of Work**	**Last Install Date**	**Time to Transition**	**Contractor at Time of Transition**	**On-Time Transition**
Colorado Medicaid Pharmacy Program	Full POS, Enrollment/Eligibility Verification, Pro-DUR Edits and Drug Monitoring, Formulary Management, Prior Authorization, Billing and Reimbursement, Federal Drug, Supplemental Drug, and Diabetic Supply Rebates; Analysis and Reporting, PDL Development, Implementation, Clinical Consulting, Cardholder/Provider Services, TPL, Lock-in Program, Pharmacy Network, Call Center, and Web Portal	2017	21 months (in conjunction with the MMIS)	Conduent	Yes
District of Columbia Medicaid Pharmacy Program	Full POS, Supplemental Drug, and Diabetic Supply Rebates; Analysis and Reporting; PDL Development, Implementation; Analysis and Reporting, Pharmacy Network, Prior Authorization, Formulary Management, Client/Provider Services, Call Center, Web Portal, Provider Reimbursement, and TPL	2015	6 months	Conduent	Yes
Florida Medicaid Pharmacy Program	POS Design, Development, Implementation, and Operations; Rate Generation; Analysis and Reporting, PDL Development, Implementation; Analysis and Reporting, Enrollment and/or Eligibility Verification; POS Pro-DUR Edits & Drug Monitoring; Formulary Management; Prior Authorization; Retro-DUR; Clinical Consulting Cardholder/Provider Services; TPL; Help Desk, and Lock-in Programs	2008	2 years (in tandem with MMIS)	Gainwell Technologies	Yes

Medicaid FFS PBM Pharmacy Implementation Experience					
POS Contract	**Scope of Work**	**Last Install Date**	**Time to Transition**	**Contractor at Time of Transition**	**On-Time Transition**
Idaho Medicaid Pharmacy Program	POS Design, Development, Implementation, and Operations; Federal Drug, Supplemental Drug, and Diabetic Supply Rebates; Analysis and Reporting, PDL Development, Implementation; Analysis and Reporting, Enrollment and/or Eligibility Verification, POS Pro-DUR Edits & Drug Monitoring, Formulary Management Prior Authorization, Retro-DUR, Billing and Reimbursement, Clinical Consulting, Cardholder/Provider Services, TPL; and Help Desk	2010	7 months	Molina	Yes
Kentucky Medicaid Pharmacy Program	POS Design, Development, Implementation, and Operations; Federal Drug, Supplemental Drug, and Diabetic Supply Rebates; Analysis and Reporting, PDL Development, Implementation; Enrollment and/or Eligibility Verification; POS Pro-DUR Edits & Drug Monitoring; Formulary Management; Prior Authorization; Retro-DUR; Billing and Reimbursement, Clinical Consulting, Cardholder/Provider Services, TPL, Help Desk; Pharmacy Audits, MAC, and Lock-in Programs	2004	90 days	Molina	Yes
Michigan Medicaid Pharmacy Program	POS Design, Development, Implementation, and Operations; Federal Drug, Supplemental Drug, and Diabetic Supply Rebates; Analysis and Reporting, PDL Development, Implementation, Enrollment and/or Eligibility Verification; POS Pro-DUR Edits & Drug Monitoring; Formulary Management; Prior Authorization; Retro-DUR; Billing and Reimbursement, Clinical Consulting, Cardholder/Provider Services, TPL, Help Desk, MAC List, and Lock-in Programs, *Live Vibrantly*: *Whole Health*	2000 and 2018 (Implemented additional scope)	90 days	State of Michigan	Yes

Medicaid FFS PBM Pharmacy Implementation Experience					
POS Contract	**Scope of Work**	**Last Install Date**	**Time to Transition**	**Contractor at Time of Transition**	**On-Time Transition**
Nebraska Medicaid Pharmacy Program	POS Design, Development, Implementation, and Operations; Supplemental Drug rebate administration, Analysis and Reporting, Enrollment and/or Eligibility Verification, POS Pro-DUR Edits & Drug Monitoring, Formulary Management, Prior Authorization, Retro-DUR, Clinical Consulting, Help Desk, and Lock-in Programs	2008	180 days	Conduent	Yes
New Hampshire Medicaid Pharmacy Program	POS Design, Development, Implementation, and Operations; Federal Drug, Supplemental Drug, and Diabetic Supply Rebates; Analysis and Reporting, PDL Development, Implementation, Enrollment and/or Eligibility Verification; POS Pro-DUR Edits & Drug Monitoring, Formulary Management, Prior Authorization, Retro-DUR, Billing and Reimbursement, and Clinical Consulting, Cardholder/Provider Services, TPL; Help Desk, and MAC	2001	90 days	Gainwell Technologies	Yes
South Carolina Medicaid Pharmacy Program	Full POS, Federal Drug, Supplemental Drug, and Diabetic Supply Rebates; Analysis and Reporting, PDL Development, Implementation, Pharmacy Network, Prior Authorization, Formulary Management, Client/Provider Services, Call Center, Web Portal, Provider Reimbursement, TPL, and Specialty Pharmacy	2000 and 2017 (Implemented additional scope)	60 days	Clemson University	Yes
Tennessee Medicaid Pharmacy Program	Full POS, Pro-DUR, Formulary Management, Client/Provider Services, Call Center, Provider Reimbursement, Clinical Consulting, Disease Management, Federal Drug, Supplemental Drug, and Diabetic Supply Rebates; Analysis and Reporting, PDL Development, Implementation; and RetroDUR	2013	6 months	Optum	Yes

Medicaid FFS PBM Pharmacy Implementation Experience					
POS Contract	**Scope of Work**	**Last Install Date**	**Time to Transition**	**Contractor at Time of Transition**	**On-Time Transition**
Virginia Medicaid Pharmacy Program	Full POS, Federal Drug, Supplemental Drug, and Diabetic Supply Rebates; Analysis and Reporting, PDL Development, Implementation; Enrollment/Eligibility Verification, Pro-DUR Edits and Drug Monitoring, Formulary Management, Prior Authorization, Clinical Consulting, TPL, MAC List, Lock-in Program Pharmacy Network, Call Center, and Web Portal	2017	6 months	Conduent	Yes

Government Pharmacy Implementation Experience					
POS Contract	**Scope of Work**	**Last Install Date**	**Time to Transition**	**Contractor at Time of Transition**	**On-Time Transition**
Connecticut ADAP PBM	POS, Federal Drug, Analysis and Reporting, PDL Development, Implementation; Analysis and Reporting, ProDUR, Formulary, Prior Authorization, Member/Provider Services, Call Center, Web Portal, Provider Reimbursement, TPL Reporting/Analytics, and Member Enrollment Services.	2018	4 months	Gainwell Technologies, LexisNexis	Yes
California ADAP PBM	POS, ProDUR, Formulary, Prior Authorization, Member/Provider Services, Call Center, Web Portal, Provider Reimbursement, TPL Analysis and Reporting , Clinical Consulting, and MAC	2016	3 months	Ramsell	Yes
Idaho ADAP PBM	POS, ProDUR, Formulary Management, Provider Reimbursement, Clinical Consulting, Reporting and Analysis, Disease Management, and PDL	2015	3 months	State administered (no contractor)	Yes
Los Angeles County Department of Mental Health (LADMH) Pharmacy Benefit Manager Services	POS Design, Development, Implementation, and Operations; Enrollment and/or Eligibility Verification; Formulary Management; POS ProDUR	2017	6 months	Los Angeles County DMH	Yes

Government Pharmacy Implementation Experience					
POS Contract	**Scope of Work**	**Last Install Date**	**Time to Transition**	**Contractor at Time of Transition**	**On-Time Transition**
	Edits & Drug Monitoring; Prior Authorization; Billing and Reimbursement; Analysis and Reporting; Clinical Consulting; Cardholder/Provider Services; TPL; Call Center; Pharmacy Audits; and Pharmacy Network Management				
New Hampshire ADAP PBM	POS, Formulary, Prior Authorization, Member/Provider Services, Call Center, Web Portal, Provider Reimbursement, TPL Reporting and Analysis, and MAC	2013	2 months	State Administered (no contractor)	Yes
New York Elderly Pharmaceutical Insurance Coverage (EPIC) SPAP	POS Design, Development, Implementation, and Operations; Enrollment and Eligibility, POS Pro-DUR Edits & Drug Monitoring; Formulary Management, Claims Payment, Rebate Administration, Reporting and Analysis, Cardholder/Provider Services; TPL, MAC, and Call Center	2003: FirstRx First Financial First Enroll Rebate	3 Months	MMA - Retained contract and added services	Yes
New York State Office of Mental Health, Medication Grant Program ***In process of implementing MRx Enroll, Online Provider Portal, Auto Formulary Load, and Provider Desk Audits on track to implement June 30, 2021, with an Annual Training with Participating Counties on Program Design to be trained in the third quarter of 2021.**	POS Design, Development, Implementation, and Operations; Enrollment and/or Eligibility Verification; POS Pro-DUR Edits & Drug Monitoring; Billing and Reimbursement; Analysis and Reporting; Cardholder/Provider Services; Call Center; and MAC	2021	6 months	MMA – Retained contract and added services	Yes

Government Pharmacy Implementation Experience					
POS Contract	**Scope of Work**	**Last Install Date**	**Time to Transition**	**Contractor at Time of Transition**	**On-Time Transition**
Pennsylvania Pharmaceutical Assistance Contract for the Elderly (PACE) SPAP	POS Design, Development, Implementation, and Operations; Medicare Part D assignment and payment wraparound, POS Pro-DUR Edits & Drug Monitoring; Formulary Management, Prior Authorization, Claims Payment, Rebate Administration, Reporting and Analysis, Clinical Consulting, Disease Management, Cardholder/Provider Services; TPL, Pharmacy Audits, Call Center Enrollment and/or Eligibility Verification, Lock-in Program Web Portal (provider enrollment)	April 2012 April 2013 June 2012	10 months 12 months 12 months	MMA - Retained contract and added services	Yes

Managed Medicaid PBM Pharmacy Implementation Experience					
POS Contract	**Scope of Work**	**Last Install Date**	**Time to Transition**	**Contractor at Time of Transition**	**On-Time Transition**
Community Care Plan (CCP) – Formerly South Florida Community Care Network (SFCCN)	POS Design, Development, Implementation, and Operations; Enrollment and/or Eligibility Verification; POS ProDUR Edits & Drug Monitoring; Formulary Management; Prior Authorization; RetroDUR; Claims Payment; Analysis and Reporting; Clinical Consulting; TPL; Help Desk; Pharmacy Audits; PDL Formulary Development; MAC List	2014	6 months	N/A Start-Up	Yes

Managed Medicaid PBM Pharmacy Implementation Experience					
POS Contract	**Scope of Work**	**Last Install Date**	**Time to Transition**	**Contractor at Time of Transition**	**On-Time Transition**
Florida Healthy Kids	POS Design, Development, Implementation, and Operations; Enrollment and/or Eligibility Verification; POS ProDUR Edits & Drug Monitoring; Formulary Management; Prior Authorization; RetroDUR; Claims Payment; Analysis and Reporting; Clinical Consulting; Beneficiary/Provider Services; TPL; Help Desk; Pharmacy Audits; PDL Formulary Development; MAC List; Lock-in Program	2020	3 months	N/A Additional LOB	Yes
Friday Health Plan	POS Design, Development, Implementation, and Operations; Enrollment and/or Eligibility Verification; POS ProDUR Edits & Drug Monitoring; Formulary Management; Prior Authorization; RetroDUR; Claims Payment; Analysis and Reporting; Clinical Consulting; Beneficiary/Provider Services; TPL; Help Desk; Pharmacy Audits; PDL Formulary Development; MAC List; Lock-in Program; Traditional and Specialty Rebates	2016	6 months	Medco	Yes
Ingham Health Plan	POS Design, Development, Implementation, and Operations; Enrollment and/or Eligibility Verification; POS ProDUR Edits & Drug Monitoring; Formulary Management; Prior Authorization; RetroDUR; Claims Payment; Analysis and Reporting; Clinical Consulting; Beneficiary/Provider Services; Help Desk; Pharmacy Audits; MAC List	2009	6 months	N/A Start-Up	Yes

Managed Medicaid PBM Pharmacy Implementation Experience					
POS Contract	**Scope of Work**	**Last Install Date**	**Time to Transition**	**Contractor at Time of Transition**	**On-Time Transition**
MCC of Arizona	POS Design, Development, Implementation, and Operations; Enrollment and/or Eligibility Verification; POS ProDUR Edits & Drug Monitoring; Formulary Management; Prior Authorization; RetroDUR; Claims Payment; Analysis and Reporting; Clinical Consulting; Beneficiary/Provider Services; TPL; Help Desk; Pharmacy Audits; PDL Formulary Development; MAC List; Lock-in Program	2018	6 months	N/A Start-Up	Yes
MCC of Florida	POS Design, Development, Implementation, and Operations; Enrollment and/or Eligibility Verification; POS ProDUR Edits & Drug Monitoring; Formulary Management; Prior Authorization; RetroDUR; Claims Payment; Analysis and Reporting; Clinical Consulting; Beneficiary/Provider Services; TPL; Help Desk; Pharmacy Audits; PDL Formulary Development; MAC List; Lock-in Program	2014	6 months	N/A Start-Up	Yes
MCC of Virginia (Program was separated by region originally and is now statewide. We transitioned members and services from all of the MCOs.	POS Design, Development, Implementation, and Operations; Enrollment and/or Eligibility Verification; POS ProDUR Edits & Drug Monitoring; Formulary Management; Prior Authorization; RetroDUR; Claims Payment; Analysis and Reporting; Clinical Consulting; Beneficiary/Provider Services; TPL; Help Desk; Pharmacy Audits; PDL Formulary Development; MAC List; Lock-in Program	2017	3 months	CareFirst Patient Cigna Collaborative Care Program Anthem – Enhanced Personal Care Program Humana Medical Home Program CMS Health Care	Yes

Managed Medicaid PBM Pharmacy Implementation Experience					
POS Contract	**Scope of Work**	**Last Install Date**	**Time to Transition**	**Contractor at Time of Transition**	**On-Time Transition**
MCC of Virginia (Continued)				CMS Dual Eligible Demonstration, Medicaid Waiver CMS Health Care Innovation Award Transforming Clinical Practices Initiative	
MCC of Virginia Medallion *Program was separated by region originally and is now statewide. We transitioned members and services from all of these plans.	POS Design, Development, Implementation, and Operations; Enrollment and/or Eligibility Verification; POS ProDUR Edits & Drug Monitoring; Formulary Management; Prior Authorization; RetroDUR; Claims Payment; Analysis and Reporting; Clinical Consulting; Beneficiary/Provider Services; TPL; Help Desk; Pharmacy Audits; PDL Formulary Development; MAC List; Lock-in Program	2017	6 months	Aetna Anthem HealthKeepers Plus Anthem HealthKeepers Plus By Priority Anthem HealthKeepers Plus By Peninsula Kaiser Foundation Health Plan Optum Family Care InTotal Health Virginia Premier Health Plan	Yes

Managed Medicaid PBM Pharmacy Implementation Experience					
POS Contract	**Scope of Work**	**Last Install Date**	**Time to Transition**	**Contractor at Time of Transition**	**On-Time Transition**
Upper Peninsula Health Plan (UPHP)	POS Design, Development, Implementation, and Operations; Enrollment and/or Eligibility Verification; POS ProDUR Edits & Drug Monitoring; Formulary Management; Prior Authorization; RetroDUR; Claims Payment; Analysis and Reporting; Clinical Consulting; Beneficiary/Provider Services; TPL; Help Desk; Pharmacy Audits; PDL Formulary Development; MAC List; Lock-in Program	2014	5 months	Medco	Yes

MMA's track record for successful implementations, as well as partnerships and relationships, is built upon the experience we have gained in creating and executing project work plans that enable us to anticipate and respond to project challenges rapidly and follow a logical sequence. Through our proposed draft Project Work Plan, we ensure adherence to our mutually agreed-upon project timeline schedule and hold all parties accountable to the schedule so that the timeline can be achieved. MRx proposes a seven-month implementation timeframe in order to have ample time to successfully implement all services. We propose an Operational Start Date of January 1, 2021, however, based on final contracting, requirements, etc., we will pull the Operational Start Date forward.

We will build on LDH's planning efforts and goals to implement a comprehensive and effective pharmacy management solution that will promote health and well-being, foster self-sufficiency, and protect Louisiana Medicaid Managed Care Program Beneficiaries.

Successful Project Work Plan Serves as Roadmap

We have provided our proposed draft Project Work Plan schedule in Appendix A. In accordance with the State's response to Question #105, Addendum 4, dated March 16, 2022, we have provided our Project Work Plan in Microsoft Excel. Typically, we create our project work plans in Microsoft Project which has the capability to export to Excel, PDF, or other formats to meet Louisiana requirements and needs. Our proposed Project Work Plan, represents milestones, tasks, dependencies, and organizations involved in each task and represents the primary tool used to ensure that all interrelationships and functional dependencies are documented and factored into the Louisiana MCO PBM Project. Our Project Work Plan serves as the planning and controlling document for all activities and stages of implementation and is key to ensuring a successful implementation.

Fully integrating operational leadership during implementation ensures that all interrelationships and functional dependencies are integrated into the Project Work Plan. Because each module of our pharmacy solution is integrated and deployed in production, our focus during implementation is on:

- Identifying the appropriate experts at LDH, MCOs, and other vendors
- Gathering and confirming requirements to really understand the true intent of the requirement to ensure our people, processes and technologies clearly meet the intent
- Effectively communicating and training with all stakeholders
- Configuring our solutions based upon the requirements
- Developing data interfaces with all vendors
- Activating new features within our existing platforms
- Comprehensive testing and review of results to ensure LDH teams are in sync on what to expect on our proposed Operational Start Date, January 1, 2023.

MMA's best practice for managing implementation is the management by work streams focused on each specialized area to optimize time and facilitate quick decision making. Our Project Work Plan structure organized by functional area directly aligns with our experience and best practice. We will assign an experienced Implementation Team who will come together, at a minimum of once a week, to stay up-to-date on status, key decisions, and risks.

MMA also creates a Requirements Traceability Matrix (RTM) that tracks all Contract requirements as part of the proposal preparation process. During implementation, the RTM is reviewed to ensure it contains all LDH requirements, corresponding Contract language, and where each requirement is found in the associated documents. Our Implementation Team ensures that the solution/service required to

meet each requirement, as well as the artifact that demonstrates how MMA meets the requirement, is clearly documented. The RTM is one of the supporting documents used by our state partners during their CMS Certification.

Successful Project Management Lifecycle

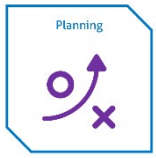
MMA's System Development Lifecycle (SDLC) and PMM are important elements in our success with pharmacy transition projects, and both continue to evolve with each successful transition effort. MMA employs an SDLC that is based on traditional best practice and is flexible to align with our customers' preferred approach. We follow a comprehensive proven PMM that we use to govern all of our transition projects. The project management lifecycle provides the guiding principles we use to elaborate, create, validate, and implement on time and on target. The depth of our implementation experience for multiple state programs, our defined processes, combined with our internal best practices, assures LDH of the success of the implementation. *Figure 7-1* depicts the MMA PMM life cycle. Each step in the MMA PMM represents a level of maturity as a project is conceptualized and eventually delivered.

Figure 7-1: Project Management Lifecycle

These steps are outlined below.

Initiating: MMA will initiate the new Louisiana PBM Services for Medicaid MCOs Contract with a Project Kick-off and ensure project management protocols are in place before engaging LDH and other stakeholders. We will demonstrate to LDH our overall control of the project and show our understanding of LDH's intent by presenting an updated version of the draft Project Work Plan at the beginning of the implementation. Our Project Work Plan is submitted in *Appendix A.*

Our requirements analysis approach includes the following actions: initial requirements definition, requirements review and gathering confirmation, research, follow-up meetings, walk-throughs, corrections, and formal submission for approval.

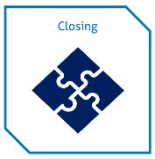


Planning: When MMA enters planning, we begin working with LDH on detailed requirements and specific plans. MMA facilitates Requirements Review and Validation meetings with SMEs from LDH, as well as other contractors, to identify and evaluate all Louisiana MCO PBM Project requirements. We validate our understanding of all RFP requirements that will be executed during the implementation effort and establish an accurate assessment of all Louisiana MCO PBM Project scope of work. We will provide comprehensive Requirement Documents (RDs) to address all necessary details for the RFP-required functionality.

Executing: Our draft Project Work Plan outlines and identifies the plan for the MMA and LDH collaboration during the implementation of all RFP functionality. After LDH review and approval it is finalized to ensure the successful delivery of all necessary solutions for the Louisiana PBM Services for Medicaid MCOs Contract. After all requirements are fully vetted and documented, we begin to configure and develop our systems to meet the needs of the project. We also include a Test Plan that encompasses the needs of the various stages of the project and that is established to ensure all quality assurance objectives of the project are met, including all required testing phases. We prepare for operational readiness by following a structured operational readiness strategy that leads to a successful Operational Start Date. We collectively work

together to demonstrate that production methods, file conversions, procedures, facilities, staff, and systems are in place and ready to successfully begin the new operation.

Monitoring and Controlling: Our monitoring and controlling efforts are representative of the quality planning from the onset of the project and throughout all of implementation. Our PMO utilizes processes based on industry best practices and tools which enable full transparency to LDH of all project activities throughout all phases of the implementation efforts to ensure project success. Using our PMM best practices approach, we provide project progress (what has been accomplished) and project status (measurement against the project baselines) reports, change management control, and risk management to proactively monitor and control the Louisiana MCO PBM Project. MMA's Quality Assurance Team ensures quality controls are upheld throughout all phases of our PMM. We continuously monitor all processes and systems to ensure operational readiness during the transition period.



Closing: The closing stage is the decisive step of the implementation before converting to operations. After closing, the Louisiana MCO PBM Project is considered operational. ***As an added benefit, our Implementation Manager will remain engaged in the Louisiana MCO PBM Project for 90 days after the Operational Start Date to provide transition support during the onset of Operations.*** MMA receives operational confirmation from LDH affirming all services have been delivered.

Project Management Tools

Our tools enable our Implementation Team to effectively define, monitor, and report status on the various project management components, including the budget, schedule, resources, milestones, deliverables, issues, and changes. A full library of pre-existing proprietary standardized PMM document templates is also available throughout all the phases of the project. We have successfully used the project management tools listed in the following table, for all of our current Medicaid customers.

Name of Tool	Description
	Microsoft Project is used for project schedule development and management.
servicenow	ServiceNow is our incident tracking tool that facilitates technical support coverage available 24/7/365 hours a day. We log and monitor risks and issues until resolution and closure.
JIRA	JIRA facilitates problem description and identification of root causes and accommodates information about areas impacted by a given defect.
Microsoft Office	Microsoft Word, Excel, PowerPoint, and Visio applications used for word processing, spreadsheet editing, presentation programs, and diagram and flowcharting.
	Our shared electronic Document Repository is a cloud-based content management and collaboration system that gives the ability to upload, download, and collaborate on files.

Implementation Team

Our proven organizational approach to Medicaid pharmacy program implementations has been fine-tuned over the years and further strengthened by our team of experienced Medicaid professionals. ***Many members of our Implementation Team have been with MMA for many years and have participated in numerous successful customer collaborations, allowing them to build the necessary networking and business relationships that are required to perform successfully in the demanding Medicaid government environment.*** They will bring their collaboration and coordinating experience to the Louisiana MCO PBM Project. Our proposed Implementation Team is comprised of seasoned tenured staff who hold professional certifications in their respective fields, as well as business, technical, and clinical leads who have successfully implemented PBM solutions of similar scope for multiple government programs.

Our Implementation Team will be supported by Daniel Comeaux, MS, Vice President of Government Implementations, who will have overall responsibility for the implementation of the Louisiana MCO PBM Project. ***Mr. Comeaux has more than 27 years of experience with Magellan in the healthcare industry, including 15 years of MMA pharmacy-specific experience.*** During this time, he has provided executive oversight over multiple PBM project implementations. He provided the executive leadership for the recent implementation efforts for a single PBM for the California Medi-Cal Rx Program, as well as the District of Columbia PBM, and the Colorado PBM implementations. He incorporates linkage to our executive leadership, allowing an added layer of top-level accountability and support.

Karyn Wheeler, MBA, PMP, Senior Director of Iteration Management will lead the Implementation Team. ***Ms. Wheeler has over 12 years of experience in coordinating and managing government pharmacy projects.*** Ms. Wheeler has led our recent implementation efforts. She has led the implementation efforts for the Georgia Medicaid Rebates contract, North Carolina Managed Medicaid, and California Medi-Cal Rx PBM Implementations. She is currently overseeing the Nevada PBM and ADAP (NMAP) implementation.

Both Ms. Wheeler and Mr. Comeaux will work in conjunction with our assigned Implementation Manager, as well as our proposed Louisiana Chief Operational Officer (COO), Claudia Soto. Ms. Soto will provide overall management of the Louisiana MCO PBM Project and will serve as the single point of contact for LDH and the MCOs during implementation and operations lending continuity in leadership.

In addition to the Implementation Manager assigned at the beginning of the Contract, MMA offers LDH an Implementation Team that is highly tenured. ***Collectively, our proposed Implementation Team provides LDH with 269 years of pharmacy/healthcare experience, including 176 years of experience with MMA/Magellan.*** They bring LDH decades of government Medicaid experience and programmatic knowledge and experience. In the following table, we identify our named, experienced, veteran Implementation Team.

The Proposer should:

- **Provide a written explanation of how the operations and program administration components of the Proposer's organizational structures will support service implementation. Individual components should include plans for supervision, training, technical assistance, as well as collaboration as appropriate.**

With an outstanding track record of successful PBM transitions/implementations and program operations and administration, MMA is focused on ensuring minimal disruption of services to Louisiana Enrollees, Pharmacy Providers, Prescribers, and other program stakeholders. Our proven approach to pharmacy program transitions has been fine-tuned over 38 years and further strengthened by our enhanced tools and our team of experienced Medicaid professionals.

MMA has established a long, successful history of managing complex Medicaid engagements with many states. Our PMM formally describes and gives structure to our project management approach.

Operations and Program Administration Organization

MMA employs a high-touch account management model that provides for direct access to key MMA employees and executives, including a designated Louisiana Account Team and corporate resources to support the Louisiana MCO PBM Project, including a highly experienced Implementation Team.

It is critical that the implementation and operation resources, fully understand the strategic goals and objectives for the Louisiana Medicaid Managed Care Program, as well as the tactical goals and objectives for all phases of the Louisiana MCO PBM Project. These goals and objectives are the foundation for all

project activities, including project scope, requirements definition, document and change management, and solution delivery for the project. Our Implementation Team works collaboratively with our Account Team to facilitate a smooth and effective transition and hand-off from implementation to operations.

Our proposed Account Team will be ***overseen by highly experienced Claudia Soto, our COO.*** Ms. Soto specifically deals with unique Medicaid Managed Care systems and processes and brings this knowledge and expertise to LDH. She is thoroughly familiar with our PBM solution, having served in a variety of roles throughout the Magellan enterprise as an Account Manager, Client Services Director, Implementation Director, and Benefit and Formulary Configuration Director. She specifically deals with unique Medicaid Managed Care pharmacy systems and processes and brings this knowledge and expertise to LDH. ***Ms. Soto brings over 5 years of experience with MMA, as well as 25 years of pharmacy/healthcare related experience to LDH.*** She, as well as other members of our proposed Account Team, have read and understand the RFP and have been key participants during the proposal development efforts.

Our approach is built on an understanding of what it takes to be responsive in today's demanding health care environment. We are highly cognizant of the urgency and expectations that a state agency places on its vendors and have designed our account teams to be highly responsive and empowered to solve problems. Our goal is to partner with LDH staff to provide timely and proactive program management with our high-touch, Medicaid-centric Account Team.

In order to provide continuity and retention of critical institutional knowledge, the MMA Account Team will be involved from implementation through operations. ***This approach provides LDH with continuity and a single point of contact during implementation via COO Claudia Soto who will have overall leadership responsibility for the Louisiana PBM Services for Medicaid MCO Contract during ongoing operations.***

Our account management model also incorporates linkage to our executive leadership, allowing us an added layer of top-level accountability and support, which ensures that high impact concerns receive attention, resources, and a timely response. Jason Crowe, PharmD, Vice President, Account Management reports directly to our Senior Vice President and General Manager, Government Markets Meredith Delk, PhD, MSW.

In *Figure 7-2 and Figure 7.3,* we illustrate our Louisiana MCO PBM Project Organization Chart for the Implementation and Operations phases, including program administration.

Supervision Protocols

MMA has established strategies for supervisory and managerial staff to ensure the quality of the services we provide for LDH. Mr. Comeaux and Ms. Wheeler will work in conjunction with COO Claudia Soto, who have oversight over the Louisiana MCO PBM Project, as well as other Key Personnel including Tina Hawkins, PharmD, Clinical Pharmacy Director, POS Programmer Amy Quinn, CPhT, Compliance Officer Reina Navarra, CHC, CCP, and IT Manager Russell Thompson to ensure all operational components of the Project are developed and tested (with approval from LDH) prior to the Operational Start Date. We recognize the importance of ensuring that all staff resources are fully trained and knowledgeable of LDH requirements.

Ms. Soto will oversee all account management and operational duties throughout the Project. She will work closely with executive leadership to ensure support from the organizations functional area and through collaborative efforts with the Implementation Team, including the Implementation Manager and functional area leads such as Quality Management, System Architecture, COAR and Business Intelligence Reporting, Data Interfaces. Ms. Soto will ensure timely and effective delivery of the project goals and objectives.

We perform ongoing training and development efforts that focus on areas for improvement identified through our quality program. Our management and supervisory staff are trained in performing reviews with all staff to ensure we meet all performance objectives for our customers.

Training Protocols

MMA's Training and Development Department ensures all training objectives are met through a comprehensive training strategy. We have extensive experience developing and delivering training activities to the various stakeholder groups represented in the Louisiana Medicaid Managed Care Program pharmacy benefit. To facilitate communication, MMA's Training Lead, Kimberly Brown, BBA, MEd, will conduct a training planning session with LDH to review our training strategy prior to the first actual training session. Following the training planning session, MMA will provide our Louisiana MCO PBM Project Training Plan to LDH for review and approval. Our Training Plan outlines how MMA will utilize our experience and industry expertise to address training needs for Enrollees, Pharmacy Providers, Prescribers, LDH staff, other stakeholders, as well as MMA staff. We recognize that this component is fundamental to the success of the pharmacy benefit implementation. Training sessions will be scheduled as requested by LDH and the Training Plan will be updated on a mutually agreed-upon schedule.

We have the experience and templates that can be readily customized to meet the training needs of the Louisiana Medicaid Managed Care Program. MMA's standard training plan provides the foundation upon which the Training Plan will be built and customized. In the following narrative, we provide a description of components routinely incorporated into MMA's training plans.

MMA's comprehensive Training Plan outlines how we will use our experience and industry expertise to address training needs for LDH staff, participating pharmacies, prescribers, and MMA staff throughout the life cycle of the Louisiana MCO PBM Project, including operations and maintenance responsibilities. The Training Plan details the approach, methodology, curriculum, and schedule and agenda for all participants, by type of participant, anticipated attendance, including delivery methods: Virtual instructor-led, on-site, hands-on classroom facilitation, and computer-based training (CBT) will be used to achieve a customized learning program and address LDH needs. It prepares staff for operational readiness at implementation. It also discusses our comprehensive participating pharmacy training which offers information and methodologies on topics such as claims submission and technical assistance.

Our Training Plan will focus on Louisiana-specific training for MMA personnel including operations and technology staff, as well as LDH staff. Our Training and Development Department led by Ms. Brown will provide training on all applications for the Louisiana MCO PBM Project solution. Training staff will be responsible for obtaining LDH's approval of the Training Plan, as well as all training activities needed to ensure efficient, effective business operations related to the Project. MMA's Training Plan will also cover the number and type of participants to be trained; outline and agenda for proposed training sessions designed for each designated audience; description of the professional background, skills, training experience, and knowledge of subject matter of proposed trainers; examples of training materials; descriptions of technology used to perform the Louisiana MCO PBM Project responsibilities; training methodology and presentation modes; all business and technical functions of the PBM; evaluation criteria; description of how evaluations will be used to improve course content and presentations; and process for operational inputs as a result of any issues identified.

Technical Assistance Plan

MMA will create a Technical Assistance Plan, which outlines how MMA will utilize our experience and industry expertise provide technical support for LDH. Technical support is available 24/7/365 to address any system related issue that may arise regarding our infrastructure, including log-in assistance. We will provide technical Help Desk assistance for the following:

- Inquiries on system processes from LDH and authorized users
- General and technical support and questions
- Access issues and password reset procedures
- Application and software support.

We will develop interfaces with LDH so that users without technical knowledge can access, navigate, and use all tools meaningfully. Our systems are fully accessible through all browser platforms including computer, laptop, smartphone, tablet, and/or other mobile devices. Our applications are accessed through a modern web browser, such as Chrome, Edge, Firefox, or Safari. MMA will work with LDH to ensure that all web-based applications are compatible with the configuration specifications supported by Louisiana. Any workstation capable of running one of these browsers can access the necessary MMA applications. Should technical assistance be required, we can provide training, as necessary.

Collaboration

MMA understands that LDH seeks a partner who operates with the highest degree of service quality; demonstrates responsiveness, and competence in all actions and communications; and fosters an atmosphere of effective collaboration with LDH. MMA will work in conjunction and collaborate with LDH, the five Louisiana MCOs, Pharmacy Providers, Prescribers, and all stakeholders, to support implementation, including establishing file transfers and interfaces. The key to our effective partnership is ensuring that tasks, owners, and timelines are well defined and clear lines of communication exist, as well as the flexibility to develop effective and innovative solutions in an ever-changing environment.

We have first-hand knowledge of the Louisiana Medicaid Program, having served as the Louisiana State Supplemental Rebate/PDL contractor since 2002 and supported the Louisiana Coordinated System of Care (CSoC) since 2012, providing services and supports for children and youth ages 5 to 20 with serious mental health and substance abuse issues. This extensive history of working in Louisiana provides MMA with in-depth knowledge of the operations and objectives of LDH. Our hands-on knowledge of LDH, its programs, and its beneficiaries and stakeholders will add tremendous value throughout the term of this Contract. We have collaborated with LDH to build and sustain a successful State Supplemental

Rebate/PDL and Drug Rebate program, and we look forward to continued responsibility and collaboration for this program, and assuming responsibility for the Louisiana PBM Services for Medicaid MCO Contract.

Having worked with LDH and other state Medicaid and government programs, we have leveraged lessons learned to build best practices for implementing and supporting Medicaid PBM services. LDH can be confident that these best practices will result in Louisiana receiving cost-effective Medicaid pharmacy services for Louisiana's most vulnerable residents, without compromising the quality of care.

MMA understands that effective and efficient data interfaces between the PBM, the MCOs, the MMIS program management application systems, as well as the Louisiana State Supplemental Rebate/PDL and Drug Rebate Processing contractor are critical to the successful delivery of accurate pharmacy services for LDH. ***MMA has successfully developed data conversions and ongoing data interfaces with most of the major data integration vendors in the United States Medicaid market. We bring a focused, experienced team with a history of success in implementing and integrating complex, new programs within aggressive time frames and meet release schedules across multiple environments.*** Deep commitment to transparent communication and working in partnership with LDH, the MCOs, and other vendors to resolve issues will support a successful implementation for the Louisiana Medicaid Managed Care Program pharmacy benefit. Additionally, our background as an MMIS fiscal agent gives us a greater understanding of the interfaces required to successfully exchange data, the need to effectively coordinate programs, and the essential nature of communicating clearly and timely.

This breadth of experience gives us a large collection of algorithms from which to draw when faced with a new conversion or interface opportunity. We have found that many of the idiosyncrasies of each vendor's solution are consistent across programs so that the knowledge we gain working with one state may be leveraged when approaching another. MMA will bring this wealth of experience to bear when we successfully convert the data for the Louisiana MCO PBM Project.

Our customers gain all the benefits of our CMS-aligned MITA framework. MITA focuses on the implementation of enterprise-wide business and technical services with standards-based interfaces that facilitate application componentization and improved interoperability, e.g., plug and play with best-in-class application systems through a Service Oriented Architecture (SOA).

The MMA application platform is built using open architecture and data standards including, Web Services, Portals, Enterprise Service Bus (ESB), Data integration, Electronic Data Interchange (EDI), and Operational Data Stores (ODS), which provide a complete interoperable solution offering a flexible, scalable system to seamlessly integrate with Louisiana systems and all trading partners' technical environments. The data interfaces can be set up to receive and send information to external systems.

MMA maintains an Implementation and Managed Services (IMS) Team staffed with experienced senior data and systems analysts with an extensive record of successful interface and integration design projects. With a focus on collaboration, IMS will work with the LDH and all stakeholders to quickly understand the nature of the data involved and to provide a solid set of testable rules to govern the movement of data between the Louisiana Medicaid Managed Care Program pharmacy benefit and the MMA MCO Solution.

MMA's proposed team of dedicated Louisiana Key Personnel and General Staff are highly experienced, trained, and licensed (as applicable) and offer an unparalleled and well-founded level of expertise and knowledge. Our proposed Account Team was selected with the goal of providing effective Medicaid PBM pharmacy services and ensuring a successful implementation and ongoing operations.

MMA employs a robust and proven project management approach, and we will ensure quality controls and operational readiness milestones are achieved in preparing to roll out the capabilities and features of the Louisiana Medicaid Managed Care Program and supporting services.

- **Demonstrate an ability to hire staff with the necessary experience and skill set that will enable them to effectively meet the needs of Enrollees.**

MMA's staffing plan encompasses using existing MMA employees whose qualifications align with LDH requirements and who are part of our Medicaid Team. MMA has deep bench strength of Medicaid pharmacy experts to draw upon when we are staffing up for the Louisiana PBM Services for Medicaid MCO Contract. We propose a veteran and experienced team of professionals culled from our Medicaid pharmacy organization. ***Collectively, our five named Key Personnel possess 131 years of experience in healthcare/pharmacy related roles, including 55 years of experience with MMA. These staff work exclusively on our Medicaid accounts and will bring their Medicaid-specific expertise to the Louisiana MCO PBM Project.*** They are highly experienced, trained, and licensed (as applicable).

Our staff combines an effective balance of technical, operational, and Medicaid expertise to implement and operate the Louisiana PBM Services for Medicaid MCO Contract. Overall, our proposed Account Team was selected with the goal of providing highly effective pharmacy services and ensuring a successful implementation and operations.

In the following table, we provide the name of our Key Personnel, their role, and years of relevant experience in that role.

Recruiting Strategies

MMA recognizes that a major risk in any delivery project is the absence of skilled staff and resources. We have proposed talented and seasoned professionals with deep Medicaid PBM implementation and operational experience to launch the Louisiana MCO PBM Project. Our approach to developing a project staffing plan is to carefully analyze the RFP requirements, the Project Work Plan, and the requisite skill sets necessary to successfully implement and maintain the project. We then match the necessary skills with our seasoned

team and SMEs and weigh it against their projected availability. We understand the importance of providing a talented and experienced team that has successfully worked together on similar projects and ensuring their continued availability during the project. In the unlikely event a team member vacates a role, we employ proven recruiting and hiring strategies to build internal and external talent pools.

Our recruiting and hiring procedures include strategies to identify candidates with the skill sets needed to provide service excellence, as well as to reflect the cultural, ethnic, and racial composition of Louisiana Medicaid Managed Care Program pharmacy benefit membership. Our success as a company depends on the strength of our team. To be able to deliver quality services to LDH and all our customers, we recruit, hire, and retain the highest quality talent available.

Utilizing the extensive experience of our professional talent acquisition team, which places more than 900 new employees per year, a customized recruiting plan would typically include the following elements and more:

- Utilize social media such as LinkedIn and Glass Door, to network and source with professionals belonging to more than 50 related groups that share our openings with qualified candidates
- Post electronic solicitations for key personnel and required positions on major job boards such as Indeed in addition to hundreds of diversity inclusion sites
- Network extensively with our own employees to generate connections and leads through the employee referral bonus reward program
- Where appropriate, utilize direct mail campaigns specifically targeting licensed professionals in a designated market (such as CPhTs and RPhs)
- Where necessary, run localized print campaigns or onsite job fairs designed to attract and screen large volumes of candidates
- Where necessary and applicable, seek the services of an outside talent recruitment firm. This is often used for executive searches and sometimes for physician recruitment when key specialties are required.

All strategies emphasize our commitment to diversity and inclusion.

Hiring Approach

After a candidate passes our talent acquisition team's initial screening phase, they are presented to the hiring team. Our stringent interviewing process includes at least two to three meetings with SMEs, the direct hiring manager, a human resources business consultant and the next level leadership. Executive level candidates will meet with senior level management up to and including members of our executive leadership and our General Manager of Government Markets, Meredith Delk, MSW, PhD.

We apply behavioral interviewing techniques to ensure the candidate's past professional experience is relevant to the success of the Louisiana MCO PBM Project. We thoroughly vet each candidate through extensive reference checking, drug testing, and licensure verification (where applicable) and background checks of all staff.

Our goal is to create a productive collaboration and a meaningful partnership with our customers and all program stakeholders.

Retention Approach

MMA understands the importance of maintaining experienced, trained staff for the Louisiana MCO PBM Project throughout all phases of the contract. Staff retention begins with creating a work environment that people want to work in. We are passionate about our purpose—leading humanity to healthy vibrant lives. This helps to create strong hiring strategies. We hire the right people, train them thoroughly, coach, both for performance and career growth, effectively, and offer a work environment that leads to long and productive careers with MMA. As an experienced vendor with PBM contracts with 26 Medicaid customers, MMA offers a proven staff retention and excellence philosophy and approach. MMA's operational philosophy is premised upon the idea that happy, satisfied employees provide the best customer and clinical service experiences for our customers. Investment in employees and celebration of staff cultures and diversity drives excellence in performance.

Corporate-wide, we make it our daily mission to support the health and well-being of our own employees because we know that by doing so, our employees are empowered to take care of Louisiana Medicaid Managed Care Program pharmacy benefit Enrollees, Pharmacy Providers, Prescribers, and stakeholders. The following is a high-level summary of our corporate-wide staff morale and retention strategies. We understand the importance of keeping our top talent for the life of the Louisiana PBM Services for Medicaid MCO Contract. Our retention strategies include open communication, virtual connections, succession planning for promotional opportunities, a rich training program that includes leadership development programs.

- **Leader-employee communication:** We believe in a culture of open, candid, two-way communication between leaders and employees. We also encourage employees to understand and share in the company's mission, vision, and values and how these relate to their work.
- **Training and tuition reimbursement:** Using a combination of face-to-face, Web-Ex, and virtual techniques, our dedicated team of learning and development professionals provides customized training for employees at all levels of the organization. We also offer a tuition reimbursement program to assist with the costs associated with courses leading to an undergraduate or graduate degree.
- **Comprehensive benefits package:** We offer an excellent menu of benefits that includes medical, dental, vision, life, AD&D, 401(k), Employee Stock Purchase Plan and more. Our pay for performance culture ensures we reward and retain top talent.
- **Culture of caring:** As an active corporate citizen, Magellan is dedicated to improving the lives of individuals and families in need through corporate resources and employee-driven volunteerism.

- **Demonstrate an understanding of, and ability to implement, the various types of organizational strategies to be integrated within the day-to-day operations.**

MMA proposes our successful proven approach in meeting the implementation and operational requirements of the RFP. ***All of the applications, systems, and processes in our proposal are currently in place with our current Medicaid customers, meaning that minimal development work is necessary on our core suite of products to implement.*** Our Medicaid PBM solution will be customized, configured, and deployed to meet LDH requirements and needs. MMA emphasizes collaboration and partnership not only with our Account Team, but more importantly with LDH. We are committed to success and ensure that the Account Team is involved throughout the implementation process providing a seamless transition and continuity, as well as through the proposal process. Our Account Team has read and reviewed the RFP and has become thoroughly familiar with the requirements and needs of LDH prior to proposal submission.

MMA has established a long and proven history of implementing large, complex PBM programs similar to the Louisiana Medicaid Managed Care Program, since 1984. We understand that strong and robust project management is one of the key success factors in any project. The scope, scale, and complexity of the Louisiana MCO PBM Project requires detailed planning and execution, experienced resources, clear communication lines, and rigorous monitoring and adherence to quality standards.

Our team of implementation specialists, extensive Medicaid PBM expertise, proven technology, advanced analytics, and implementation experience provide the foundation for MMA to deliver an established PBM pharmacy solution that will be customized to meet the specific needs of the Louisiana Medicaid Managed Care Program pharmacy benefit plan and its Beneficiaries, as well as Louisiana Pharmacy Providers and Prescribers.

Best Practices/Organizational Strategies

MMA effectively integrates best practices in advanced clinical management services, superior operational administration, and leading technology to help states manage their health care programs and cost-effectively promote access to clinically appropriate care. In fact, MMA weaves best practices throughout our contract services. ***Our corporate-wide enterprise is committed to maintaining the highest levels of best practices to ensure the highest quality outcomes for our Medicaid customers and their Beneficiaries.***

MMA employs various best practices that are aimed at improving efficiencies, productivity, and accuracy. We maintain the highest levels of quality and operational effectiveness throughout our organization. ***We maintain a comprehensive library featuring all current processes and procedures.*** We also have a detailed, ever-evolving internal training plan that ensures our staff has the skills and knowledge to do their jobs.

MMA's operational managers regularly monitor team member performance to ensure that services and deliverables are provided appropriately, timely, and accurately. We provide ongoing ad hoc feedback to immediately address issues as they arise and we also use a formal performance review process to ensure optimal performance.

Customer Service

Customer service is a primary focus for MMA. Our customers, Beneficiaries/Enrollees, Pharmacy Providers, and Prescribers can expect to receive accurate information provided in a prompt and courteous manner. Feedback from LDH, Pharmacy Providers, Prescribers, and Beneficiaries/Enrollees plays an important role in reviewing and improving our services. We encourage feedback from all stakeholders and review these evaluations, which are shared with our staff to ensure their performance meets our customers' needs.

We employ a stringent quality assurance (QA) program that examines telephone skills, documentation accuracy, and customer care provided by every staff member. FirstTrax, MMA's proprietary online, automated contact management system, will be utilized by CSC staff to record and track all communications, inquiries, and requests, including any complaints, received from Beneficiaries/Enrollees, Pharmacy Providers, and Prescribers. FirstTrax provides the ability to record call types/reasons utilizing the Category – Type – Item nomenclature. Each call is documented in FirstTrax, which allows for immediate access to complete call information by all users and CSC management. Managers can retrieve recorded calls by the incoming phone number, date, time, agent, and other review parameters. MMA's state-of-the-art system and best practice process provides an effective and efficient method to monitor both the quality and effectiveness of our staff.

We monitor calls and follow up on call outcomes with our staff to ensure response quality and caller satisfaction as described in detail in our response to proposal *Section 8.8.3 CSC Quality Assurance.*

Results of each review are documented and reported to Customer Service Center (CSC) management. Our managers prepare monthly scorecards for each staff member to review his or her performance, both positive and negative. Managers prepare an improvement plan for any adverse situation and work with the staff member until the situation is remedied.

- **Demonstrate knowledge of services to be provided and effective strategies to achieve objectives and effective service delivery.**

As demonstrated in our proposal, MMA has been providing PBM services to government and Medicaid customers for 38 years. We have implemented and currently provide the services outlined in RFP Part 2 Scope of Work for our existing customers including, 13 Medicaid programs, 5 ADAPs, and 4 SPAPs. Through this experience and background, MMA provides LDH with the qualifications to successfully achieve Louisiana Medicaid Managed Care Program pharmacy benefit objectives and implement an effective service delivery. We will use our proven PMM to define all the necessary tasks to make sure that all contractual requirements are delivered on schedule and within scope. We utilize project control processes based on industry best practices and sophisticated tools, which enable full transparency to LDH for all project activities throughout all phases of the Louisiana PBM Services for Medicaid MCO Contract. Our established planning and control approach includes:

- Key staff with appropriate experience are matched to the task
- Full understanding and documentation of the Louisiana MCO PBM Project pharmacy benefit program requirements
- Robust project control and reporting system
- True partnership with LDH providing recommendations for pharmacy benefit design
- Established processes, procedures, and plans
- Rigorous testing and validation ensuring adherence to high quality standards.

As part of our PMM best practices approach, we incorporate our Project Work Plan that serves as the roadmap for all implementation activities and the successful delivery of all necessary solutions for the Louisiana Medicaid Managed Care Program pharmacy benefit. We also include a Test Plan that encompasses the needs of the various stages of the project and that is established to ensure all quality assurance objectives of the project are met, including all required testing phases. We prepare for operational readiness to ensure the success of Operational Start Date. We monitor and control all project activities throughout all phases of the Contract using project progress and project status reports, change management control, and risk management to proactively monitor and control the quality of our service delivery.

- **Describe approach and strategy for project oversight and management.**

MMA establishes a true partnership with LDH that is based on collaboration and coordination. At the beginning of ***the Louisiana MCO PBM Project***, MMA collaborates with LDH during Requirements Review and Validation meetings to ensure our understanding of all Contract requirements and needs. Our Account Team and Implementation Team participate in these meetings to ensure complete understanding of LDH requirements. As a result of the meetings, MMA develops and provides LDH with RDs for review and approval. MMA's approach and strategy for the Louisiana MCO PBM Project oversight and management is based on LDH needs.

The strength of our experienced teams and collaboration efforts, combined with our technology solutions allows us to collaborate with government customers to deliver innovative healthcare solutions focused on positive health outcomes. MMA will collaborate with LDH to obtain approval for our processes and methodology prior to deployment. Our Implementation Team, led by Mr. Comeaux and Ms. Wheeler, collaborates with Claudia Soto, COO to determine the implementation timeline and

schedule, with approval from LDH. We believe in vigilant monitoring and evaluation of our solution and will tailor our services, staffing, and business processes to meet Louisiana MCO PBM Project requirements and needs to continuously serve Louisiana Medicaid Managed Care Program pharmacy benefit Beneficiaries and evolving needs.

Our Implementation Team will work closely with our Account Team during implementation to ensure a seamless transition to operation and program administration. During implementation, we utilize a highly tuned project management approach that will lend confidence to LDH about the implementation and will provide assurance that every detail is managed.

MMA's Project Work Plan provides a methodical approach to dividing the PBM implementation into manageable bodies of work. The Project Work Plan groups key activities and deliverables into functional work areas, allowing MMA to build a hierarchal list of tasks, subtasks, and milestones and assign ownership to SME for each area. Often this exercise results in the organization of work into 'work streams' managed by individual, but integrated teams. This allows work to be accomplished in parallel, but ensures integrated activities are managed and controlled. Please refer to *Appendix A* for our proposed draft Project Work Plan.

MMA will meet with LDH management staff during Requirements Review and Validation meetings to review and finalize our draft Project Work Plan and validate the baseline for the project. This baseline is the foundation for which the project will be executed, measured, and controlled. We will update the draft Project Work Plan based on LDH feedback and obtain final approval. Our Project Work Plan is a living document and will continuously be updated when necessary. MMA will provide the work plan to LDH for review and approval with each iteration.

Monitoring Project Status

Our Implementation Manager will keep LDH staff informed on project status at all times to maximize productivity, accuracy, and cost-effectiveness. ***MMA will develop a project management reporting process based on our PMM best practices that includes both project progress and project status.*** Our reporting process will provide LDH with weekly Progress Reports, as well as monthly Project Status Reports. MMA work with LDH to review standard templates and to customize status indicators that meet LDH needs. These reports are a key communication tool that are used to continuously advise both MMA and LDH leadership and to proactively monitor and communicate whether the Louisiana MCO PBM Project remains on track. *Figure 7-4* and *Figure 7-5* illustrate a sample of our overall Project Status Report.

Our team of implementation specialists, extensive Medicaid expertise, proven technology, advanced analytics, and implementation experience provide the foundation for MMA to deliver an established pharmacy solution that will be customized to meet the specific needs of LDH.

Risk and Issue Management

MMA will take a proactive approach to identifying, avoiding, and mitigating risk during the implementation. We will develop a Risk and Issue Management Plan that describes our approach to managing risks and issues. ***We focus on the accuracy of the project schedule to increase likelihood that each milestone and deliverable will be completed on time.*** Our risk and issue management approach includes the processes, methods, artifacts, recipients, and repository for identification, analysis/assessment, assigning ownership, developing a management strategy, and tracking the risk or issue until closure.

Operational Readiness Review

MMA works in conjunction with LDH and other contractors to prepare, test, and demonstrate Operational Readiness by using our established processes. We meet with LDH to ensure we have captured all requirements so that processes and systems are working correctly. ***Together, we will conduct an assessment of the overall implementation as the project nears the Operational Start Date.*** This assessment is a

review of all operational readiness deliverables including an operational readiness plan walkthrough for large workstreams and a Transition Plan which includes an Operational Readiness Checklist and our Project Work Plan. The checklist and Project Work Plan outline all activities and tasks needed to execute a flawless cutover from incumbent systems.

The Operational Readiness Checklist focuses on ensuring the readiness criteria, established in collaboration with LDH and other stakeholders, have been fully met and that the Implementation Team is ready not only to deploy production-ready systems, but to complete final data conversion tasks and assume responsibility for all operational tasks. Our Implementation Team performs an assessment that includes results of system tests, and a pre-implementation walkthrough prior to the deployment to production-ready systems, to review and verify the readiness of the MMA PBM Solution and that all operational areas can demonstrate readiness. We will provide LDH with an Operational Readiness Results Report that identifies production readiness based on progress against timelines and plans at each operational readiness review prior to implementation.

The Cutover Schedule uses the deployment and readiness tasks in the Project Work Plan and brings them down to an even more focused level, tracking cutover tasks on an incremental level down to hour, half hour, and quarter hour levels as needed for the final transfer of historical conversion data and the associated tasks for bringing the point-of-sale and related systems online.

- **Articulate the need for, and the ability to implement, a plan for continuous quality improvement. This includes (but is not limited to) reviewing the quality of services provided and staff productivity.**

Continuous quality improvement is a fundamental component of MMA's implementation and ongoing operational activities. Below we provide MMA's approach to reviewing the quality of services provided to Louisiana Medicaid Managed Care Program pharmacy benefit Beneficiaries and a description of how we assess staff productivity.

Ensuring a Quality Implementation

MMA has established a long, successful history of managing large, complex government pharmacy engagements including the vulnerable Medicaid populations with many states. MMA's PMM is based on the standard and techniques developed by PMI, as documented in the PMBOK®, seventh edition, to guarantee customer requirements are met during implementation. Our experienced Implementation Team works to fully understand the strategic goals and objectives and document the requirements of the Louisiana Medicaid Managed Care Program pharmacy benefit. ***Our established and proven management process provides regular progress and performance evaluations based on strict adherence to task plan goals and deliverables that meet requirements and deadlines.*** Our plan is designed to manage the entire project covering all project phases, from initiation through planning, execution, and closure. Our approach to implementation reduces risk and assures quality for the Louisiana MCO PBM Project.

MMA's Quality Assurance (QA) Team ensures quality during implementation and operations with in-depth testing that covers all core code, configurable plan coding, and conversion data during our system testing. In addition, MMA performs data validation tests of interfaces, and MMA strives to partner with all switch vendors to test their connections in our QA environment prior to the Operational Start Date.

MMA has performed these testing activities with highly successful throughput for all of our customers such as our North Carolina Medicaid implementation in 2009, District of Columbus Medicaid implementation in 2015, Colorado Medicaid implementation in 2015, California ADAP implementation in 2016, Connecticut ADAP implementation in 2018, Virginia Medicaid implementation in 2017, and the completion of the California Medi-Cal implementation in 2022.

Testing activities require that various test environments are available and equipped to satisfy each level of testing. MMA ensures there is parity between the various testing environments to help reduce the risk of defects, failed test cases, or different test results between the environments. Testing includes, but is not limited to unit testing, system testing, and regression testing. We will develop test cases and scripts that thoroughly test the functionality and quality of our solution.

Benefit Change Accuracy

Our Account Team follows a structured change management process for benefit changes to support the Louisiana MCO PBM Project. ***A Benefit Change Form (BCF) will be used to outline all program requested LDH changes and will be submitted to our Benefit Configuration Team, who configures the change in our test environment and runs test cases through the system to ensure the changes are performing in accordance with the requirements.*** We follow a structured change control process for all modifications to the Louisiana Medicaid Managed Care Program benefit plan design. We maintain all BCFs on our secure shared document repository so authorized LDH staff is able to access all BCFs when necessary. In addition, if so desired, MMA will provide LDH with copies of all BCS upon request for review or audit purposes. Our Testing Team will test the change and provide approval for deployment. Once approval is given, the change is deployed to production.

Monitoring Pharmacies to Prevent Fraud, Waste, and Abuse

Our Special Investigations Unit (SIU) works in conjunction with our subcontractor IPS to monitor and audit pharmacies to prevent fraud, waste, and abuse and ensure quality by reviewing claims on a periodic basis, including claim submission patterns by pharmacy. ***IPS performs desk and on-site audits, and when rampant fraud is suspected, performs investigational audits that dive deep in data and review original documentation such as prescriptions, invoices, and prescriber data.*** The goals of these retrospective tools are to identify and correct instances of fraud and abuse, as well as identify possible areas for education (trends, common errors) outreach to the provider community in an effort to improve claims submission and the efficiency of the program.

MMA also offers retrospective or post-payment monitoring and reporting compliment prospective POS edits. Monitoring and reporting efforts provide the opportunity to review claims to determine whether they are fraudulent, are not supported by evidence-based medicine, or are otherwise contraindicated. Retrospective or post-payment identification of fraud or abuse activity can be managed through varied types of outreach to Pharmacy Providers, Prescribers, and/or Beneficiaries, as well as feed into the creation and deployment of edits in the claim engine that can mitigate the risk of future events. These POS interventions may be deployed at various levels from the entire program to customer specific rule/edit construction.

Quality Services for Louisiana Medicaid Managed Care Program Beneficiaries/Enrollees

Our primary goal is to exceed Louisiana Beneficiary/Enrollee expectations by resolving all inquiries on the first call. Our Beneficiary/Enrollees service model is built on compassion, accuracy, respect, and enthusiasm (C.A.R.E) which ensures calls are handled accurately and quality service is delivered in a consistent manner. Our C.A.R.E model is the framework of how Beneficiary/Enrollee service calls are managed by MMA representatives, built around compassionate care. ***Our CSC agents take responsibility for resolving Beneficiary issues, with a goal of resolving problems during the first call.*** If a call requires further research, our representatives communicate this information and sets an expectation with the Beneficiary/Enrollee for returning a call and strictly adhere to the time frame promised for a call back.

We monitor and track calls continuously to ensure we are meeting projected goals, and we employ a stringent quality assurance program that examines telephone skills, documentation accuracy, and customer care provided by every CSC agent. Weekly reviews are conducted by CSC management who are responsible for assessing, correcting, and certifying the actions performed by CSC staff.

Continuous Training for CSC Staff

Should changes to the Louisiana Medicaid Managed Care Program pharmacy benefit occur or as new technology is introduced, MMA trains CSC agents to provide up-to-date and accurate information. A close relationship with CSC management is maintained to ensure that training quality and compliance with customer needs occurs on an ongoing basis.

We sample calls to monitor response quality and Beneficiary satisfaction as part of ongoing training. Quality assurance includes retrospective and real-time reviews, including call monitoring through our recording software. Recorded calls are retrievable by authorized staff. Outcomes are reviewed with staff monthly and sent to the manager. The service team leader is responsible for preparing a scorecard for his or her staff.

An improvement plan is prepared by management for any adverse situation, if necessary. Managers follow up with the staff member until the situation is remedied. Ongoing training and development efforts focus on areas for improvement identified through our quality program.

Measuring Quality of Services

MMA will collaborate with LDH to conduct annual provider satisfaction surveys. ***MMA has a national survey design and implementation team with over 60 years of combined expertise in survey research and capturing the voice of its customers, as well as providers' experience and satisfaction—with the objective of monitoring and improving the quality of our services and programs.*** MMA has a dedicated survey unit devoted to survey design, implementation, sampling, distribution, collection, reporting, and analysis.

MMA currently administers and is collaborating on the design of a variety of survey instruments/tools. We currently administer the following satisfaction surveys:

- Pharmacy Resource Assessment Experience surveys
- Voice of the Customer Surveys—provided to our government customers.

Assessment of Staff Productivity

MMA values our employees and maintains rigorous policies and procedures in support of continuous measurement and improvement. ***Our goals and performance measurement process are an ongoing process of accelerating individual and team performance.*** This process requires the manager and employee to collaborate on setting objectives, measuring performance against those objectives, and having an interactive dialogue. All of these steps culminate in the manager and employee completing a final performance appraisal, aided by the online Performance Connections.

The performance management process is summarized in the following table.

Performance Management Process	
Manager	▪ Review MMA performance management Part 1: Setting up for success located on MyMagellan. ▪ Reflect on employee's successes and opportunities. Assess performance against individual objectives, competencies, and development plans. ▪ Use assessment results to support compensation and reward decisions and to guide future performance planning. ▪ Use the online Performance Connections tool to complete process.
Employee	▪ Reflect on performance successes and opportunities. ▪ Complete self-assessment using online tool. ▪ Has interactive dialogue with manager on performance appraisal/assessment.

As an example, we perform live and recorded call monitoring through our CSC, which includes notifying callers that monitoring may occur, as an integral part of MMA's continuous efforts to identify performance improvement areas. All calls are recorded via the call management system's real-time digital call recording software and can be retrieved for audible review at a future time. ***The tool allows CSC supervisors to identify and listen to calls for quality monitoring or issue resolution. Calls are monitored, and the Call Quality Monitoring Scorecard, which is housed within the call management system's monitoring tool, is attached to the call.*** The CSC agent will see the scorecard and the call it pertained to in order to facilitate transparency and coaching. MMA retains these recordings in accordance with state and federal requirements. CSC supervisors score and provide feedback to agents on a regular schedule, with no less than four calls per CSC agent scored per month. In addition to the CSC supervisor reviews, quality review staff sample calls and follow-up on call outcomes with our CSC staff on a monthly basis to ensure response quality and caller satisfaction. Results of each review are documented and reported to CSC management staff. A monthly scorecard is prepared for each CSC agent to review his or her performance, both positive and negative, during the month. Ongoing training and development efforts focus on areas for improvement identified through our quality program.

Our staff is immersed in a corporate culture that embraces accountability for quality—at every level. Our staff is also encouraged to challenge each other to ensure that all of LDH's expectations are being met, all of the time. Their ability to successfully challenge and be challenged is reflected in their performance evaluations, ensuring LDH of their best efforts.

Quality Training

To ensure productivity, quality assurance training programs are conducted by our internal quality department. ***New hires spend one to two days for initial onboarding training. New hires will then train under their individual team trainer, where they are trained on specific job functions and software applications. Job-specific training timelines vary based on the job responsibilities.*** Training includes classroom-style training, workbooks and documentation, test scenarios, and live shadowing.

Corporate topics include the following:

- MMA Orientation
- Company compliance
- Code of Conduct
- Ethics in Business
- Harassment

- Fraud Identification and Recognition Education
- Privacy and Security
- Communication Tools
- Leadership Tools
- Systems Training
- Online Reporting
- Customer and Client Service.

Additionally, upon hire, new account management employees meet with the various department heads to fully understand our operations, processes, and procedures.

MMA's proven partnership approach has resulted in a high retention of our customers and our staff, as well as high customer satisfaction survey scores. We annually survey all of our customers independently to solicit feedback. This feedback is shared with our account management team and action plans, if needed, are developed and tracked for improvement.

To ensure a successful program for the Louisiana Medicaid Managed Care Program, we will work closely with LDH to review the training plan specific to the Louisiana MCO PBM Project. We understand the value of providing a customized training program and are confident that we can partner together to make the training most meaningful and beneficial, resulting in service excellence and customer satisfaction.

Reviewing Quality of Services

MMA is committed to the highest level of quality management practices. MMA prepares an annual Quality Improvement (QI) Work Plan outlining the objectives, scope, and all planned activities for the calendar year. These objectives and activities are identified through:

- The previous year's annual QI program evaluation
- Performance measures
- Customer organization requirements
- Regulatory requirements
- ISO audit findings.

The QI work plan includes identification of critical performance measures reflecting timely, accurate, and quality-focused services. Measures for ongoing internal quality control monitoring are identified through contractual deliverables, performance standards and service level agreements, customer satisfaction surveys, ongoing internal reviews, as well as results from regulatory activities.

Data are routinely collected and monitored against baseline performance levels to ensure target goals are met and any improvement enhancements are sustained.

Performance measures will reflect the goals and objectives of the Louisiana MCO PBM Project. During the implementation, potential measures are developed and documented in a quality assurance work plan. Performance measures shall address the key clinical and outcome measures critical to the effectiveness of the Louisiana PBM Services for Medicaid MCOs Contract. Our Quality, Compliance and Performance Improvement Department is responsible for supporting a compliance, clinical, product, and service quality culture through well defined, measurable, and repeatable processes and practices. Measurement feeds continuous process improvement.

MMA considers each aspect of the RFP as a performance requirement; we manage our operations to that understanding. Our definition of quality performance is not limited to customer service levels, error rates, problem reports, and corrective actions. Rather, we define quality performance as meeting

specific requirements, whether they are related to accuracy, timeliness, or throughput, and implementing quality initiatives to improve on an ongoing basis.

- **Demonstrate an understanding of and ability to implement data collection, as needed.**

With 38 years of experience implementing PBM systems that include data collection requirements, MMA has the experience and expertise to implement a PBM solution that will meet all Louisiana MCO PBM Project requirements and needs. We have implemented our PBM solution for 26 Medicaid customers, including 13 Medicaid programs, 5 ADAPs, and 4 SPAPs. We have engaged in system data collection and integration planning and development efforts with major players such as:

- Accenture
- Change Healthcare (FFS PBM)
- CNSI
- Conduent
- CSRA/GDIT
- Gainwell Technologies (formerly DXC)
- Health Management Systems (HMS) (TPL)
- IBM (Quality Decision Support Systems)
- Maximus (Provider Network Management)
- Molina Healthcare
- Optum
- Truven/IBM.

We will use our proven PMM to define all the necessary tasks to make sure that all data collection contractual requirements are delivered on schedule and within scope. To enable full transparency to LDH, we utilize project control processes based on industry best practices and sophisticated tools.

Using our PMM best practices approach, we incorporate our Project Work Plan that outlines and identifies all tasks, subtasks, deliverables, dates, and resources, and serves as the guideline for all implementation activities. MMA collaborates with LDH to ensure the success of the implementation for all scope of work requirements identified in the RFP. Throughout all phases of the Contract, we monitor and control all project activities using project progress and project status reports, change management control, and risk management to proactively monitor and control the quality of our service delivery.

- **Demonstrate an understanding of fiduciary duty, and knowledge of all applicable Louisiana legislative requirements.**

With multiple contracts of similar scope and scale, MMA understands our fiduciary duty and obligation to serve as the pharmacy benefit manager for the Louisiana PBM Services for Medicaid MCOs Contract.

MMA's financial stability and resources are demonstrated in our latest three years of audited financial statements. We have a strong financial profile with sufficient resources to meet potential project changes. Our financial success is documented in our financial statements, which include:

- Balance sheets
- Statement of comprehensive income
- Statements of cash flow
- Notes to financial statements
- Statements of changes in financial position
- Auditor's reports
- Summary of significant accounting policies.

Legislative support and analysis from Magellan's Government Affairs Department staffed with public policy and Medicaid experts who assist states in timely response to requests from the legislative and executive branches of government. We provide analytics and recommendations, not just reports, from a department focusing on a broad healthcare agenda that includes pharmacy but is not limited to pharmacy. ***The Government Affairs Department team members stay in close contact with MMA account team leaders to share insights on proposed and enacted legislative and regulatory changes and trends in Louisiana and across the country.***

The Government Affairs Department team assists in gauging PBM trends at the state and federal level. We have regional government affairs officers that cover state legislative and regulatory activity in all 50 states and a federal team that works with Congress and the Administration to educate on how policy changes affect state Medicaid programs and patients. To that end, we have the pulse on PBM and Medicaid trends across the country and will serve as partner and resource in sharing information from our vantage point in the government space.

Our focus on serving Medicaid customers has led to a deep understanding of the population these programs serve, the state and federal rules under which they operate, and the benefit designs, clinical policies, and programs allowable within the constraints of regulations that have proven effective in providing and preserving access to clinically appropriate care in a cost-effective manner.

- **Define its functional approach in providing the services.**

MMA brings a proven functional approach and methodology for implementing and operating our highly customizable PBM solution for the Louisiana MCO PBM Project. We have provided services to government healthcare programs for 50 years—since our first Medicaid fiscal agent contract in 1972. This experience includes ***38 years of government Medicaid PBM specific experience.***

We possess pharmacy-specific expertise and the capability to perform all PBM services, including project execution, MCO coordination, pharmacy and prescriber network, drug claims system adjudication, third party liability, CDL/PDL, prior authorization, behavioral health medication, specialty drug lists, DUR, provider and enrollee support, customer service center, audits services, program integrity, security and privacy, reporting and quality assurance, emergency and disaster planning, business continuity of operations, lock-in, portal services, and turnover services for Louisiana MCO PBM Project enrollees in all 64 parishes in Louisiana who are enrolled in the Louisiana Medicaid Managed Care Program pharmacy benefit.

Today we support 26 Medicaid pharmacy programs across the nation with our industry-leading pharmacy solutions, and we are in the process of implementing our pharmacy PBM solution for Nevada. ***We are known for our excellent PBM system platform and equally important, for the superior customer support consistently provided by our responsive, highly experienced staff.*** LDH can be assured that by choosing MMA, they will be served by customer-focused, knowledgeable pharmacy professionals who are supported by a corporate culture dedicated to providing personalized, coordinated, cost-effective care. We are an independent pharmacy benefit manager, offering a full-line of pharmacy services, including a state-of-the-art POS drug claims adjudication system, with a singular focus on working with Medicaid government customers and the vulnerable populations they serve. We possess the necessary experience, expertise, and knowledge to provide a proven single PBM Solution for the Louisiana MCO PBM Project.

- **Define its functional approach in identifying the tasks necessary to meet requirements.**

MMA provides a detailed Project Work Plan in *Appendix A* that includes the projected time frames for all tasks and phases necessary to meet requirements identified for the Louisiana PBM Medicaid MCO Scope of Work. Our Project Work Plan serves as the planning and controlling document for all activities and phases of the implementation period and is key to ensuring a successful implementation.

Key to the success of our approach, is validating all requirements and tasks at the beginning of the Contract during Requirements Review and Validation meetings. During these sessions, MMA meets with LDH identified SME to confirm our understanding of all requirements and the necessary tasks and subtasks associated with the delivery of the RFP requirements, as identified in our proposed Project Work Plan.

MMA works through an iterative, detailed work decomposition process to ensure the Project Work Plan contains the granularity and detail needed to be a useful, efficient tool for managing resource assignments, task scheduling, and progress reporting. Our Project Work Plan identifies all tasks and subtasks associated with the transition to the Single PBM. We will use an in-depth review during Requirements Review and Validation meetings to refine and update the Project Work Plan with additional detail, updated resource assignments, and initial Level of Effort estimates. We will build in checkpoints to manage and validate completion of each stage of the project which will allow us to monitor overall progress and project health. We will also build in iterative plan review and update milestones at strategic points in the process, as reviewed and agreed with LDH. These iterative reviews will allow us to refine the Project Work Plan and modify the proposed plan included with our proposal response as the project evolves and ensure that it is always the most complete and up-to-date source for scheduling and resourcing information. In all of our implementations, we have developed and successfully managed working relationships with governmental entities, MCOs, providers, local community-based organizations, advocates, and private nonprofit organizations.

We have the resources required and the knowledgeable and experienced staff necessary to accomplish this challenge, as evidenced by our successful track record implementing projects with similar scope. We have developed standard processes and have identified resources who are ready to hit the ground running. MMA's leadership is motivated and will prioritize the Louisiana MCO PBM Project work appropriately to ensure it gets the attention and support it needs.

During implementation, Our Implementation and Account Teams will work closely with LDH, MCOs, and its related partners. Frequent meetings with LDH promote comprehension and collaboration. We understand the importance, as well, of gaining a thorough business understanding of the MCOs' processes and their data needs. We truly welcome the opportunity to partner with LDH in support of the Louisiana Medicaid Managed Care Program pharmacy benefit goals and objectives to ensure a high level of care for Beneficiaries with no service disruptions.

- **Describe the approach to Project Management and Quality Assurance.**

MMA consistently delivers on schedule and with high customer, Pharmacy Providers, Prescribers, and/or Beneficiaries satisfaction using our proven PMM, which describes and provides structure to our project management approach and process for all aspects of development and transition services.

Vigorous project management and planning are key components in the success of any project to ensure a smooth transition from the MCOs, including consistent and continual claims processing without a break in service. The scope, scale, and complexity of the Louisiana MCO PBM Project requires detailed planning and execution, experienced resources, clear communication lines, rigorous

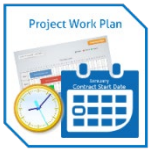
monitoring, and adherence to quality standards. MMA has proven a record of excellence in this area. Some benefits of our planning and control approach include:

- Key resources with appropriate experience assigned
- Full understanding and documentation of LDH pharmacy benefit program requirements
- Robust project control, comprehensive reporting system, and documentation of Louisiana Medicaid Managed Care Program requirements
- Thorough Requirements Review and Validation meetings that include the development of Requirements Specifications Documents (RSDs) for every workstream
- Detailed Project Work Plan that serves as a roadmap and includes key milestones, deliverables, activity-level schedules, and staffing levels
- Partnership with LDH providing recommendations for pharmacy benefit design with no expectations of approval
- Customer Service Center Quality Assurance (QA) Management Plan
- PBM Quality Management Monitoring and Audit Plan
- QA Plan
- Pharmacy Claim Processing and Procedure Manual
- Continuity of Operations (COOP) Plan
- FWA Compliance Plan
- Established Change Control Process
- Established Risk and Issue Management Approach
- Clear Communication and Outreach Approach
- Rigorous testing and validation ensuring adherence to high quality standards.

MMA's disciplined approach to project management ensures that we meet all deadlines for activities and deliverables throughout all implementation activities leading to the Operational Start Date. Our Software Quality Assurance (SQA) Methodology ensures that all Louisiana MCO PBM Project components are clearly understood, fully documented, and agreed upon by all parties.

In addition to our well-honed project management approach, we have learned that a well-planned and executed Outreach Program for Pharmacy Providers, Prescribers, and Beneficiaries, and other stakeholders is key to a seamless transition. MMA's Quality Assurance (QA) Team will conduct various types of testing and certification to meet requirements; this includes but is not limited to trading partner testing activities with LDH vendors (such as switches and direct submitters). In doing so, the MMA Testing Lead designates a team member to assist submitters with execution of test claims to the Pharmacy Providers or LDH. In addition, once the NCPDP-compliant POS system goes operational, we monitor claims real time and produce hourly reports to evaluate adjudication results and target any providers experiencing a high volume of claims rejections.

- **Provide a proposed Project Work Plan that reflects the approach and Agile project management methodology, tasks and services to be performed, deliverables, timetables, and staffing.**



Successful project execution begins with a thorough Project Work Plan. We establish project management standards and procedures to manage requirements completion for each contract phase using our draft Project Work Plan to define all key and critical tasks and deliverables and providing necessary support to make certain each requirement and project deliverable identified in the RFP is submitted on time. In proposal *Appendix A,*

Project Work Plan, MMA provides our draft Project Work Plan that serves as the starting point for detailed planning discussion upon contract award. ***Our draft Project Work Plan will remain a living document, updated as necessary, and serves as the planning and controlling document for all activities and phases of the Louisiana MCO PBM Project implementation. It serves as the roadmap for all activities and phases of implementation and is key to ensuring a successful Operational Start Date.***

Our Project Work Plan, created in Microsoft Project, represents milestones, deliverables, tasks, dependencies, and organizations involved in each task and represents the primary tool used to ensure that all interrelationships and functional dependencies are documented and factored into implementation activities.

Fully integrating operational leadership during implementation ensures that all interrelationships and functional dependencies are integrated into the proposed draft Project Work Plan. Our pharmacy solution focuses on the following tasks during implementation:

- Identifying the appropriate experts with LDH and other vendors
- Gathering and confirming requirements to really understand the true intent of the requirement to ensure our people, processes and technologies clearly meet the intent
- Establishing effective communication with all stakeholders
- Configuring our solutions based upon the requirements
- Developing data interfaces with all vendors
- Performing training for LDH staff and MMA assigned staff
- Comprehensive testing and review of results to ensure LDH teams are in sync on Operational Start Date expectations.

MMA's best practice for implementation is managing by work streams focused on each specialized area to optimize time and facilitate quick decision making. Our proposed draft Project Work Plan structure organized by functional area directly aligns with our experience and best practices. The Implementation Team is in constant communication to stay up-to-date on status, key decisions, and risks.

MMA also creates a Requirements Traceability Matrix (RTM) that tracks all Louisiana PBM Services for Medicaid MCO Contract requirements as part of the proposal preparation process. During implementation, the RTM is reviewed to ensure it contains all Louisiana MCO PBM Project requirements, corresponding contract language, and where each requirement is found in the associated documents. The MMA Implementation Team ensures that the solution/service required to meet each requirement, as well as the artifact that demonstrates how MMA meets the requirement, is clearly documented.

MMA understands that strong and robust project management is one of the key success factors for any project, including a tentative timeline that includes key milestones and deliverables. Leveraging our 38 years of PBM experience, and associated implementation efforts, MMA will use our proven PMM to ensure the success of the Louisiana MCO PBM Project implementation and uninterrupted continuity of care for its Beneficiaries.

Our PMM utilizes a best practices methodology based on the Project Management Institute (PMI) guidelines that are fully documented in the Project Management Body of Knowledge (PMBOK®), seventh edition to ensure excellence in our project execution. Furthermore, MMA's project management staff constantly applies PMI changes to MMA's own PMM, and LDH can be assured we have reviewed and adopted the most up-to-date practices across the project management discipline. ***We have used our approach to successfully implement services for all 26 of our Medicaid PBM customers.***

MMA's proven project management approach has produced:

- A successful track record of implementing state government pharmacy benefit service solutions on schedule
- Effective planning and project controls
- Key resources with appropriate experience
- Fully documented program requirements
- Established Change Management Process
- Flexible reporting tools to provide rigorous monitoring and adherence to quality standards.

MMA will utilize LDH-approved Project Management and System Development Life Cycle (SDLC) procedures that follow industry best practices. We leverage our proven PMM for the implementation effort to ensure that all schedules, requirements, and quality standards are met. Our proven organizational approach to government pharmacy program implementations has been fine-tuned over the years and further strengthened by our team of experienced government PBM professionals. MMA has reviewed the documentation included with the RFP and will work closely with LDH to refine our processes to provide a best-in-class solution. A strong project lifecycle is critical to the success of a project.

We also incorporate the concepts of agile development in our approach. Agile development is based on the idea of incremental and iterative development, in which the phases within a development life cycle are revisited as needed. This agile method iteratively improves software by using customer feedback to converge on solutions. Rather than using a single large process model in conventional SDLC, the Agile development life cycle is divided into smaller parts, called increments or iterations, in which each of these increments touches on each of the phases of development. The major factors of agile SDLC include early customer involvement, self-organizing teams, iterative development, and adaptation to change.

- **Provide approach and detail the methodology/formula in defining the applicable transaction fee.**

MMA will invoice monthly in arrears for all original paid claims for the prior month. MMA calculates the transaction fee through our Original Paid Claims Report.

- **Explain processes to implement in order to complete all tasks and phases of the project in a timely manner, as outlined within Section 2. Scope of Work.**

MMA brings value to LDH by leveraging the depth of our project management expertise and SMEs, with specific areas of focus to serve the Louisiana MCO PBM Project. ***We offer 38 years of PBM implementation and transition experience.*** This experience has allowed us to develop a well-defined PMM that provides a smooth implementation for our customers with minimal risk to Beneficiaries, Pharmacy Providers, and Prescribers, and other stakeholders. We rely on our PMM best practices and continuous innovation to improve outcomes and efficiencies for our customers.

We understand that robust project management is one of the key success factors for the successful implementation of all tasks and phases of the Louisiana MCO PBM Project in a timely manner. We will provide LDH with detailed planning and execution, experienced resources, and clear communication.

MMA's established PMO is a critical component in MMA's ability to deliver projects on time and within budget. Our PMO provides oversight on all Louisiana-related processes and facilitates the sharing of resources, methodologies, tools, and techniques to ensure the success of the implementation of the Louisiana MCO PBM Solution. We hold weekly status meetings and provide comprehensive reports to monitor project implementation progress against the approved Project Work Plan timeline. We have an established process for escalation and issue resolution. Our established PMO is experienced with implementations, operations, and turnover and will work in conjunction with seasoned SMEs to lead each functional area throughout all phases of the Contract. ***Karyn Wheeler, MBA, PMP, Senior Director of Iteration Management leads our PMO and has a team of experienced project managers reporting to her who support PMO efforts throughout the organization.***

MMA's Highly Experienced Team

Collectively, our best-in-class named Implementation Team **provides LDH with 253 years of government pharmacy/healthcare experience, including 165 years of experience** with MMA. **Our five named Key Personnel have 131 years of collective, applicable, related pharmacy/healthcare experience** for the Louisiana MCO PBM Project, including government experience.

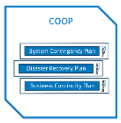
MMA has assembled and assigned a seasoned Implementation Team comprised of project management professionals, key Account Team members, as well as key leaders from each functional work stream to support the overall transition of the Louisiana MCO PBM Project. Our PMO structure and processes enhance a cooperative partnership to deliver all the services outlined in RFP Part 2 Scope of Work. As part of our standard process, we assign project managers to each of the larger workstreams to oversee the transition for that particular workstream. The project managers meet throughout the process to ensure cross-functional communication and collaboration.

We will use our proven PMM to define all the necessary tasks to make sure that all contractual requirements, including plans have been met. ***Our established PMO utilizes project control processes based on industry best practices and sophisticated tools, which enable full transparency to LDH for all project activities throughout all project phases. Our established project control approach includes, but is not limited to plans, documents, templates, checklists, and reports.*** We create an overall transition strategy that includes the guidelines and controls for the transition efforts underpinning our methodology and how these are to be implemented and followed for all transition activities, as well as the Project Work Plan.

Using our PMM protocols we will monitor and report on the overall health of the Louisiana MCO PBM Project in a systematic manner to ensure proper controls for the transition effort. Our project management and control enable us to maintain control over the structure and flow of a project by providing checks and balances for the project to keep it on track. We aim to minimize the gap between project planning and project execution. Our project management tools enable us to effectively define, monitor, and report status on the various project management components, including the schedule, resources, milestones, deliverables, issues, and changes. We identify risks and develop the proper solution and management response for escalated issues. We apply our proven PMM methodology rigorously, so we can meet the approved time frames defined in our Project Work Plan. During the planning stage of our PMM, we participate in walkthroughs prior to beginning development of the deliverable which ensures we have a thorough understanding of Louisiana MCO PBM Project needs and requirements for every deliverable. We document the acceptance criteria, the MMA Deliverable owner, and the LDH reviewers who will be involved in the deliverable review process. We have the clinical, technical, quality assurance, financial, and data processing resources, combined with the vast Medicaid and government pharmacy services expertise necessary to meet and exceed LDH's expectations. The strength of our experienced teams combined with our technology solutions allows us to collaborate with LDH to deliver innovative healthcare solutions focused on positive health outcomes.

MMA focuses on delivering clinically excellent, cost-effective, Medicaid-focused clinical solutions, supported by advanced technology, that allow our customers to ensure the highest levels of quality health care.

- **Articulate the ability to develop and implement a Continuity of Operations Plan (COOP) in the event of an emergency.**



With 50 years of Medicaid experience, years of government PBM experience, MMA offers LDH the knowledge and expertise to implement our established, comprehensive, Continuity of Operations Plan (COOP) for the Louisiana Medicaid Managed Care Program.

We are Experts in Providing Emergency Services

We have **50 years of experience** in successfully providing emergency planning, business continuity, and disaster recovery services for our customers. MMA has the people, processes, and systems in place to address emergencies and disasters and proven and robust contingency plans for adequate backup and recovery.

Since our first Medicaid Fiscal Agent contract in 1972, we have maintained security for individual, facility, and information systems for each of our government pharmacy contracts. MMA understands the consequences associated with Beneficiaries not having access to their pharmaceutical benefit. We take the trust placed in us by our customers very seriously. We have developed comprehensive Continuity of Operations Plans (COOPs) and test them routinely. We have implemented our COOP in response to multiple emergencies such as:

- In September 2018, MMA activated our Call Center Disaster Recovery Plan by evacuating our Call Center in Glen Allen, Virginia, due to a tornado that touched down during Hurricane Florence. All Pharmacy Call Center duties were routed to our St. Louis Office. Following the re-opening of the Glen Allen, Virginia, office, all systems returned to normal operation, including the Pharmacy Call Center.
- In February 2017, MMA activated our Call Center Disaster Recovery Plan in response to an ice storm in St. Louis, Missouri. All Pharmacy Call Center duties were routed to our Call Center in Glen Allen, Virginia. Following the re-opening of the St. Louis office, all systems returned to normal operation, including the Pharmacy Call Center.

MMA will implement our proven COOP to maintain operations and ongoing provisions for the Louisiana PBM Services for Medicaid MCO Contract in the event an emergency such as a pandemic, natural disaster, or man-made emergency is declared in Louisiana. Below we describe our ability to develop and implement a customized COOP for the Louisiana MCO PBM Project.

Emergency Preparedness for LDH

During implementation, MMA will collect the necessary requirements to present the emergency benefit design for Louisiana Beneficiaries in the event of an emergency. MMA will provide LDH an emergency response COOP that will deliver access to medication for Beneficiaries quickly and efficiently. The MMA plan:

- Includes the approach to transition Beneficiaries to either mail order and/or the retail walk-in pharmacy network within 24 hours if there is an interruption of service due to an emergency. Allows for access to in-network retail and mail-order pharmacies not affected by the emergency event through the expansion of our statewide network to regional or national pharmacies, or via a mail order facility.
- Is a documented and routinely tested disaster recovery/business continuity plan that allows for a recovery point objective (RPO) of 24 hours.

The depth and breadth of our organization – inclusive of the millions of lives we are responsible for supporting in conjunction with our customers – requires that we provide for continuity in the event of any emergency or natural disaster that could impact MMA as well. All Louisiana MCO PBM Enrollees would have uninterrupted access to lifesaving medications in the event of an emergency. MMA will provide documentation of our COOP, as well as testing results on an annual basis as required in the RFP.

Emergency Plan for Beneficiaries

MMA will provide Louisiana Beneficiaries with a reliable approach to obtaining medication access in the event of a declared emergency. We understand certain emergencies may displace Louisiana Beneficiaries or natural disasters may restrict access to pharmacies. In such instances, Beneficiaries may obtain walk-in service from one of MMA's other participating pharmacies not affected by the emergency event. Pharmacy locations can be found on our web site and will be provided to our COO, Claudia Soto, immediately at the time of the event and will be communicated to Beneficiaries who call to our CSC.

With MMA's proposed solution, all claims adjudication for the Louisiana MCO PBM Project will occur electronically via our proprietary POS system.

Rules such as day supply allowed, covered drugs, or quantity limits can be adjusted very quickly. Our agile system, founded on a table-driven and business rules-based engine, is supported by a relational database that results in a highly configurable benefit design. Over 98% of all program benefit changes are configurable in FirstRx and do not require any programming or coding effort, which is especially advantageous when emergency conditions call for virtually immediate reaction to address critical Beneficiary health needs.

MMA will provide temporary IDs for Beneficiaries to present to their pharmacy of choice, to facilitate electronic real-time medication access. Once an enrollment file is received, MMA will generate temporary ID numbers that will be used to identify the Beneficiaries, when submitting claims (and for reporting purposes). This provides almost immediate access to prescription drugs for Louisiana Beneficiaries.

Preparedness Plan Driven by Sound Technology

MMA maintains our corporate COOP for responding to a system emergency or natural disaster. The plan includes performing back-ups, preparing critical facilities that can be used to facilitate continuity of operations in the event of an emergency, communications and outreach to all Louisiana PBM Medicaid MCO stakeholders during the disaster, and returning to regular operations following the disaster. Our COOP requires the management team to use a command center to define the conditions under which a disaster will be declared, develop security procedures to be followed during a disaster, and maintain telephone lists of team leaders and support staff. A full data center recovery plan details recovery processes for each system. The plan includes defined recovery roles and responsibilities, systems backup and recovery procedures, off-site media storage details, detailed hardware and software configurations/specifications, and emergency and critical business contact information.

The depth and breadth of our organization – inclusive of the millions of lives we are responsible for supporting in conjunction with our customers – requires that we provide for continuity in the event of any emergency or natural disaster that could impact MMA as well. All Louisiana Medicaid Managed Care Program pharmacy benefit Beneficiaries would have uninterrupted access to lifesaving medications in the event of an emergency. MMA will provide documentation of our emergency preparedness/disaster recovery plans as well as testing results and contingency plans on an annual basis as required in the RFP.

- **Refer to specific documents and reports that can be produced as a result of completing tasks, to achieve the requested deliverables.**

MMA understands the importance of monitoring the status of tasks associated with the implementation of the requirements outlined in RFP Part 2 Scope of Work to provide all deliverables on schedule.

We have established documents and reports that we use to ensure we keep LDH informed on Project status and ensure the successful delivery of all requested deliverables. MMA develops documentation/deliverables throughout the Implementation to ensure we achieve the Louisiana MCO PBM project objectives.

MMA has an extensive library of implementation templates and documentation that can be leveraged to meet the specific needs of the Louisiana MCO PBM project. The Implementation Team leverages our existing core set of documentation to develop all the deliverables identified in Attachment VI: Table of Deliverables. During Requirements Review and Validation meetings, we review all deliverable requirements and ensure our understanding of LDH requirements and needs. We customize the deliverable document after obtaining feedback from LDH and other stakeholders. ***With 38 years of PBM implementation experience, we have learned that accurate and quality deliverable documentation is a vital component for the success of the Louisiana MCO PBM project.***

During project initiation and planning tasks, MMA finalizes our Project Work Plan and other project management-focused plans that outline the overall objectives, timelines and governance structures of the Project. The RTM is also created at this stage and updated after each major task or set of tasks to provide a holistic view and traceability of all RFP requirements throughout all implementation activities. MMA creates RSDs for each functional area after the requirements review and validation process. The RSDs provide comprehensive documentation of how systems and processes will be configured to meet LDH requirements. MMA also performs configuration and testing tasks that include comprehensive test planning documents such as a Test Management Plan, a Test Plan with scenarios, and actual Test Results. MMA provides all these documents to LDH for full review and approval at whatever level of detail is deemed appropriate for the Louisiana MCO PBM project. Once testing is complete, the Project moves into the final Operational Readiness stage, which results in completed operational readiness checklists and detailed transition/cutover schedules.

At all times, MMA uses PMM best practices to track and monitor all Project tasks and ensure the success of the Louisiana MCO PBM project implementation. Please refer to our Monitoring Project Status response, previously in this section, for additional detail and samples of our status reports.

- **Identify all assumptions and constraints for work plan tasks.**

MMA's proposed implementation approach is based on an Operational Start Date of January 1, 20223.

We have assumed that the current MCOs, their PBMs, and LDH staff will support all aspects of the implementation.

- **Discuss what flexibility exists within the work plan to address unanticipated problems which might develop during the contract period.**

MMA adheres to our Project Work Plan which serves as the blueprint for the implementation of all RFP defined scope of work requirements to help prevent problems and issues. ***Our Project Work Plan includes critical path items and builds in slack time to add flexibility for shifting priorities and deliverables. We will collaborate with LDH on any problem resolution steps taking into account LDH priorities.***

MMA also understands the need for careful review and approval of deliverables and major activities throughout implementation activities, and throughout all phase of the Louisiana PBM Services for Medicaid MCO Contract. MMA documentation includes review and sign-off at several points in the development process and can include additional check points, if necessary. We will follow these procedures throughout all phases of the Louisiana MCO PBM Project. Our approach to implementing

ADAPs is based on our past government and ADAP implementations, including our experience implementing large-complex Medicaid contracts. Our comprehensive approach has been distilled to a refined, flexible process that accommodates quicker implementations while still ensuring seamless on-time success.

The first step in achieving project control—and in troubleshooting problems where the project is over budget, behind schedule, or not meeting functionality and quality requirements for the Project Work Plan elements in question—is to ***verify that the Project Work Plan is correct for that part of the project.*** After verifying the Project Work Plan, the next step is to determine the true cause of the problem.

MMA may use a variety of analytical techniques, such as root cause analysis and group problem-solving approaches, to help isolate the causes of the problem. In many cases, the solutions are reasonable, and the project can easily be put back on track. For problems that have a material impact on schedule, quality, or cost, MMA will notify LDH and involve appropriate personnel in problem-solving as needed.

Risk and Issue Management

During the course of any project, unanticipated risks may be identified. For example, users of a software deliverable find they require additional features; problems are discovered in a process that require workarounds and additional project activities; a particular implementation method does not work and so the team must try a different approach, or problems with LDH resources or conflicts with another project. MMA's assigned Implementation Manager will formally document and track all project risks and mitigation strategies throughout the life of the project.

MMA will develop a Risk and Issue Management Plan that will, at a minimum, contain description of the risk, description of the impact to the project, an impact scoring method, a probability of occurrence, description of the mitigation plan, dates and times associated, priorities, etc. The Risk and Issue Management Plan will continuously be updated throughout the project. Risk management may include, but is not limited to:

- Understanding and clarifying the request for changes to the project and analyzing the impact of each change to the cost and schedule
- Analyzing a change of direction, timelines, deliverables, etc., and the impact of each to the project
- Keeping track of all the different change requests that have been received that may be a risk for the project and the status of each
- Deciding whether to accept the change and incorporate the revised definitions into the project plan or reject the change and continue with the current plan
- Communicating with the project team the risk associated with each issue or change.

Upon completion of the risk assessment, specific responses will be developed, reviewed, and documented in a Mitigation Plan by our assigned Implementation Manager. ***Mitigation strategies and responses are developed for highest priority risks first.*** It is possible for lower or unmanageable impact risks that the strategy will be limited to awareness, taking no action, and developing a contingency workaround if the risk materializes. The steps to develop mitigation strategies include these key components:

- Define the approach or steps to mitigate/respond to the area of risk
- Document a contingency plan for the worst-case scenario(s)
- Assign an owner
- Define criteria for closure and date.

MMA begins the project by identifying the total scope. We will work with LDH to reach a mutual agreement on this scope. When, during the course of the project, new or varying scope is identified, we use a structured model for the identification, requirements analysis, and definition process. Included in this review is an identification of benefits to the project, as well as the risks to the project's success, that are also being added with the new scope. We encourage a consistent approach to delivering the identified scope and adding new scope as additional projects when the initial delivery and scope have been completed. We have been successful in managing this process to the benefit and satisfaction of our customers, while still delivering projects on time.

Account Team Support

Our Louisiana PBM Services for Medicaid MCO Contract will have the full support of our Account Team. ***Our Account Team, led by COO Claudia Soto, will work in conjunction with the Implementation Team and coordinate with appropriate MMA corporate resources to address any*** identified service issues throughout all phases of the Contract, and bring them to resolution. Ms. Soto will have access to all key personnel that support Louisiana PBM Medicaid MCO pharmacy benefit Beneficiaries, Pharmacy Providers, and Prescribers.

MMA Key Personnel will meet both internally and with key LDH staff during regular operational meetings in order to identify, track, and resolve any service issues. Ms. Soto will work directly with our Benefit Plan Configuration Department to define the scope of the issue and determine if a change request is needed for resolution. There will be a recommended course of action agreed upon with the Project staff. Once approved, the actions will be documented as the recommended resolution to the problem through the issue management process. Depending upon the recommendation, the team may find it necessary to document the change request and obtain approval through the change control process. Once the appropriate resources approve the resolution approach, the team implements the resolution, provides test results as appropriate, and the QA Department monitors the process to ensure executed improvement initiatives produce the results expected. During ongoing account operations reporting, we will ensure that issues/problems are entered into the change management system for tracking and follow-up. We will provide status reporting to all LDH key staff and manage priorities and approvals throughout the process. Critical task items are closely monitored and are elevated to senior account levels when appropriate.

- **Document procedures to protect the confidentiality of records in LDH databases, including records in databases that may be transmitted electronically via e-mail or the Internet.**

MMA has documented policies and procedures in place to ensure the proper handling, use, and disclosure of our customers' PHI and confidential information while administering pharmacy benefits and providing an appropriate level of customer service. ***Our written policies and procedures address the use of any PHI and meet all applicable federal and state requirements, including HIPAA, U.S. Department of Health and Human Services, ARRA, and HITECH requirements.*** Our policies and procedures include restricted role-based access to all MMA systems and applications, and end-to-end procedures required for the privacy, protection, and processing of transactions required by our customer contracts.

MMA meets all state and federal privacy and security regulatory requirements, including HIPAA Guidelines and HITECH Act. We comply fully with HIPAA Privacy and Security regulations as described in the Department of Health and Humans Services, Office of the Secretary, 45 CFS Parts 160, 162, and 164 along with the updated ARRA and HITECH act provisions. MMA appropriately manages all information for all customers across our organization, including our ADAP and SPAP customers. Our commitment to ensuring full compliance with HIPAA requirements is exhibited by our comprehensive MMA HIPAA Compliance Policies, described in more detail below. In addition, every MMA staff member, vendor and subcontractor receives annual HIPAA refresher training, which requires a passing score of 80%. If the

training is not completed by the prescribed completion date, that person is suspended for up to five days, until the training is completed. If not completed within the five days, the person is subject to termination.

Our interfaces use industry standards such as NCPDP, HIPAA, x12, HL7, XML, and CSV for interoperability and data integration needs. MMA provides a Secure File Transfer Protocol (SFTP or FTPS) site for reciprocal exchange of data between our customers and MMA. As an additional layer of security for Beneficiary PHI, MMA offers the Secure FTP connection as a mechanism to communicate with LDH. This mechanism is more secure than secure mail. This site permits authorized customer staff to download files transferred by MMA.

MMA has historically held the privacy of patient information as a key tenet of our operations and processes. MMA has implemented policies and procedures for confidentiality that met or exceeded existing state and federal regulations. MMA has many existing policies detailing compliance with HIPAA and all its implementing regulations (including the HITECH Act and the Omnibus Rule of 2013) and other privacy-related requirements. These policies include:

- Authorization to Use and Disclose PHI (Protected Health Information)
- General Rules for Uses & Disclosures of PHI
- Uses & Disclosures of PHI for Treatment, Payment, & Health Care Operations
- Oral & Written Transmission of PHI
- Member Right to Request Privacy Protection of PHI
- Member Right to Request Access to PHI
- Member Right to Request Amendment of PHI
- Member Right to Request an Accounting of Disclosure of PHI
- Verification Policy
- Member Representation
- Notice of Privacy Practices
- Minimum Necessary Uses and Disclosures of PHI
- HIPAA Compliance Statement
- Uses & Disclosures of PHI Requiring No Permission from the Member
- Uses & Disclosures of PHI for Marketing, Fundraising, and Underwriting
- Uses & Disclosures for Specialized Government Functions
- Uses & Disclosures of PHI Requiring Prior Internal Approval
- Uses & Disclosures of PHI for Judicial & Administrative Proceedings
- Limited Data Set and De-Identification of PHI
- Unauthorized Uses & Disclosures of PHI.

MMA's Office of Information Security (OIS), Personnel Security, and Physical Security have the task of ensuring that the Beneficiaries' health information is protected as it rests in our systems and when it is exchanged via electronic means. To address this, we have implemented HIPAA-compliant technical, physical, and administrative safeguards to enhance:

- Physical Security
- Personnel Security
- Information Security.

MMA has taken a multi-layered approach to security, providing perimeter protection, segregated operations, business, and administrative architectures along with extra protective measures associated with our World Wide Web presence. We also monitor all of these interfaces to identify inappropriate or unauthorized traffic, email, and attempts to connect to our systems.

MMA's strict user security features will allow LDH and MMA to tightly control access to data. MMA employs a configurable, user, and role-based security layer that permits users to perform only the data access functions for which they are expressly authorized. Our user ID-specific and role-based security meets recommended security levels for HIPAA privacy and security.

MMA's solution is and will remain fully compatible with the applicable privacy and security standards promulgated by CMS enumerated under MARS-E, Version 2.0, including successor versions required under 45 CFR §155.260. We meet this requirement through HITRUST CSF Assurance Program which incorporates the NIST Cybersecurity Framework and establishes a certification mechanism as an effective and efficient approach for reporting cybersecurity posture leveraging the NIST Cybersecurity categorization.

MMA provides a comprehensive information management solution that is fully able to meet all Federal and State reporting requirements, all other Contract requirements resulting from this RFP, and any other applicable Federal and State laws, rules, and regulations, including HIPAA requirements.

MMA will operate our proprietary, online, real-time FirstRx claims processing system to capture, edit, and adjudicate pharmacy claims. FirstRx meets or exceeds all LDH POS requirements identified in this RFP section. ***Operating under a single codebase, FirstRx allows authorized users to configure changes online, in real time.*** FirstRx is fully compliant with NCPDP Telecommunication Standard vD.0 and Batch Standard v1.2. It is HIPAA-compliant and meets all requirements prescribed by CMS, as well as requirements outlined by CFR parts 42 and 45.

MMA provides the highest level of security to ensure the security, confidentiality, and privacy of all Louisiana PBM Medicaid MCO Beneficiary data. Any communications sent to Louisiana Medicaid Managed Care Program Beneficiaries or authorized representatives will be in envelopes identified as confidential to ensure the confidentiality of the Beneficiary. All communication to and from MMA is encrypted with strong encryption to protect the confidentiality of the data in transit. All MMA workstations have full-disk encryption and hard copies of sensitive information are stored securely within work areas that are only accessible by authorized individuals using badged access.

Our HIPAA security approach includes workforce policies and procedures that address authorization processes that safeguard customer confidentiality by meeting the requirements of the "Minimum Necessary" rule of HIPAA, and the Separation of Duties requirements of Sarbanes-Oxley (SOX), as well as the "Principle of Least Privilege," an industry-standard security best practice. Authorized users have access to and use only the minimum necessary PHI reasonably needed to perform the staff member's duties for the company.

MMA has drafted and ratified security policies and procedures to meet compliance standards as well as solidify best security business practices. Procedures have been implemented to support these policies in a manner which complements and follows each policy to ensure standardization. Policies that have been ratified to date are:

- Information Technology Security
- Information Sensitivity
- Disaster Preparedness
- Remote Network Access
- Internet Usage
- Employee Email Usage
- Pre-Employment Background Investigation
- Termination of Security Accesses for Employees and Contractors
- Firewalls/Intrusion Detection Services (IDS).

MMA employs the latest technology standards and equipment regarding the protection of the critical internal infrastructure. All firewalls are deployed, monitored, and managed by qualified, dedicated Magellan Rx Management personnel. All perimeter protection equipment is installed, patched, and maintained in accordance with manufacturer standards and best security practices to ensure best possible protection.

A traditional DMZ (de-militarized zone) structure is in place to support our e-commerce needs and is monitored and managed by qualified MMA personnel via a state-of-the-art intrusion detection and prevention system (IDS/IPS). The IDS/IPS is monitored 24/7/365 via an automated security alerting and log correlation system. Our Incident Response group is engaged to review and respond to detection alerts based on a scheduled personnel rotation.

Systems Activity Audit/Monitor

All systems activity, including user activity, is monitored in accordance with policy. All deviations from accepted practices outlined in policy will be investigated and risks associated with these events will be mitigated accordingly.

Encryption Capabilities

Email: The security of MMA email communications requires a blending of several (three) technologies to provide a diverse and flexible method of delivery. The method will involve the use of Virtual Private Networks (VPNs) or dedicated links, an encrypting e-mail gateway, and a web-based secure email portal.

Wide Area Network (WAN): All WAN connections are encrypted to industry standards. All WAN connections are managed by qualified, dedicated MMA personnel.

World Wide Web (Internet): All of the Magellan Internet facing Web sites incorporate the usage of Transport Layer Security (TLS) protocol versions 1.3 to protect sensitive information.

Release of MMA Proprietary Network/System Specific Information: It is our policy not to disclose specifics regarding the detailed flowcharts and technical specifications of the software, hardware, and networks MMA uses to construct its technical infrastructure. Specific details may be provided if appropriate non-disclosure agreements are executed between MMA and the requesting party.

Vulnerability Assessments: MMA routinely conducts security assessments and vulnerability testing and mitigates any issues or risks found in a timely manner. It is our policy not to disclose specifics regarding details or results of testing due to the proprietary and sensitive nature of the data. MMA uses industry standard testing tool sets and engages third-party, independent agencies to verify security infrastructure.

Data Center Facilities: MMA's systems are housed in a secured data center located in Maryland Heights, Missouri. Access to the Data Center is controlled through a variety of physical security processes. Physical access is controlled by door, time of day, and day of the week, including holidays and weekends. System operators staff the Data Center 24/7/365.

MMA leverages real-time data replication for backups of systems. Backups are replicated to our offsite disaster recovery site. The backups are kept offsite for up to a month. We send monthly backups to AWS to be archived indefinitely.

The Information Technology system is provided short-term back-up power through Uninterrupted Power Supply (UPS). A back-up diesel generator provides long-term power supply back-up. Tests are performed periodically to provide proficiency and assess effectiveness of these systems.

The Data Center is protected against fire by a fire protection and alarm system. The detection system is connected to a building alarm panel and the local fire department for immediate notification. The Data

Center uses a gas fire suppression system, a dry pipe sprinkler system, and was constructed with highly rated fire-resistant walls.

Disaster Recovery

MMA has contracted with SunGard Availability Services to provide a pre-configured warm site with data replicated real-time located in Philadelphia, Pennsylvania, to facilitate the continuation of data processing services performed on the computer systems in the event of a catastrophic disaster. Our approach addresses the following items:

- Potential types of disasters, risks, and probabilities of occurrence that would result in a significant disruption to successful operations
- Contingency plans to ensure continued operations and minimize impact
- A recovery strategy and process that defines roles and responsibilities during the period
- Critical business functions and the maximum tolerable interruption period
- Resources required to implement a successful recovery.

Ongoing Compliance

Our Corporate Compliance Department is charged with overseeing ongoing compliance with HIPAA regulations. This department is staffed by attorneys, compliance directors, and research analysts who work together to monitor any new developments and coordinate any necessary implementation of updated compliance requirements. Our comprehensive HIPAA Training Program consists of initial training for all new hires, annual training refreshers for all employees, in-depth training for targeted areas, and remedial training on an "as-needed" basis. An internal auditing department audits corporate departments and regional offices to ensure appropriate compliance measures and procedures are in place.

- **Clearly outline the solution's technical approach as it relates to a service-oriented architecture. Proposer should describe how their solutions will utilize the State's Enterprise Service Bus and API Gateway components for all API or real time interfaces, or any interactions with other EA or State technology components. Proposer should also describe how their solution will integrate with the State's Identity Access Management/Single Sign On system for both internal and external users. ~~Details should include a description of capability and potential strategy for integration with future Department enterprise components as they are established, specifically making use of an Enterprise Service Bus (ESB) for managing touch points with other systems, integration with a Master Data Management Solution (MDMS) and flexibility to utilize a single Identity and Access Management Solution (IAMS).~~ The Proposer shall clearly identify any systems or portions of systems outlined in the proposal, which are considered proprietary in nature.**

We offer LDH 50 years of Medicaid pharmacy claims processing experience—no other pharmacy benefit manager brings this level of expertise. We currently manage 26 Medicaid pharmacy contracts for our customers. MMA will utilize the State's Enterprise Service Bus (ESB) and API Gateway components for all API or real time interfaces, or any interactions with other EA or State technology components. Our PBM Solution will integrate with the State's Identity Access Management/Single Sign On system for both internal and external users.

MMA's history of successful integrations provides us with a broad base of experience and knowledge of the common dependencies among the components of Medicaid pharmacy programs. MMA has established partnerships and collaborative working agreements with this wide array of entities, which minimizes implementation risk. Our tested interfaces are currently in place and functioning successfully for our customers—***we maintain more than 4,600 interfaces enterprise wide***—all containing

information that must meet HIPAA privacy and security rules and guidelines. We actively coordinate all interfaces with other trading partners to ensure successful integration.

We have reliably built interfaces and linked data from core MMIS systems and other vendors. In some instances, core MMIS vendors have partnered with MMA to provide services as a subcontractor, so that they could enhance their MITA maturity levels or advance their services and capabilities. This experience will be leveraged to provide LDH with a Single PBM system to manage and transform the Louisiana Medicaid pharmacy benefit through the next decade of major healthcare reform.

Our experience implementing and integrating our pharmacy solution for Single PBM models has taught us that a successful transition for the Louisiana MCOs depends on a thoughtful and comprehensive implementation and migration strategy. The process begins with MMA assessing and understanding MCO-specific business processes and procedures that will integrated into the new solution. With a solid understanding of the key needs and challenges of each specific plan, we will provide robust technical and business guidance to support the MCOs throughout the implementation. MMA understands the magnitude of the transition to a new system and based on LDH preferences, can provide a range of communication channels through which MCOs can access information and ensure a successful integration, including regular meetings, a dedicated email box, and comprehensive documentation.

Service Oriented Architecture (SOA)

Our system consists of a collection of applications integrated through file transfers, web services, and shared database access that performs all the necessary functions to support the Louisiana Medicaid Managed Care Program. MMA has adopted the Service Oriented Architecture (SOA) style of software design where services are provided to the other components by application components, through a communication protocol, over a network. The basic principles of SOA are independent of vendors, products, and technologies. A service is a discrete unit of functionality that can be accessed remotely and acted upon and updated independently, such as retrieving member information online. SOA addresses how to compose an application by integration of distributed, separately maintained, and deployed software components. It is enabled by technologies and standards that make it easier for components to communicate and cooperate over a network.

MMA makes use of representational state transfer (REST) or RESTful Web services which provides interoperability between computer systems on the Internet. REST-compliant Web services allow requesting systems to access and manipulate textual representations of Web resources using a uniform and predefined set of stateless operations. By making use of a stateless protocol and standard operations, REST systems aim for fast performance, reliability, and the ability to grow by re-using components that can be managed and updated without affecting the system as a whole, even while it is running. This also allows for technology neutral interfaces that allow for minimizing the impact when accessing or supplying for a new technology or system. Examples of our services that have been built for current and future application support include:

- POS Lookup Service
- Eligibility Service
- Identity Service.

Enterprise Service Bus (ESB)

MMA uses leading technologies as the foundation of our PBM Solution, enabling us to continuously evolve our maturity and alignment to MITA principles, including a commitment to deliver SOA and ESB-compatible components. Our guiding technical principles promote availability, efficiency through reusability, reduced development time, and improved cost-effectiveness, enabling us to extend these cost savings benefits to our entire portfolio of customers. On top of our connectivity and infrastructure

layer, we have built a modern application environment designed to take advantage of the speed, availability, and redundancy which our connectivity architecture enables.

MMA has successfully integrated and operated with a production ESB service integration environment and continues to support its use to facilitate multiple protocols, protocol translation, messaging, service abstraction, service orchestration, and more. Using this experience, MMA will successfully integrate with the State's ESB.

MMA's solution provides support for NCPDP and HIPAA-compliant transactions and supports an ESB component. Our environment is maintained and upgraded as needed to remain in compliance with all state and federal mandates. The environment is scalable, and its architecture is designed for high performance. MMA accepts NCPDP-compliant transactions through our POS system, including B1, B2, B3, and E1. We have developed and tested all of the HIPAA-compliant transactions (including the components for COB), and we receive and send 837P, 837I, 820, 835, 834, 270, 271, 276, and 277 transactions, in addition to the 278. MMA uses the TA1 and 997 standard responses and the 4010 and 5010 versions of the 277 unsolicited transactions as an additional host-load notice for 837 claims feeds. Our fully functional HIPAA validator provides WEDI level-1 through level-6 validations, as well as level-7 companion guide edits.

MMA's PBM Solution for the Louisiana MCO PBM Project leverages open web service architecture and adheres to the MITA guidance utilizing standard protocols such as REST, SOAP, XML, WSDL, UDDI, SAML, and other web services standards and specifications as relevant from the OASIS WS-* and WS-I specifications. Our modern service-based architecture enables us to continuously evolve our maturity and alignment to MITA principles, including a commitment to deliver SOA and ESB-compatible components. Our enterprise best practices promote availability, efficiency through reusability, reduced development time, and improved cost-effectiveness. Our Architecture framework makes use of next generation tools and processes which are designed to take advantage of the speed, availability, and redundancy which our connectivity architecture enables. Our PBM Solution uses leading technologies to communicate with external parties, systems, and services through an ESB where applicable and approved by LDH.

File Transfers

In addition to our API communication, utilizing the State's ESB, described in the section above we also support the use of industry-standard data exchange in bulk file transfer using industry-leading tools, including, SnapLogic and Informatica. We currently receive and process through near real- time processing or with daily processing. We are able to support several methods of data exchange, including secure file transfer protocols (SFTP), file transfer protocol secure (FTPS), and file transfer protocol (FTP) with pretty good protection (PGP) encryption. We have the capability of utilizing our own MOVEit and SFTP infrastructure or we can utilize the State's infrastructure if desired. It is our best practice to secure those connections using a server-side certificate authority (CA) certificate along with a 256-bit, FIPS 140-2 validated AES encryption module to protect any transmitted files from unauthorized use, theft, hacking and/or viewing.

We have established APIs with CoverMyMeds and DrFirst for electronic prior authorization, and e-prescribing API with Surescripts. We also have implemented API's with one of our Medicaid customers through their integration services vendors.

Identity and Access Management Solution (IAMS)

MMA's PBM system is claims-aware and supports authentication and authorization via security assertions using SAML tokens. We use industry standard SSO best practices, including SAML 2.0, and

support federation with an external identity provider, including IAMS, for access to MMA systems. We have an established corporate-wide System Security Plan which includes the processes and procedures we use for identity and access management, as well as security controls, information classification, communication and operations management, and system and application security. We use modern technology and control techniques to safeguard our infrastructure and data, and we constantly monitor and regularly test our own security measures.

MMA uses Okta, our identity management tool, to provide both single sign-on and multi-factor authentication (MFA) for all user sign-on. MFA provides another layer of security in addition to login credentials. With MFA in place, a user's identity is verified in multiple steps using different methods, such as identification through a registered device.

MMA provides each Louisiana authorized user with a secure username and password. Okta allows authorized users to access MMA's pre-existing, proprietary pharmacy platform. We maintain strict control over approving users who will have access to add or alter data. Security configurations allow only authorized users to create or modify data within the systems. MMA Identity Access Managers have the ability to create new users, disable (inactivate) users, associate users to security profiles, lock users, and reset passwords for systems and application users.

Proprietary Systems

Per RFP requirement, MMA identifies the following systems as proprietary:

- FirstRx
- FirstTrax
- FirstCI
- FirstIQ
- MRx Explore
- FirstFinancial.

8.0 DETAILED SCOPE RESPONSE (RFP 1.8.8, 2.1.1)

Describe its proposed approach to meeting each of the requirements below. The narrative response should demonstrate clear understanding of all the requirements in each category. Any requirement not clearly addressed in the response may negatively affect the Proposer's scoring. The Proposer should respond, at a minimum, to the following sections:

MMA brings a proven approach and methodology for implementing and operating our MCO PBM Solution for the Louisiana MCO PBM Project. We have provided services to government healthcare programs for 50 years—since our first Medicaid fiscal agent contract in 1972. This experience includes ***38 years of government PBM-specific experience.*** We possess pharmacy-specific expertise and the capability to perform all MCO PBM services to meet and/or exceed all of the requirements below. MMA offers LDH a comprehensive MCO PBM Solution that meets the goals and requirements of this RFP. Our experience as an FFS and as an MCO PBM, our expertise with the Medicaid population, our first-hand knowledge and understanding of the Louisiana Medicaid pharmacy program through our collaboration with LDH on the Louisiana PDL, and our agile solution tailored to Medicaid program requirements position us to be the best choice to support the evolution of the Louisiana Medicaid pharmacy program as the MCO PBM.

RFP Section	MMA's Approach
Coordination with the MCOs: Describe the proposed approach to meet the requirements for coordination with the MCOs included in Section 2.1.3, including detailed transition activities.	MMA understands the importance of providing a smooth transition, as well as successful ongoing operations, to ensure continuity of care for Louisiana Medicaid Managed Care Program Enrollees. We will coordinate closely with the MCOs to provide consistent and continual claims processing without a break in service. The health and well-being of Louisiana Medicaid Managed Care Program Enrollees, and ultimately the success of the LDH relationship, is dependent upon our ensuring continuity of care during the implementation, including timely receipt of medically necessary prescription drugs for transitioning Enrollees. We have developed an Enrollee-centric concierge model to ensure no Louisiana Medicaid Managed Care Program Enrollee is prevented access to their medications during the implementation. MMA will develop a detailed plan to transition all Louisiana Medicaid Managed Care Program Enrollee demographic data, claims history and PA-related files into our comprehensive claims adjudication system. We will work closely with LDH, the MCOs, and all LDH stakeholders during implementation. This process ensures that all tasks are completed on schedule, provides a smooth transition for both LDH, Providers, Prescribers, and most importantly, ensures continuity of care for Enrollees. Please refer to proposal *Section 8.1, Coordination with the MCOs*, for a complete description of our approach to meeting all requirements in RFP Section 2.1.3.
Pharmacy and Prescriber Network Management: Describe each network separately, including but not limited to, compliance with Federal and State regulations, as well as addressing each subsection.	MMA has an established statewide Louisiana pharmacy network that will provide access to PBM Covered Services for Enrollees. There are currently 1,196 pharmacies in our Louisiana statewide network, including 574 chain pharmacies, 609 independent retail pharmacies, and 13 other types (government alternative). Upon contract award, MMA will work to secure contracts with pharmacies currently not already in our extensive network, and we will re-contract with our existing network pharmacies as needed to include Louisiana PBM Services for Medicaid MCOs Contract provisions in our network agreements. MMA has established policies and procedures in place for the selection and retention of network providers, in accordance with 42 CFR §438.214, as well as compliance with other applicable State and Federal regulations. In addition, we have extensive data exchange experience and established processes in place. MMA maintains over 4,600 interfaces, all containing information that must meet HIPAA privacy and security rules and

RFP Section	MMA's Approach
	guidelines and use industry standards, such as X.12, NCPDP, and HIPAA for interoperability and data integration needs. We have the proven ability to successfully receive prescriber network information from the MCOs. Please refer to proposal *Section 8.2, Pharmacy and Prescriber Network*, for a complete description of our approach to meeting all requirements in RFP Sections 2.1.7 and 2.1.8.
Drug Claims/System Requirements: Describe the approach to, including but not limited to, processing Drug Claims consistently across all MCOs, compliance with Federal and State regulations, LDH policy, programming flexibility, compound drug policy and process for benefit changes.	MMA's proprietary drug claims processing system, FirstRx, is designed for Medicaid, with 6,245 Medicaid-tailored claim checks and edits that manage care within the guidelines of Medicaid rules. FirstRx is a proven system that will be used to process Drug Claims consistently across all MCOs in compliance with Federal and State regulations and LDH policy. Our PBM solution provides programming flexibility, adjudication of compound claims in accordance with LDH policy, and an established process for benefit changes. FirstRx provides fully integrated capabilities for claims processing, including rules and limit application, formulary management, and third-party liability/coordination of benefits (TPL/COB) and cost avoidance. First Rx is a highly configurable, rules-based system that allows for efficient deployment of changes with minimal development effort and is in full compliance with Federal and State regulations, including the HIPAA regulation for transactions and code sets and supports the current HIPAA-named standards: NCPDP Telecommunication D.0, Batch 1.2, SCRIPT, and Medicaid Subrogation 3.0. Our comprehensive solution supports programming flexibility, compound drug policy, benefit changes as needed, data exchanges/interfaces, real-time POS claims processing and adjudication, pharmacy network management, payment to pharmacies, audits, clinical management, COB, auditing for drug pricing compliance, recoupment services, trend/cost management, formulary adherence, data analysis and reporting, personalized customer service and customization, correction of invalid claims and overpayments, help desk services, and eligibility and enrollment. Please refer to proposal *Section 8.3, Drug Claims/System Requirements*, for a complete description of our approach to meeting all requirements in RFP Section 2.1.9.
Covered Drug List (CDL)/Preferred Drug List (Single PDL): Describe in detail how the Proposer will operationalize and maintain compliance with the Single PDL and prior authorization requirements.	MMA understands that programmatic and formulary changes can have profound implications to LDH Enrollees who may already have other significant barriers to care. We will utilize best practices to operationalize and maintain compliance with the Single PDL and prior authorization (PA) requirements. This includes receiving a weekly file of new National Drug Codes (NDCs) that enter the market and developing business rules in collaboration with LDH to ensure our clinical team understands exactly how each NDC will be covered based on LDH's Single PDL and CDL. Formularies are loaded to the FirstRx system for use in claims adjudication, and all changes to either the Single PDL and CDL are reflected in the system. We provide drug benefit management services and can configure drug coverage parameters through our innovative Formulary Management Tool (FMT), which provides the ability to configure drug coverage parameters through the use of customized indicators. Please refer to proposal *Section 8.4, Covered Drug List (CDL)/Preferred Drug List (Single PDL)*, for a complete description of our approach to meeting all requirements in RFP Section 2.1.10.
Behavioral Health Policies and Procedures: Describe the proposed approach to meet the requirements in Section 2.1.11.	MMA understands the importance of working in collaboration with the Louisiana MCOs to ensure that patients who have been enrolled in psychiatric and residential substance use facilities are able to continue to have access to medically necessary behavioral health medications upon discharge from a facility. MMA offers Louisiana Prescribers the option to use the universal PA form to indicate that a Louisiana enrollee is being discharged from a psychiatric or a residential substance use facility and will need access to behavioral health medications such as, but not limited to, naloxone, buprenorphine containing products, and long-acting injectable anti-psychotics prior to discharge. Through our behavioral health programs, we provide

RFP Section	MMA's Approach
	business and technical solutions to support opioid management through our system and programmatic capabilities. MMA recognizes the importance of continuity of care for behavioral health patients and ensuring they are able to access medications in accordance with LDH's Behavioral Health Policies and Procedures. Please refer to proposal *Section 8.5, Behavioral Health Policies and Procedures*, for a complete description of our approach to meeting all requirements in RFP Section 2.1.11.
Specialty Drugs and Pharmacies: Describe the proposed approach to meet the requirements in Section 2.1.12.	MMA has provided proprietary pharmacy network management and administration services since 1985, and we will apply our proven expertise to establish and manage a network of contracted specialty pharmacies for the Louisiana Medicaid Managed Care Program. MMA understands the importance of providing sufficient access to Specialty Drugs to Enrollees and to ensure proper management of the handling and utilization of Specialty Drugs. We manage networks of pharmacies for our PBM customers, including pharmacy network enrollment, contracting, and maintenance. MMA has an established statewide Louisiana pharmacy network that will provide access to PBM covered services for Enrollees. Please refer to proposal *Section 8.6, Specialty Drugs and Pharmacies*, for a complete description of our approach to meeting all requirements in RFP Section 2.1.12.
Drug Utilization Review (DUR): Describe the operations for the prospective component of DUR including compliance with Federal regulations and coordination with the LDH DUR Board, LDH pharmacy staff and the MCOs.	MMA brings value to LDH by leveraging the depth of our DUR expertise and SMEs with specific areas of clinical therapeutic focus, Enrollee safety, and cost-effectiveness to serve the Louisiana Medicaid Managed Care Program. As the current contractor for the Louisiana Supplemental Rebate/PDL and Drug Rebate Processing Contract since 2002, we understand the relevance of appropriate clinical and therapeutic management services, compliance with Federal regulations and coordination with the LDH DUR Board, LDH pharmacy staff, and the MCOs. Our ProDUR solution is an integrated component of our FirstRx system and includes the following: configuring edits to message or deny resulting in meaningful interventions that do not over-burden dispensing pharmacy providers; monitoring utilization data and ProDUR edit/message trends; providing clear and concise ProDUR messaging to address only the most clinically significant circumstances; and configuring claims edits to provide enhanced ProDUR refinement functional capability. Please refer to proposal *Section 8.7, Drug Utilization Review (DUR),* for a complete description of our approach to meeting all requirements in RFP Section 2.1.13.
Provider and Enrollee Support: Describe approach to provide appropriate staff for Provider and Enrollee inquiries and compliance with LDH and MCO requirements.	MMA is committed to providing excellent CSC support and functionality for LDH, its Network Providers, Prescribers, MCOs, and, most importantly, the Enrollees the Program serves. Our understanding of the Program makes it clear that LDH puts tremendous value on CSC management and providing the highest levels of customer service to Louisiana Medicaid Managed Care Program stakeholders. MMA possesses the Medicaid FFS experience and commitment necessary to meet those requirements. Our focus is to provide the best service experience for all stakeholders contacting our CSCs by providing accurate information, education, and caring service. MMA will ensure that our CSC is appropriately staffed to respond to Provider and Enrollee inquiries. We provide a fully-trained CSC staff of skilled clinicians—including pharmacists (RPh and PharmD) and Certified Pharmacy Technicians (CPhTs)—who respond to service requests submitted via telephone (through one established toll-free number), fax, mail, web portal, and/or email. Please refer to proposal *Section 8.8, Provider and Enrollee Support*, for a complete description of our approach to meeting all requirements in RFP Section 2.1.14.
Oversight and Monitoring: Describe the proposed approach to meet the requirements in Section 2.1.15.	MMA has established internal processes in place to provide oversight and monitoring of our PBM solution. We utilize these internal monitoring and oversight mechanisms to prevent issues from arising thereby ensuring the highest levels of system functionality and customer satisfaction. MMA acknowledges that LDH will provide oversight and monitoring of all MMA activities and operations and promote

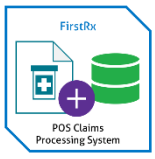
RFP Section	MMA's Approach
	collaboration between MMA and the MCOs. We have served the Medicaid community for five decades and have an outstanding reputation of service to our customers. If an MCO requires a Corrective Action Plan (CAP), MMA will develop and submit a CAP to the MCO. The CAP will identify the cause, the expected impact, the expected time of problem resolution, correct the issue, and take measures to prevent the problem from occurring in the future. Monitoring activities to prevent reoccurrence will also be provided. Please refer to proposal *Section 8.9, Oversight and Monitoring*, for a complete description of our approach to meeting all requirements in RFP Section 2.1.15.
State and Federal Mandate Compliance: Describe the proposed approach to meet the requirements in Section 2.1.17.	MMA will comply with all applicable State and Federal laws, rules, regulations, policies, procedures, and manuals, and the State Plan in the performance of the Louisiana PBM Services for Medicaid MCOs Contract. Our compliance with Federal requirements is proven by our successful track record in implementing federally-certified PBM systems. MMA employs the latest technology standards and equipment regarding the protection of the critical internal infrastructure and is confident the deployed systems and technology will remain current on an ongoing basis. Please refer to proposal *Section 8.10, State and Federal Mandate Compliance*, for a complete description of our approach to meeting all requirements in RFP Section 2.1.17.
Audit: Describe approach to provide an audit program (Section 2.1.18).	MMA's audit program is led by our Special Investigations Unit (SIU) in partnership with Through this partnership, we will develop and execute our pharmacy audit program to assess, monitor, and control pharmacy-related program costs and improve operational effectiveness for the Louisiana MCO PBM Project. We use a collaborative approach to address program integrity through close and integrated relationships between MMA, our audit subcontractor, state customers, and other stakeholders, as appropriate. MMA will leverage this strategy to ensure a successful audit program for the Louisiana MCO PBM Project. As part of our Louisiana pharmacy audit program goals, we will review audit results as a potential source for fraud and abuse leads, focus on quality measures, identification of errors, and compliance with regulatory and contractual requirements, emphasize educational opportunities for network providers, and provide meaningful feedback about identified opportunities for program improvement. Please refer to proposal *Section 8.11, Audit*, for a complete description of our approach to meeting all requirements in RFP Section 2.1.18.
Security and Privacy: Describe the proposed approach to meet the requirements in Section 2.1.23.	MMA meets all State and Federal privacy and security regulatory requirements for protecting data confidentiality, including those defined by the HIPAA Security Rule and HITECH Act. We base our controls and guidelines on the NIST SP 800-53 framework, as well as State and Federal security criteria. We employ the latest technology standards and equipment to protect our critical internal infrastructure, and we are confident that the deployed systems and technology will remain current on an ongoing basis. To address this need, we have implemented technical, physical, and administrative safeguards to enhance physical security, personnel security, and information systems security. In addition, our organization is also HITRUST certified. Please refer to proposal *Section 8.12, Security and Privacy*, for a complete description of our approach to meeting all requirements in RFP Section 2.1.23.
Reporting and Quality Assurance: Describe the ability to provide standardized and ad hoc reporting.	Using MRx Explore, our proprietary flexible business intelligence (BI) and analytics product, we provide a comprehensive suite of reports and tools specifically for the Medicaid population and refine that offering, as needed, to further support any unique needs of the Louisiana Medicaid Managed Care Program. MRx Explore provides a suite of dashboards, a robust package of pre-existing proprietary standard interactive reports, and a comprehensive proprietary self-service ad hoc

RFP Section	MMA's Approach
	reporting tool that allows authorized users to create customized ad hoc reports using a catalog of data elements and parameters. MRx Explore provides a suite of more than 100 standard reports and dashboards and a suite of more than 16 additional reports to support the growing need for opioid usage monitoring. We offer a sophisticated reporting solution that provides information on different facets of pharmacy data. We also provide access to our pre-existing proprietary self-service query building tool, Report Studio. MMA's intellectual capital is comprised of two well-established reporting teams including, our COAR Department (staffed by pharmacists, biostatisticians, and healthcare analysts) and our BI Team. The Louisiana MCOs and LDH will have access to COAR resources and our technology team for outcome analyses, drug trend forecasting and analysis, strategic planning, and ad hoc reporting requests. The Lead Data Analyst will be supported by our BI and COAR Departments and will be responsible for authoring reports and queries to produce and deliver reporting results as requested. The Lead Data Analysist will leverage the expertise and knowledge of both the BI and COAR Departments, two well established departments, to satisfy reporting requirements and needs. Please refer to proposal *Section 8.13, Reporting and Quality Assurance*, for a complete description of our approach to meeting all requirements in RFP Section 2.1.24.
Emergencies and Disaster Planning: Describe the proposed approach to meet the requirements in Section 2.1.25.	In the event of an emergency, as determined by LDH, MMA understands that LDH will have the authority to require the implementation of any necessary configuration modifications within 72 hours of notification. Across MMA's book of business, 98% of benefits and adjudication rule change requests are configurable. The need for additional software development, coding, and testing has been greatly reduced; MMA is able to take immediate action to address critical Enrollee health and medication access needs. Our POS system is designed to support clinical efficiency and the configuration of edits and rules based on Enrollee designation, including lock-in, or any other designation as directed by LDH. Please refer to proposal *Section 8.14, Emergencies and Disaster Planning*, for a complete description of our approach to meeting all requirements in RFP Section 2.1.25.
Continuity of Operations Plan (COOP): Describe the proposed approach to meet the requirements in Section 2.1.26.	MMA uses best practices to prevent emergencies and disasters and to ensure prompt detection. We report incidents to all appropriate authorities and stakeholders, respond to and address all types of emergencies and disasters, and maintain contingency plans for sufficient back-up and recovery for all operations. MMA's disaster recovery provisions include backup network connectivity to the local facility, primary production, and disaster recovery environments. We have both primary and secondary circuits to our production data center and our disaster recovery data center. Our business continuity and disaster recovery strategy includes off-site replication of data and infrastructure necessary to maintain critical business services if our primary data center should become unusable. Please refer to proposal Section 8.15, Continuity of Operations Plan, for a complete description of our approach to meeting all requirements in RFP Section 2.1.26.

In addition to our ability to meet and/or exceed all Requirements in RFP Section 1.8.8, MMA also presents our approach to the requirements detailed in RFP Section 2.1.1 in the following narrative.

The Contractor will provide services to the contracted MCOs, including, but not limited to:

- **Drug Claims processing and administering payments to Network Providers.**



MMA will implement FirstRx, our proprietary point-of-sale (POS) claims adjudication system, to process Drug Claims for the Louisiana Medicaid Managed Care Program. FirstRx is a highly configurable and flexible business rules-based pharmacy claims processing application that serves the complex, ever-changing Medicaid market. Our system supports online benefit configuration and claims adjudication in real time, 24/7/365, as

well as encounter claim loads/pricing. FirstRx accepts pharmacy claims via real-time and batch submission, web claims submission, and manually-entered paper claims.

We will administer payments to Network Providers using FirstFinancial. FirstFinancial consists of accounts payable, accounts receivable, and cash management modules and is based on the GAAP-compliant Oracle accounting suite. The implementation of MMA's FirstFinancial provider payment solution will provide the Louisiana Medicaid Managed Care Program with an up-to-date platform and enable timely submissions to Medicaid for recovery and the recoupment of claims expenditures for the Program.

- **Applying the PDL and benefit design.**

Having served as the Louisiana PDL contractor since 2002, MMA will utilize our first-hand knowledge of the State's Medicaid Program to apply the PDL and perform benefit design for the Louisiana Medicaid Managed Care Program. MMA's business analysts will configure LDH business rules, PDL, quantity limitations, and clinical criteria requirements from the Requirements Document into the FirstRx development environment. Our business analysts will craft, execute, and document implementation requirements test results.

MMA will utilize PA criteria as directed by LDH and align with drugs on the PDL. MRx Decide, the dynamic core of our PA process, will code the Louisiana Medicaid Managed Care Program's PDL into the required question set for PA criteria. MRx Decide is a custom knowledge base, designed specifically for processing PA requests. It incorporates preferred and non-preferred drug lists, diagnostic information, age and gender considerations, and quantity limitations, along with sophisticated questions based on LDH's PA criteria to allow consistent processing of complex clinical PA requests.

- **Processing PA requests using LDH-established criteria.**

MMA's will utilize our robust systems and clinical experience to process PA requests, using LDH-established criteria, and verify eligible Enrollees have access to care through therapeutically appropriate use of pharmaceuticals. ***We have 30 years of experience managing and performing utilization management and pharmacy PA activities that include developing and implementing clinical PA requirements.*** MMA responds to PA requests using many different channels, including automated PA (AutoPA) through our FirstRx system, electronic PA (ePA), and manual PA entry through our Customer Service Center (CSC).

- **Providing Provider and Enrollee customer service.**

MMA has provided pharmacy Provider and Enrollee support through CSC excellence to our customers since 1988 and will leverage this experience for the Louisiana Medicaid Managed Care Program. We provide a fully-trained CSC staff of skilled clinicians—including pharmacists (RPh and PharmD) and Certified Pharmacy Technicians (CPhTs)—who respond to service requests submitted via telephone (through one established toll-free number), fax, mail, web portal, and/or email. Our CSC staff clearly understands clinical aspects and recognizes, appreciates, and respects the needs and support requirements of Providers, Enrollees, Prescribers, and all Louisiana Medicaid Managed Care Program stakeholders.

- **Network auditing.**

MMA has been providing pharmacy audit services for 18 years. Our audit program is designed to strategically convey transparent pharmacy auditing services to ensure optimal network integrity and quality performance. We take a risk-based approach and employ data analytics and clinical expertise to ensure we focus on the areas of highest risk. Our audit program is led by our Special Investigations Unit (SIU) in partnership with Collaboratively, we will develop and

execute our pharmacy audit program to assess, monitor, and control pharmacy-related program costs and improve operational effectiveness for the Louisiana MCO PBM Project.

- **Development and delivery of required reports to LDH and the MCOs.**

MMA will support the development and delivery of required reports to LDH and the MCOs using MRx Explore, our proprietary flexible business intelligence (BI) and analytics product. Through MRx Explore, we provide a comprehensive suite of reports and tools specifically for the Medicaid population and will refine that offering, as needed, to further support any unique needs of the Louisiana Medicaid Managed Care Program. MRx Explore provides a suite of more than 100 standard reports and dashboards and offers a sophisticated reporting solution that provides information on different facets of pharmacy data. MMA will provide a dedicated Lead Data Analyst to support ad hoc reporting needs.

- **Providing Drug Claims data to the MCOs daily.**

MMA will use our established functionality to provide claims and payment history files directly to MCOs daily. Drug Claims data will be sent in the LDH-defined format as agreed upon and documented during implementation.

- **Providing LDH or its designee(s) and the MCOs with real-time, unredacted, read-only access to the Drug Claims processing and online reporting system(s).**

MMA will provide our FirstTrax Client Interface, FirstCI, to designated LDH and MCO users which allows for an unredacted review of information. As a read-only companion to FirstTrax, FirstCI contains numerous search fields that allow users to locate information pertaining to Enrollees, Enrollees' Drug Claims, Network Providers, drugs, Prescribers, PAs, and call tracking against both the FirstRx and FirstTrax databases. The application provides a standard set of required search parameters to protect the integrity and responsiveness of the POS system as it processes in-flight transactions.

To support reporting needs, authorized LDH and MCO users will have access to MRx Explore. MRx Explore allows scheduling reports, as well as making all data elements available for self-service reporting. In addition, the tool allows for graphical views.

- **Ensuring that program performance is met including, but not limited to, measures of PDL compliance, DUR monitoring, and Enrollee satisfaction.**

Our Louisiana MCO PBM Project's Chief Operational Officer, Claudia Soto, has oversight of MMA's performance related to providing services for the Louisiana Medicaid Managed Care Program. She will collaborate with all internal functional areas to ensure that program performance is met in accordance with Louisiana PBM Services for Medicaid MCOs Contract requirements, including measurement of PDL compliance, DUR monitoring, and Enrollee satisfaction.

- **The Contractor may not implement any internal Drug Claims processing restrictions such as PA, quantity and/or duration limits, age/gender restrictions, Prospective Drug Utilization Review (ProDUR) edits, or other restrictions unless authorized by LDH.**

MMA will not implement any internal Drug Claims processing restrictions such as PA, quantity and/or duration limits, age/gender restrictions, ProDUR edits, or other restrictions unless authorized by LDH.

- **The Contractor shall process Drug Claims equally and uniformly for all MCOs to avoid duplication of effort and reduce administrative overhead.**

MMA will process Drug Claims equally and uniformly for all MCOs to avoid duplication of effort and reduce administrative overhead. During adjudication, claims transactions will be processed against the business rules established by LDH during implementation and configured in FirstRx. Our State customers' benefit plan rules are implemented through the configuration of our rules engine integrated

within the FirstRx application. Drug Claims processing will not be customized for each MCO. We will ensure that drug claims processing will occur as specified by LDH without exception and that processing will be uniform for all MCOs. FirstRx allows the flexibility of adjudicating all claims using the same subset of edits/rules, regardless of the mode of submission of the incoming transaction or application of different edits/rules based on the mode of submission. Unless exceptions are configured, all claims submitted via POS, paper, and batch are subject to the same validation and LDH policy edits within the system.

- **The Contractor shall provide appropriate services to Enrollees to prevent harm or mitigate risk of imminent harm.**

MMA will provide appropriate services to Enrollees to prevent harm or mitigate risk of imminent harm. Examples of processes in place to support this requirement include:

- Our CSC agents are trained to provide the highest level of customer service. In the event that an Enrollee could be harmed or is in danger, CSC staff will inform the Enrollee to call 911 or local authorities. The situation is immediately escalated MMA's CSC management staff.
- The CSC telephony and core system have full redundancy and automatic roll over. We have the ability to bring up the CSC from any alternative, secure location. MMA has the ability to roll calls to a backup CSC where trained agents will assist with emergency claims and other urgent needs.
- MMA's Network Management Team will take into consideration the threat of imminent peril and submit network cancellations accordingly to LDH for review and approval.

Proven and Effective Enrollee Support in Emergency Situations

For our Florida Medicaid FFS PBM customer, MMA implements processes to lift early refill edits to ensure Enrollees have access to their medications when Emergency Orders are released by the Governor. Override edits are implemented within 24-48 hours of the Emergency Order notification, pending customer final approval. Once, implemented, we are able to override edits via POS adjudication at the county level, which allows for adjustments as the track of a hurricane changes and impacts different parts of the State. MMA provides a deployment notification to State staff within 1 hour of implementation. To ensure the above protocol is followed during weekends and holidays, MMA notifies the State of designated on-call MMA team members.

- **The Contractor shall:**
  - **Provide PBM services equally and in a manner that prevents duplication or multiple solutions for the MCOs.**

MMA's PBM solution incorporates functionality to ensure that our PBM services are provided equally and in a manner that prevents duplication or multiple solutions for the MCOs. For example, we will implement our proven FirstRx drug claims processing system as a single solution that interfaces with each MCO. FirstRx affords the capability to configure each MCO as a group under the LDH umbrella and to apply a uniform benefit in support of the Department's program goals. This streamlines operations and thus reduces administrative overhead. FirstRx allows the flexibility of adjudicating all claims using the same subset of edits/rules, regardless of the mode of submission of the incoming transaction or application of different edits/rules based on the mode of submission. Unless exceptions are configured, all claims submitted via POS, paper, and batch are subject to the same validation and LDH policy edits within the system. MMA will process drug claims consistently for all MCOs, and will comply with all Federal and State regulations, as well as LDH policy.

  - **Perform Readiness Review as a part of the MCO Readiness Review process.**

MMA will perform a Readiness Review as a part of the MCO Readiness Review process. As noted in Addendum #4, Question Number 52, issued on March 16, 2022, we acknowledge that LDH plans to conduct readiness reviews to assess the ability and capacity of MMA to perform satisfactorily in our major operational areas or the overall program, as well as the readiness of each MCO to work with MMA

We will work in conjunction with LDH, MCOs, and other contractors to prepare, test, and demonstrate readiness for the Operational Start Date by using our established processes. We meet with LDH to ensure we have captured all requirements so that processes and systems are working correctly. ***Together, we will conduct an assessment of the overall implementation as the project nears the Operational Start Date.*** This assessment is a review of all operational readiness deliverables including an operational readiness plan walkthrough for large workstreams and a transition plan which includes an Operational Readiness Checklist and our Implementation Work Plan. The checklist and Implementation Work Plan outline all activities and tasks needed to execute a flawless cutover from incumbent systems.

- **Maintain expert knowledge of industry standards, best practices, and innovations, and make program improvement recommendations to LDH for consideration.**

Through our 38 years of government PBM specific experience, as well as 50 years providing services to government healthcare programs, MMA maintains expert knowledge of industry standards, best practices, and innovations. We are well qualified to make program improvement recommendations to LDH for consideration. MMA is committed to working collaboratively with LDH to provide design recommendations for system, architecture, benefit, etc. modifications to ensure the success of the Louisiana MCO PBM Project. Using our clinical and technical resources, MMA will analyze the Louisiana PBM Services for Medicaid MCOs Contract requirements and design and make recommendations to LDH ensuring a best-in-class solution.

Our experience with many State partners and many programs across the United States has given us a wealth of best practices from which to draw. These best practices span across multiple domains including benefit configuration, clinical strategy, application and enterprise architecture, data modeling, secure data communication, and Cloud technologies, etc. MMA will make all of this knowledge available to LDH as we implement and operate our MCO PBM Solution. We will submit all recommendations to LDH for review and acknowledge that LDH is under no obligation to accept our recommendations. Please refer to proposal *Section 9.0, Innovative Concepts and Value-added Services*, for additional information.

In addition, our Government Affairs Department provides legislative support and analysis. We provide analytics and recommendations, not just reports, from a department focusing on a broad healthcare agenda that includes pharmacy but is not limited to pharmacy. ***Our focus on serving Medicaid customers has led to a deep understanding of the population these programs serve, the State and Federal rules under which they operate, and the benefit designs, clinical policies, and programs allowable within the constraints of regulations that have proven effective in providing and preserving access to clinically appropriate care in a cost-effective manner.***

- **Comply and be thoroughly conversant with all applicable State and Federal laws, rules, regulations, policies, procedures, and manuals as well as the State Plan for pharmacy benefit services provided to Enrollees by Network Providers.**

MMA will comply with all applicable State and Federal laws, rules, regulations, policies, procedures, and manuals, as well as the State Plan for pharmacy benefit services provided to Enrollees by Network Providers. We are thoroughly conversant in all Federal and State pharmacy laws, including Louisiana pharmacy law. Our Government Affairs Department monitors actual and prospective regulatory changes

closely. MMA will collaborate with LDH to meet any new requirements. All legislation and regulations are tracked in a database maintained by the Corporate Compliance Department. This process is audited both internally and externally as part of our annual Sarbanes-Oxley Act control process.

- **Implement any system modifications necessary to comply with any change in Federal and State laws, rules, regulations, policies, procedures, manuals, or the State Plan by the deadlines imposed for such changes at no additional cost to the MCOs or LDH.**

MMA will implement any system modifications necessary to comply with any change in Federal and State laws, rules, regulations, policies, procedures, manuals, or the State Plan by the deadlines imposed for such changes at no additional cost to the MCOs or LDH. First Rx is a highly configurable, rules-based system that allows for efficient deployment of changes with minimal development effort. Across our book of business, ***98% of change requests are met through configuration and deployed by a business analyst (and not a software developer).*** This is made possible by the highly flexible nature of the application, which allows us to implement changes to covered populations and programs quickly.

- **Not be required to maintain and manage the P&T Committee or the Drug Utilization Review (DUR) Board but shall collaborate with LDH and LDH's other vendors to participate in and contribute to these boards/committees onsite in Baton Rouge.**

Our Clinical Pharmacy Director, Tina Hawkins, PharmD, will be designated to collaborate with LDH and LDH's other vendors to participate in and contribute to P&T Committee or the Drug Utilization Review (DUR) Board meetings onsite in Baton Rouge. MMA has provided P&T Committee and DUR Board support for our Medicaid customers since 1987. We are well prepared to contribute to these Boards/Committees by providing our clinical expertise and industry knowledge. We acknowledge that MMA is not required to maintain and manage the P&T Committee or the DUR Board.

- **Attend other meetings onsite in Baton Rouge, as requested by LDH.**

Dr. Hawkins will attend other meetings onsite in Baton Rouge, as requested by LDH in support of the Louisiana Medicaid Managed Care Program. She will collaborate with internal functional areas to ensure that appropriate MMA staff is available to LDH, when needed. Additional staff members can attend meetings in Baton Rouge, as required and requested by LDH. In addition, our Louisiana office location will facilitate our ability to conduct face-to-face meetings.

8.1 Coordination with the MCOs (RFP 2.1.3)

Coordination with the MCOs: Describe the proposed approach to meet the requirements for coordination with the MCOs included in Section 2.1.3, including detailed transition activities

MMA understands the importance of ensuring a smooth transition from the MCOs and providing consistent and continual claims processing without a break in service. Ongoing coordination with the MCOs is equally as important to ensure that there is no lapse in effective case management and care coordination. The health and well-being of Louisiana Medicaid Managed Care Program Enrollees, and ultimately the success of the LDH relationship, is dependent upon our ensuring continuity of care during the implementation and extending into effective coordination of care for years into the future. ***We have developed an Enrollee-centric concierge model that we will follow to ensure no Louisiana Medicaid Managed Care Program Enrollee is prevented access to their medications during the implementation and throughout ongoing operations.*** MMA will develop a detailed plan to transition all Louisiana Medicaid Managed Care Program Enrollee demographic data, claims history, and PA-related files into our comprehensive claims adjudication system. We will also ensure that sufficient CSC staff are hired and trained well in advance of the Operational Start Date, allowing us to meet anticipated call volumes and provide the highest level of customer service. MMA will work closely with LDH, the MCOs, and all LDH stakeholders during implementation and ongoing operations. This process ensures that all tasks are completed on schedule, provides a smooth transition for both LDH, Providers, Prescribers, and most importantly, ensures continuity of care for Enrollees.

MMA understands that a successful transition and ongoing support for LDH's Enrollees depends on a thoughtful and comprehensive implementation and migration strategy and ongoing coordination plan. The process begins with MMA assessing and understanding MCO-specific business processes and procedures that will integrate into the new solution. With a solid understanding of the key needs and challenges of each specific plan, we will provide robust technical and business guidance to support the MCOs throughout the Implementation and Operation Phases. MMA understands the magnitude of the transition to a new system and based on LDH preferences, can provide a range of communication channels through which MCOs can access information.

Following are key approaches MMA utilizes to ensure a successful implementation and ongoing coordination with our MCO partners to ensure Enrollees are effectively and expeditiously provided access to medically necessary prescription drugs:

- Leading regular meetings to disseminate critical information around timelines, testing, systems, and processes
- Partnering, as needed, with LDH in hosting meetings related to policy transitions and other topics impacting the MCOs
- Creating a dedicated email box through which the MCOs can submit questions; the email box will be monitored by an assigned CPhT who will perform a triage function and forward communications to the MCO Liaison Team, as appropriate.
- Creating and posting comprehensive reference documentation in designated, shared access locations
- Scheduling regular meetings (e.g., weekly) with the MCOs to address organization-specific challenges and questions
- Offering recurring office hours as a forum for ad hoc discussions and questions.
- Providing MCO partners with access to our FirstCI tool, which facilitates care coordination by allowing unredacted access to real-time claims and prior authorization information.

- Providing MCO partners with access to our MRx Explore application, which provides users access to standard drug utilization reports and dashboards, as well as ad hoc reporting capabilities.

MMA's experience implementing, and successfully providing ongoing operations, full Medicaid pharmacy POS contracts for 13 Medicaid FFS programs and four Medicaid Managed Care Plans across the country underscores our capabilities to provide comprehensive support for stakeholders transitioning to our services.

Transition training begins during implementation and continues into operations. The transitional training content includes all aspects of claims administration including checking Enrollee eligibility, claims submission including use of our convenient online tools, PA requirements including what drugs need a PA and the process for completing the request, time frames for determinations, utilization management procedures and consultation, and appeals rights and procedures. In addition to initial training for Enrollees, Providers, Prescribers, MCOs, and other stakeholders, we will collaborate with various partners to understand trends and offer additional training to stakeholders who seem to have gaps in their understanding as demonstrated by incomplete processes or requests for additional support. Because we understand the importance of a seamless implementation to minimize any impact to Louisiana Medicaid Managed Care Program Enrollees to ensure continuity of care, MMA staff will perform enhanced claims monitoring for a mutually agreed upon time frame after the Operational Start Date and proactively reach out to Providers who appear to be having difficulty getting claims billed appropriately.

To ensure successful coordination with the MCOs during operations, MMA will provide access to a team of clinical MCO Liaisons, as well as facilitate continuity of care by allowing Louisiana MCOs to access real-time pharmacy and utilization information. We propose to provide authorized MCO users with access to our FirstCI tool and MRx Explore. FirstCI is a real-time, read-only view of claims and PAs in FirstTrax, that provides an immediate and unredacted review of PA activities by the Louisiana MCOs. FirstCI contains numerous search fields that allow users to locate information pertaining to Enrollees, Enrollees' claims, pharmacies, drugs, physicians, PAs, and call tracking against both the FirstRx database and the FirstTrax database. Through MRx Explore, our BI reporting tool, the Louisiana MCOs will have access to detailed monthly operational, clinical, and financial reporting on all PA activities, including the number of PAs, denial/approval rates, number of automated vs. manual PAs, drug and overall healthcare savings, and return on investment. We will provide data feeds to the MCOS to allow them to perform their own analytics. In addition, MMA can hold regularly scheduled meetings with the MCOs to discuss pharmacy-related trends and challenges, and to create solutions. Our Louisiana Account Team will facilitate these meetings for the Louisiana Medicaid Managed Care Program.

Coordination between LDH, MCOs, and the Contractor is essential. The Contractor shall exchange information bi-directionally with the MCOs and LDH. In addition, the Contractor shall disseminate information to Network Providers and Enrollees upon approval from LDH.

MMA understands the importance of coordination with LDH and the MCOs. We will exchange information bi-directionally with the MCOs and LDH, as required. Our MCO PBM Solution supports modular, flexible approach to systems development, including the use of open interfaces and exposed application programming interfaces (APIs). We will maintain multiple interfaces for LDH and the MCOs, all containing information that must meet HIPAA privacy and security rules and guidelines and use industry standards, such as X.12, NCPDP, and HIPAA for interoperability and data integration needs. We also support the use of industry-standard data exchange using industry-leading tools, including SnapLogic, EDIFECS, and Informatica.

In addition, MMA will disseminate information to Network Providers and Enrollees upon approval from LDH. We will participate in communication and outreach to stakeholders including providers, provider associations, manufacturers, and advocacy organizations, as needed and as directed by LDH. ***Our solution for Louisiana Medicaid Managed Care Program includes the development of a comprehensive plan that will guide our communication and engagement strategy with stakeholders from implementation, and persist and evolve through the maintenance and operations, for the life of the Louisiana PBM Services for Medicaid MCOs Contract.*** We have experience developing and executing on comprehensive education, outreach, communication, and training plans. Our stakeholder communication and engagement strategy leverages highly-experienced teams and an in-depth understanding of the needs of each group of stakeholders.

The Contractor shall:

- **Establish and maintain a single point of contact/liaison for each MCO.**

MMA will establish and maintain a single point of contact/liaison for each MCO. Our experience in other state Medicaid programs has been instrumental in our efforts to coordinate pharmacy and healthcare services for Enrollees. ***We understand the importance of providing support to the Louisiana MCOs in their obligations relating to Enrollee care coordination.***

The MCOs will be provided access to a team of clinical MCO Liaisons through our dedicated IVR system to assist and resolve clinical pharmacy-related issues, on a 24/7/365 basis. The MCO Liaisons will support coordination and integration efforts, as well as have the ability to quickly resolve urgent Enrollee cases. In addition, they will have the knowledge and capability to assist with any clinical, pharmacy-related matter, including, but not limited to, urgent and/or time-sensitive requests, PA statuses, claims issues, and will have direct access to RPhs and a supervisor. The MCO Liaisons will also understand the population being served by the MCOs, as well as aspects that are unique to the MCOs' population.

MMA believes that access to the MCO Liaison Team during implementation and throughout operations creates a solid program foundation and a path to a seamless benefit transition for all Enrollees, as well as the Provider and Prescriber communities. ***We recognize the need to closely coordinate with and provide service excellence to MCOs; this goal is at the heart of our mission to ensure continuity of care for Enrollees.***

- **Establish a point of contact/liaison for LDH who is authorized and able to address issues across the entire Managed Care Program.**

MMA's Louisiana MCO PBM Project Chief Operational Officer (COO) Claudia Soto will serve as the point of contact/liaison for LDH who is authorized and able to address issues across the entire Managed Care Program. Ms. Soto will have complete oversight and responsibility for the Louisiana MCO PBM Project and provides a pivotal role in leading the Louisiana Account Team providing leadership and guidance to the team of key and essential personnel, as well as other resources. She has decision-making authority on behalf of the organization to ensure resourcing for Louisiana MCO PBM Project deliverables throughout the life of the Louisiana PBM Services for Medicaid MCOs Contract and has authorization to escalate and resolve any issues encountered during implementation and operations in order to meet LDH expectations and needs.

Ms. Soto will serve as the intermediary among internal IT, Operations, Quality, and Clinical departments, as well as the MCOs and other LDH stakeholders. She will develop and enhance customer relationships by successfully managing the system change process from requirements gathering to post-implementation validation. Ms. Soto will keep LDH informed of Louisiana Medicaid Managed Care Program updates to comply with industry best practices.

- **Establish a method to provide a data file of Drug Claims in support of MCOs' care coordination and care management activities.**

During implementation, MMA will establish a method to provide a data file of Drug Claims to support the Louisiana MCOs' care coordination and care management activities. We will provide a Drug Claims file to the MCOs on a mutually agreed-upon schedule. MMA takes pride in partnering and establishing business relationships in support of Medicaid programs nationwide and will leverage this experience for the Louisiana Medicaid Managed Care Program.

MMA will transmit secure data between the different parties involved in Louisiana Medicaid Managed Care Program pharmacy program. We have developed and tested all of the HIPAA-compliant transactions necessary to support an MCO PBM program and have extensive experience establishing interfaces and data exchanges with our many customers' diverse systems.

Currently, we support thousands of unique batch file transfers such as feeds from Medicaid plans and enrollment files on a daily basis (both inbound and outbound), occurring as frequently as every 15 minutes to once a day/week/month, to support our customers' business needs. Our Data Services Team backs up our operations through 24/7/365 on-call support for critical deliveries.

The CMS Interface Control Document (ICD) lists the details of each individual interface, including the layout, schedule, file name, and detail system mapping documentation. The details captured include but are not limited to system translations, business rules, and documents used to set up schedules, specify the priority of the interface for error handling, alerts, and notification requirements.

MMA will fully comply with all HIPAA Privacy, Security, and electronic transaction and code set rules during the term of the Louisiana PBM Services for Medicaid MCOs Contract to ensure that all confidential information is securely stored and transmitted in accordance with LDH compliance requirements. We will utilize a Secure FTP (SFTP) site for reciprocal exchange of data between the MCOs and MMA. The SFTP connection provides an additional layer of security for Enrollee PHI and is more secure than secure email.

- **Establish the process to perform all required inbound and outbound file and/or data transfers and interfaces between the Contractor, MCOs, LDH, and any other entity as required by the Department utilizing a format and transmission method requirement and/or approved by the State.**

MMA will establish processes to perform all required inbound and outbound file and/or data transfers and interfaces between MMA, MCOs, LDH, and any other entity as required by LDH. We will partner closely with LDH to ensure the format and transmission method complies with LDH requirements and/or is approved by the State. We have extensive experience in establishing interfaces and data exchanges with our customers' diverse systems and are able to interface with all necessary systems, as required.

Our Louisiana MCO PBM Project Information Technology (IT) Manager, Russell Thompson, will provide support for file and/or data transfers and interface processes. He will serve as primary contact for LDH or MCO technical staff to support the development of interfaces. In addition, Mr. Thompson will oversee the submission of accurate and timely Drug Claims data.

MMA will develop and maintain a secure and continuous connection with, and interface with all the Louisiana Medicaid Managed Care Program management application systems as required. MMA ensures that all interfaces are real-time, where applicable. Our PBM Solution ensures all data exchanges (real-time, near real-time, and batch) involving trading partners are executed in a secure, timely, and accurate manner and in full compliance with State and Federal laws and all CMS MITA and industry-wide standards. MMA provides real-time capabilities, as well as batch interfaces processed at intervals as short as every 15 minutes offering near real-time processing for batch transmissions. We support

several methods of data exchange, including SFTP (secure file transfer protocols), FTPS (file transfer protocol secure), NDM (Network Data Mover), EDI (electronic data interchange), and real-time RESTful or SOAP/XML exchanges.

MMA maintains over 4,600 interfaces, all containing information that must meet HIPAA privacy and security rules and guidelines and use industry standards, such as X.12, NCPDP, and HIPAA for interoperability and data integration needs. We also support the use of industry-standard data exchange using industry-leading tools, including SnapLogic, EDIFECS, and Informatica. In addition, our architecture includes an EDI gateway and enterprise business services capabilities which are also key components of our strategy. These provide a means for more customizable, real- or near-real-time exchanges of Enrollee records or transaction level data, if trading partners choose to use this instead of the more commonly leveraged batch data interface architecture. MMA is committed to architectures that provide the right availability of data and produce the most value for our customers. We will partner closely with LDH to develop interfaces through an interactive process to ensure that LDH, MCOs, and other entities designated by LDH receive all required information.

- **Comply with all MCO and LDH required file layouts and data submission standards in accordance with NCPDP D.0.**

MMA will comply with all MCO- and LDH-required file layouts and data submission standards in accordance with NCPDP D.0. During implementation, our solutions will be configured to meet Louisiana Medicaid Managed Care Program requirements, and interfaces will be built to exchange the data needed. We have established numerous secure system interface requirements to maximize the efficiency of the bidirectional flow of information for our customers and offer flexibility on the file formats we accept. MMA has developed and tested the HIPAA-compliant transactions we receive and send, including the X12 and NCPDP standards.

We support several methods of data exchange to establish secure data transfers with all stakeholders. MMA will work in conjunction with LDH and the MCOs to accomplish all necessary data transfers in near real-time or at a mutually agreed-upon frequency. Our systems support secure and confidential communication of claims and related claim information from the pharmacies to our POS claims processing system (FirstRx) through industry standard NCPDP transactions. All interface configurations will be validated by LDH during User Acceptance Testing (UAT).

- **Establish the process and frequency for Electronic Funds Transfers (EFT) from the MCOs to the Contractor for weekly reimbursement to pharmacies.**

We will partner closely with the MCOs during implementation to establish the process and frequency for Electronic Funds Transfers (EFT) from the MCOs to MMA for weekly reimbursement to pharmacies. Our established pharmacy payment process remits payments and corresponding remittance advices to pharmacies on a routine, recurring basis. Prescription claims data from our FirstRx system are captured in our FirstFinancial system, where we can generate both paper and EFT Provider payments.

- **Establish a process to communicate and coordinate with the MCOs and LDH to meet the needs of Enrollees and Providers (e.g., call center transfers, responding to questions about Drug Claims, addressing complaints, Grievances and Appeals, etc.).**

As described in the following paragraphs, MMA has established processes in place which will be leveraged to communicate and coordinate with the MCOs and LDH to meet the needs of Enrollees and Providers, including call center transfers, responding to questions about Drug Claims, addressing complaints, Grievances and Appeals, etc.

Call Center Transfers

MMA's CSC has the ability to coordinate with external entities (e.g., MCOs and LDH), including making and accepting warm transfers and conducting three-way calls. We will work with LDH and the MCOs to determine the best method of making the referral and the information that needs to be provided with the referral. In addition to warm transfers, we also have the ability to utilize an email with a set template to ensure completion of information, so the receiving entity has everything needed. Our MCO Liaison Team will be prepared to assist with MCO-related calls, as necessary.

Drug Claims Inquiries

MMA will provide technical, clinical, and Enrollee help lines through a designated toll-free telephone number. We support this arrangement for other customers and will establish a single toll-free telephone number, as directed by LDH. MMA will divide our CSC into two primary functions, technical and clinical. The MMA CSC will support the Louisiana Medicaid Managed Care Program as a technical service desk and as a clinical service desk and will provide one dedicated toll-free inbound telephone line with menu prompts exclusive to Enrollees, Network Providers, and Prescribers.

The toll-free telephone line will be utilized for the CSC to respond to all claims processing questions and those policy questions for which answers can be retrieved from existing written, web, or other reference sources. We configure our POS solution to provide responses to Providers in real-time when a claim is denied. When additional information is needed, our highly trained CSC staff will assist LDH and MCO staff, as well as support the variety of Prescriber and Network Provider inquiries typically seen in a pharmacy CSC regarding the state Medicaid-approved programs (e.g., eligibility inquiries, claim/appeal submissions, pharmacy claims processing and status, etc.); systems availability; technical support for electronic data interchange (EDI) submissions; Enrollee services assistance, including clinical assistance; complaints and appeals acceptance and processing; Provider payment and reimbursement guidelines; and information technology (IT) help desk questions.

Complaints, Grievances, and Appeals

The CSC is a critical line of defense in avoiding complaints through our culture of caring. In the event that a complaint is received, our CSC agents will be trained to recognize a complaint, work to resolve it at the point of contact, tag the contact as a complaint, and ensure that, when necessary, complaints are referred internally and addressed in accordance with Louisiana Medicaid Managed Care Program complaints and grievances resolution policies. Excellence in customer service is not simply responding quickly and accurately to complaints and grievances—it requires partnering with Enrollees to address their concerns and helping them to better understand their benefits. ***This model allows MMA to identify and mitigate the risk of additional concerns before they occur.***

MMA adheres to stringent policies and procedures for addressing and resolving problems. Complaints and grievances are, with few exceptions, received by a CSC agent who records pertinent information in FirstTrax. FirstTrax is MMA's proprietary online contact and PA management system, powered by our configurable, business rules-driven clinical decision module, MRx Decide. It is a web-enabled, secure tool that is table- and parameter-driven, allowing flexible and easy configuration to support changes/updates as requested by LDH. The system is integrated in real time with eligibility, Providers, and our claims system. In addition, we have implemented a process that allows image files of Enrollee letters to be attached to the contact detail records in FirstTrax. Retaining the letters online allows for easier access when assisting a caller, as well as improved auditability and tracking. PA processing and MRx Decide are also fully integrated into FirstTrax to allow the CSC agent easy access to data and a view across claims

and PAs before escalating the issue, as appropriate. MMA CSC agents will ensure Enrollees are informed and understand their rights and procedures for submitting complaints and grievances. Our CSC adheres to standards and guidelines aimed at providing excellent service.

Enrollees may contact our technical CSC 24/7/365 to request assistance with any claim inquiries, concerns, or questions about benefits and coverage. Call quality reviews are conducted to ensure complaints and grievances have been identified and managed appropriately. Comprehensive training modules are utilized for complaints and grievances training, which is enhanced through leadership coaching.

For any presenting issue that needs to be flagged as a complaint, the CSC agent will initiate the Complaint Workflow. The FirstTrax system will assign the Call Category and Call Type based on selections in the workflow. For all complaints, the Call Category will be Complaint. MMA will work closely with LDH to establish Call Types specific to the Louisiana Medicaid Managed Care Program.

For all telephone contacts, the CSC agent will be the initial contact to explain how a complaint is filed, offering to mail a hard copy complaint form, or offering to perform an initial intake by telephone. All CSC agents will be trained to identify a complaint, initiate a complaint at intake, and process a complaint up to the point that a complaint needs to be escalated to appropriate management or clinical staff. The Complaints and Grievances Workflow in FirstTrax will automatically move the issue to the management/clinical queue if it cannot be resolved by the CSC agent.

- **Establish a process to grant the MCOs, LDH, and other State representatives real-time, unredacted view into the Contractor's Point-of-Sale (POS) Drug Claims processing system, which shall include access to eligibility, Drug Claims, Provider, and payment information.**

MMA will provide MCOs, LDH, and other authorized State representatives with remote web-based access to the POS system through FirstCI, our FirstTrax Client Interface tool. ***FirstCI allows authorized users the ability to view live claims adjudication in real-time and is seamlessly integrated with FirstRx.*** FirstCI is an easy-to-use, read-only application that allows LDH-authorized users to search for claim information, product cost, eligibility information, prescription history, pharmacies, drugs, physicians, demographic information, and call tracking against both the FirstRx and FirstTrax databases. The application contains many optional search fields, as well as a standard set of required search parameters to protect the integrity and responsiveness of the POS system as it processes in-flight transactions.

FirstCI offers role-based security, which allows authorized users access, including remote access, to only the services, components, and data necessary to perform their designated function. We are in full compliance with all HIPAA and security laws/requirements (including HITECH). FirstCI will be accessible through MMA's Louisiana MCO PBM Web Portal. Please refer to *Figure 8.1-1* for a sample of the FirstCI Main Menu Window.

- **Develop and implement necessary transition activities with the MCOs, MCO subcontractors, and LDH.**

MMA will develop and implement necessary transition activities with the MCOs, MCO subcontractors, and LDH. Our priority during transition activities is effective planning to ensure continuous quality operational services to Enrollees, Providers, and other stakeholders, and the successful completion of Louisiana Medicaid Managed Care Program transition activities. Using our proven PMM, we offer LDH a low-risk transition with no adverse impact on the performance of Program operations.

Our transition approach ensures a successful transition from the current contractor without disruption of medication services to Louisiana Medicaid Managed Care Program Enrollees, including Provider and Enrollee notifications, testing, and training. In addition, our proactive project management approach minimizes rework. MMA uses tools such as Project Status Reports and Deliverable Progress Reports to enable us to proactively communicate whether the Louisiana MCO PBM Project is on track.

We will facilitate requirements review meetings with SMEs from LDH, MCOs, and MCO subcontractors, as appropriate, to refine and validate our understanding of Louisiana Medicaid Managed Care Program requirements. MMA will develop a roadmap for working with all stakeholders during the transition activities and deliver all necessary solutions for the Louisiana MCO PBM Project. ***The transition plan is a dynamic document and will be updated as required by our Implementation Team throughout the project.*** Our transition plan includes our Implementation Work Plan, developed in Microsoft Project, and remains the controlling document for all activities and phases of the Louisiana MCO PBM Project.

MMA will describe how we will manage the implementation of operational requirements for the Louisiana Medicaid Managed Care Program, including strategies, tasks, activities, resources, timing, and dependencies for meeting all transition requirements. We will also develop the Louisiana MCO PBM Project governance and management workflows that will be used to plan, execute, monitor, and report on overall project progress, status, and success. The transition plan will incorporate requirements detailed in the RFP and will be reviewed thoroughly with LDH to ensure that the process, procedures, and workflows have been updated and customized to meet Louisiana MCO PBM Project requirements and needs. During any project transition, cooperation between the current and incoming contractor is essential. MMA will work collaboratively by discussing work plan time frames, shared tasks, etc., with the current contractor to achieve a successful implementation.

- **Respond to and fulfill all LDH and MCO requests for data, reports, and meetings in the manner and within a timeframe designated by the State.**

MMA will respond to and fulfill all LDH and MCO requests for data, reports, and meetings in the manner and within a timeframe designated by the State. We will support the development and delivery of required reports to LDH and the MCOs using MRx Explore, our proprietary flexible business intelligence (BI) and analytics product. Through MRx Explore, we provide a comprehensive suite of reports and tools specifically for the Medicaid population and will refine that offering, as needed, to further support any unique needs of the Louisiana Medicaid Managed Care Program. MRx Explore provides a ***suite of more than 100 standard reports and dashboards*** and offers a sophisticated reporting solution that provides information on different facets of pharmacy data. MMA will provide a dedicated Lead Data Analyst to support ad hoc reporting needs. In addition, MMA will provide select LDH and MCO users access to MRx Explore for personal access to our comprehensive suite of reports and tools as well as ad hoc reporting capabilities.

- **Collaborate with MCOs and LDH to enhance Enrollee engagement and education, and measure Enrollee satisfaction.**

MMA will collaborate with MCOs and LDH to enhance Enrollee engagement and education, as well as measure Enrollee satisfaction. As noted in Addendum #4, Question Number 56, MMA acknowledges that we will not be responsible for printing and mailing Enrollee engagement and education material.

Core to our strategy and vision for Louisiana Medicaid Managed Care Program Enrollee communication and engagement is a cohesive, seamless approach resulting in a positive user experience consistent with LDH's requirements and expectations. MMA possesses over 32 years of experience in providing comprehensive pharmacy training and education for Enrollees, Providers, external stakeholders, and State staff, as well as our own employees. We provide training as contractually required for all of our government customers, including developing and updating associated documentation, and conducting training sessions as required so that thorough training is accomplished.

MMA recognizes the importance of sharing as much information as possible with the MCOs and other Louisiana Medicaid Managed Care Program stakeholders. To that end, we maintain comprehensive pharmacy benefit management documentation and literature for internal program operations, as well as for external Louisiana stakeholders. Our system and user documentation will be provided in accordance with LDH requirements. ***MMA has provided accurate, complete, and transparently managed system and user documentation since we began serving Medicaid customers in 1972.*** We currently provide and maintain system and user documentation as specified by contracts for 30 government programs, including 25 Medicaid programs. We will utilize our experience to execute a successful stakeholder communication and engagement strategy for Louisiana Medicaid Managed Care Program stakeholders.

To measure Enrollee satisfaction, MMA will collaborate with LDH to conduct annual Enrollee satisfaction surveys. The surveys will measure the program participants' satisfaction level with MMA's products and services. ***The population surveyed is randomly selected of an adequate number that will provide for statistically valid results.***

While we utilize mailed forms and telephone surveys to gather participant responses, MMA is sensitive to Louisiana Medicaid Managed Care Program transient Enrollees who may be unable to respond to these survey methods. We will work with LDH to review a variety of options for collection of responses to yield maximum results accordingly. Surveys can also be emailed or web-based.

- **Collaborate with LDH and MCOs to assist with items such as care management, population health, medication adherence, and identification of gaps in care.**

MMA understands the importance of providing support to LDH and MCOs in their obligations related to Enrollee care coordination. We will collaborate with LDH and MCOs to assist with care management, population health, medication adherence, and identification of gaps in care. ***MMA knows the importance of working directly with the MCOs to understand their needs in maintaining continuity of care.*** To help ensure care coordination is successful, the Louisiana MCOs will have access to real-time pharmacy and utilization information, as described below. MCOs will also be provided access to a team of clinical MCO Liaisons through our Louisiana Medicaid Managed Care Program toll-free number to assist and resolve clinical pharmacy-related issues. The MCO Liaison Team will support coordination and integration efforts, as well as have the ability to quickly resolve urgent Enrollee cases. In addition, they will have the knowledge and capability to assist with any clinical, pharmacy-related matter, including, but not limited to, urgent and/or time-sensitive requests, PA status, claims issues, and will have direct access to RPhs and a supervisor. The MCO Liaison Team will also understand the population being served by the MCOs, as well as aspects that are unique to each MCO's population.

Additionally, MCOs will have access to the following information to assist with care coordination and medication adherence:

- Daily data feeds of claims and PAs
- Access to real-time claims and PA information via FirstCI which will be accessible through the Louisiana MCO PBM Web Portal
- Access to a set of reports including Opioid Use Monitoring, Single Fill, No Fill, and Multiple Use
- MDs/Pharmacies reports.

Through MRx Explore, MMA has the ability to retrieve medication-related data. Leveraging our clinical and analytical expertise, MMA will use these data to assist in identifying gaps in care and/or medication non-adherence which can be used to develop targeted programs. We will closely collaborate with the MCOs to determine the best means of addressing identified gaps in care and/or medication non-adherence. Our proven experience includes partnering with one of our Medicaid agency customers and all program stakeholders to develop a means of targeting women of child-bearing age with the very first controlled substance prescription. This experience included working directly with the MCOs to identify Enrollees who had a positive pregnancy test for intervention and education. In addition, authorized MCO users will have direct access to MRx Explore. This will allow MCO users to retrieve and review data that may be beneficial in addressing gaps in care.

MMA's overall clinical philosophy is to improve Enrollee health by maximizing safety, improving adherence, reducing gaps in care, and providing relevant and actionable education. We are focused on harnessing the power of our valuable data, innovative information technology systems, and extensive clinical knowledge to identify opportunities to successfully improve health outcomes.

- **Accept a transaction fee for each paid Drug Claim from each MCO in accordance with an LDH-approved methodology as payment in full for services provided under the Contract.**

MMA will accept a transaction fee for each paid Drug Claim from each MCO in accordance with an LDH-approved methodology as payment in full for services provided under the Louisiana PBM Services for Medicaid MCOs Contract.

- **Receive payments for pharmacy reimbursement directly from the MCOs on a weekly basis.**

Through our established EFT processes, MMA will receive payments for pharmacy reimbursement directly from the MCOs on a weekly basis.

- **Provide a transparent pass-through model of reimbursement. In accordance with La. R.S. 46:450.7, the Contractor is prohibited from facilitating Spread Pricing. The Contractor is also prohibited from applying retrospective clawbacks, true-ups or effective rates without written approval by LDH.**

Our reimbursement of pharmacy Providers will utilize a pass-through model and be prompt, accurate, and transparent. All historical and current pricing methodologies, including dispensing fees, are maintained in FirstRx. Each price record contains an effective date and termination date to ensure that the correct record is used in claims processing. MMA will not facilitate Spread Pricing in accordance with La. R.S. 46:450.7, In addition, we will not apply retrospective clawbacks, true-ups, or effective rates without written approval from LDH.

- **Perform all functions described herein at no additional cost other than the transaction fee approved by LDH. This includes any modifications or customizations necessary to implement the pharmacy benefit as specified by the Department without exception.**

MMA will perform all functions described in the RFP at no additional cost other than the transaction fee approved by LDH. This includes any modifications or customizations necessary to implement the pharmacy benefit as specified by the Department in this RFP without exception. We will provide system design and modification within the scope of the Louisiana PBM Services for Medicaid MCOs Contract, as needed.

We will use our proven process for working effectively with LDH to manage requirements, prioritization, development, and deployment in a manner that meets LDH's defined timelines. MMA uses our change management process to authorize changes to design, specification, construction, implementation, and support of the system. Our methodology includes a change request strategy to authorize LDH-requested and routine changes. This methodology and change request strategy are based on industry best practice, practical experience, and generally accepted project management principles, including, but not limited to, PMI's PMBOK® Guide seventh edition.

System design and modification are accomplished according to our established Change Management Plan that keeps all parties aware of project status and targets all stakeholders. Our Change Management Plan details the coordination of all business activities and the method of communicating with internal and external stakeholders and trading partners. It outlines and documents our procedures for changes to PBM solution functionality, processes and procedures, deliverables, communicating processes and procedures both internally and externally, the method of communication, and the types of information and frequency of communication.

- **Disclose all financial terms and arrangements for remuneration of any kind that apply between the MCO, any pharmacy, pharmacy network, pharmacy services organization, prescription drug wholesaler, group purchasing organization, rebate aggregator, manufacturer, labeler, or other drug supply chain intermediaries.**

MMA will disclose, subject to the information being held confidential by LDH as may be required by third parties, all financial terms and arrangements for remuneration of any kind that apply between the MCO, any pharmacy, pharmacy network, pharmacy services organization, prescription drug wholesaler, group purchasing organization, rebate aggregator, manufacturer, labeler, or other drug supply chain intermediaries.

- **Not enter into financial agreements that are prohibited by State or Federal law.**

MMA will not enter into financial agreements that are prohibited by State or Federal law.

The successful Proposer, upon notification of the award, shall ensure connectivity of all information technology systems and to make adjustments to any of the successful Proposer's business operations necessary to implement the services described in this RFP. Within thirty (30) Calendar Days of award, the successful Proposer shall provide an implementation plan that includes all tasks, action steps, timelines, and responsible parties for all requirements contained in this RFP. The successful Proposer shall detail a implementation plan to 1) integrate all Provider, Enrollee, and service data into the Contractor's system; 2) complete all required customizations and requirements listed in the RFP; and 3) account for a testing and Readiness Review phase to ensure all deliverables are met prior to the contract ~~"go-live"~~ operational start date.

Upon notification of the award, MMA will ensure connectivity of all information technology systems and make adjustments to any of our business operations necessary to implement the services described in this RFP. Within 30 Calendar Days of award, we will provide an implementation plan that includes all tasks, action steps, timelines, and responsible parties for all requirements contained in this RFP. MMA will implement full connectivity within time frames to meet established schedules.

Relevant Experience +

MMA has been successfully executing government healthcare program contracts since the inception of our first Medicaid Fiscal Agent contract in 1972. We know that successful project execution begins with a thorough implementation plan. MMA establishes project management standards and procedures to manage requirements completion for each contract phase using our implementation plan to define all key and critical tasks and deliverables and providing necessary support to make certain each requirement and Louisiana MCO PBM Project deliverable identified in the RFP is submitted on time. ***We have 50 years of government healthcare experience, including 38 years of PBM experience,*** providing effective implementation services and expertise for government pharmacy systems and services, which ensures a smooth project implementation and project execution with minimal risk to Louisiana Medicaid Managed Care Program Enrollees, pharmacy Providers, Prescribers, and other stakeholders. The experience we have gained in creating and executing implementation plans enables us to anticipate and respond to project challenges rapidly and follow a logical sequence.

For the Louisiana Medicaid Managed Care Program, MMA's implementation plan will detail our approach to the following:

- Integrate all Provider, Enrollee, and service data into MMA's system
- Complete all required customizations and requirements listed in the RFP
- Account for a testing and Readiness Review phase to ensure all deliverables are met prior to the contract Operational Start Date.

As part of the Readiness Review, the Contractor shall:

- **Lead User Acceptance Testing to provide an opportunity for LDH and Contractor staff to determine the adequacy of the system's design and functionality in accordance with the requirements and business rules outlined in this RFP.**
- **Facilitate a presentation to LDH staff where business rules, customizations, and functionality required by this RFP are demonstrated.**
- **Successfully meet all Readiness Review requirements established by LDH no later than sixty (60) Calendar Days prior to the Operational Start Date or by the dates established by LDH in writing when applicable.**

MMA works in conjunction with LDH and other contractors to prepare, test, and demonstrate operational readiness by using our established processes. We meet with LDH to ensure we have captured all requirements so that processes and systems are working correctly. ***Together, we will conduct an assessment of the overall implementation as the Louisiana MCO PBM Project nears the Operational Start Date.*** This assessment is a review of all operational readiness deliverables including an operational readiness

plan walkthrough for large workstreams and a transition plan which includes an Operational Readiness Checklist and our Implementation Work Plan. The checklist and Implementation Work Plan outline all activities and tasks needed to execute a flawless cutover from incumbent systems.

The Operational Readiness Checklist focuses on ensuring the readiness criteria, established in collaboration with LDH and other contractors, have been fully met and that the Implementation Team is ready not only to deploy production-ready systems, but to complete final data conversion tasks and assume responsibility for all operational tasks. Our Implementation Team performs an assessment that includes results of system tests, and a pre-implementation walkthrough prior to the deployment to production-ready systems, to review and verify the readiness of the MMA PBM Solution and that all operational areas can demonstrate readiness. We will provide LDH with an Operational Readiness Results Report that identifies production readiness based on progress against timelines and plans at each operational readiness review prior to implementation.

The Cutover Schedule uses the deployment and readiness tasks in the Implementation Work Plan and brings them down to an even more focused level, tracking cutover tasks on an incremental level down to hour, half hour, and quarter hour levels as needed for the final transfer of historical conversion data and the associated tasks for bringing the point-of-sale and related systems online.

For the Louisiana MCO PBM Project, MMA's Readiness Review will include the following elements:

- Lead User Acceptance Testing to provide an opportunity for LDH and MMA staff to determine the adequacy of the system's design and functionality in accordance with the requirements and business rules outlined in this RFP
- Facilitate a presentation to LDH staff where business rules, customizations, and functionality required by this RFP are demonstrated
- Successfully meet all Readiness Review requirements established by LDH no later than 60 Calendar Days prior to the Operational Start Date or by the dates established by LDH in writing, when applicable.

The Contractor shall collaborate with each MCO to ensure the following prescription billing information is provided on the MCO Member ID card, or on a separate Pharmacy ID Card, or through other technology, that:

As noted in Addendum #4, Question Number 57, issued on March 16, 2022, we understand that the MCO is responsible for printing and sending ID cards. MMA will collaborate with each MCO to ensure the required prescription billing information is provided on the MCO Member ID card, or on a separate Pharmacy ID Card. At the onset of the implementation, MMA will meet with LDH and MCO SMEs to validate the requirements for the ID cards. We will affirm our understanding of what information is needed by the MCOs who are responsible for producing the ID cards.

- **Complies with the standards set forth in the National Council for Prescription Drug Programs (NCPDP) Pharmacy ID Card prescription benefit card implementation guide at the time of issuance of the card or other technology; or**

MMA understands that Louisiana Medicaid Managed Care Program ID cards must comply with the standards set forth in the NCPDP Pharmacy ID Card prescription benefit card implementation guide at the time of issuance of the card.

- **Includes, at a minimum, the following data elements:**
  - **The name or identifying trademark of the MCO and the Contractor subject to applicable co-branding restrictions.**
  - **The name and MCO member identification number of the Enrollee.**

- **The telephone number that Providers may call for pharmacy benefit assistance, 24-hour Enrollee services, filing Grievances, Provider services, Prior Authorization, and reporting Fraud.**
- **All electronic transaction routing information and other numbers required by the Contractor to process a Drug Claim electronically.**

MMA acknowledges that, at a minimum, the Louisiana Medicaid Managed Care Program ID card will include the following:

- Name or identifying trademark of the MCO and MMA subject to applicable co-branding restrictions
- Name and MCO member identification number of the Enrollee
- Telephone number that Providers may call for pharmacy benefit assistance, 24-hour Enrollee services, filing Grievances, Provider services, Prior Authorization, and reporting Fraud
- All electronic transaction routing information and other numbers required by MMA to process a Drug Claim electronically.

8.2 Pharmacy and Prescriber Network (RFP 2.1.7)

MMA has provided proprietary pharmacy network management and administration services since 1985, and we will apply our proven expertise to manage a network of contracted pharmacies for the Louisiana Medicaid Managed Care Program. Our retail pharmacy networks are competitive, broad-based open networks with excellent coverage and participation by all major retail pharmacy chains, mass merchandisers, grocery store pharmacies and Independent Pharmacy Services Administration Organizations (PSAOs), most regional retail chains, and independent community pharmacies. We are confident that our existing nationwide, comprehensive pharmacy network will provide the access and medication needed in support of Louisiana Medicaid Managed Care Program Enrollees.

As noted in Addendum #4, Questions and Answers, Question Number 109, issued on March 16, 2022, we acknowledge that the prescriber network will be provided to MMA via a data exchange from the MCOs. MMA has extensive experience in establishing interfaces and data exchanges with our customers' diverse systems and is able to interface with all necessary systems, as required. We will develop and maintain a secure and continuous connection with, and interface with all the North Carolina PBM System Project program management application systems, as required. MMA ensures that all interfaces are real-time, where applicable. Our PBM Solution ensures all data exchanges (real-time, near real-time, and batch) involving trading partners are executed in a secure, timely, and accurate manner and in full compliance with State and Federal laws and all CMS MITA and industry-wide standards. MMA provides real-time capabilities, as well as batch interfaces processed at intervals as short as every 15 minutes offering near real-time processing for batch transmissions. We support several methods of data exchange, including SFTP (secure file transfer protocols), FTPS (file transfer protocol secure), NDM (Network Data Mover), EDI (electronic data interchange), and real-time RESTful or SOAP/XML exchanges. MMA will collaborate with NCDHHS and the MCOs during requirements review meetings to ensure that all prescriber network data exchange requirements are met.

In the following narrative, we detail our approach to meeting and/or exceeding all Pharmacy and Prescriber Network requirements in RFP Section 2.1.7, including compliance with Federal and State regulations, as well as addressing each subsection.

Pharmacy and Prescriber network management: Describe each network separately, including but not limited to, compliance with Federal and State regulations, as well as addressing each subsection.

The Contractor shall:

- **Contract with and manage a robust Network to provide access to PBM Covered Services for Enrollees.**

MMA has an established statewide Louisiana Medicaid Pharmacy Network that will provide access to PBM Covered Services for Enrollees. There are currently ***1,196 pharmacies*** in our Louisiana Medicaid Pharmacy Network, including ***574 chain pharmacies*** (e.g., Albertson's, Brookshire, Costco, CVS [including Target], Kroger, Walgreen's, Walmart, Winn Dixie, Sam's Club, etc.), ***609 independent retail pharmacies***, and ***13 other types (e.g., government)***. Of the 1,196 pharmacies, ***39 are currently designated as specialty pharmacies***. In addition, Our Louisiana Medicaid Pharmacy Network includes LTC pharmacies, such as Genoa and Infusion Partners, as well as various pharmacies affiliated with PSAOs (e.g., Ochsner, Avita, etc.). Upon contract award, MMA will work to secure contracts with pharmacies currently not already in our extensive network, and we will re-contract with our existing network pharmacies as needed to include Louisiana PBM Services for Medicaid MCOs Contract provisions in our network agreements.

Ability and Experience in Developing Statewide Pharmacy Networks: We manage networks of pharmacies for our PBM customers, including pharmacy Provider network enrollment, contracting, and maintenance. MMA pharmacy network staff are highly experienced at developing and coordinating with a network of participating pharmacies that can dispense medications to Enrollees on a statewide and national basis. ***Our experience includes managing network access nationally under commercial and health plan contracts for a network of more than 68,600 pharmacies.*** Our network includes all major and regional chains and independent pharmacies. To ensure continuity of care and that insured Enrollees have access to their medications, MMA provides access to all national specialty pharmacies. We also contract with all national mail-order specialty pharmacies in the nation. We also have extensive experience managing Physician Administered Drugs so that Enrollees have access to those needed medications. ***During implementation, MMA will compare our existing network with the current LDH network (using utilization data) and finalize the project plan to close any critical network gaps by the Operational Start Date, ensuring continuity of care, a geographically diverse network for Enrollees to choose from, and removal of any potential barriers to care.*** Our approach will provide walk-in access to 100% of Louisiana Medicaid Managed Care Program Enrollees.

- **Develop and implement written policies and procedures for selection and retention of Network Providers that meet the requirements of 42 CFR §438.214. Such policies and procedures, consistent with 42 CFR § 438.12, shall not discriminate against particular Providers that serve high-risk populations or specialize in conditions that require costly treatment.**

MMA has established policies and procedures in place for the selection and retention of network Providers, in accordance with 42 CFR §438.214. We do not discriminate against Providers that serve high-risk populations or specialize in conditions that require costly treatment consistent with 42 CFR § 438.12. Our Provider network provides sufficient and timely access to all medically necessary covered services to all Enrollees, including those with limited English proficiency or physical or mental disabilities, in accordance with 42 CFR §438.206.

- **Develop and implement written policies and procedures for credentialing and recredentialing Network Providers in accordance with 42 CFR §438.214, La. R.S. 46:460.61 applicable Federal and State laws, rules, policies, procedures, manuals, and guidance and the State Plan.**

MMA has established and proven written policies and procedures for credentialing and recredentialing Network Providers in accordance with 42 CFR §438.214, La. R.S. 46:460.61, applicable Federal and State laws, rules, policies, procedures, manuals, and guidance, and the State Plan. Our uniform credentialing process is completed within 60 calendars of receipt of a complete application.

MMA is committed to ensuring compliance with all contractual and regulatory requirements for developing and maintaining a pharmacy Network Provider. As described in the following narrative, we have network-related policies and procedures in place to perform effective credentialing and recredentialing processes.

Credentialing

Our Provider selection incorporates a credentialing process that is initiated when a request to add a pharmacy to MMA's network is received. The credentialing department is responsible for gathering all required information through a formal application process. Various sources are used to verify eligibility that includes but not limited to, State Licensing boards, DEA, Office of Inspector General, US Dept of Health and Human Services List of Excluded Individuals and Entities (LEIE), GSA-System for Award Management (SAM), SSA Death Master file list, and sanctioning bodies across the United States. Initial credentialing policies and procedures for network pharmacies involve verification of:

- Primary Source Validation of Pharmacy State License
- Primary Source Validation of the DEA
- Primary Source Validation of NPI
  - Good standing with state and Federal regulatory bodies, as applicable
  - The absence of Medicare and Medicaid sanctions
  - The absence of restrictions or provisions on any licensure
  - Completion of required materials and related documents for the contract
  - Completion of attestation signed by the pharmacy's representative before finishing the credentialing process
- Malpractice liability insurance to include $1 million per occurrence and $3 million aggregate per policy year.

Extended Credentialing

As part of MMA's extended credentialing policies and procedures, monthly validation is done of every Network Provider to ensure that the network does not include a pharmacy that has been listed by Federal or State organizations as an excluded Provider, and to ensure primary source verification is conducted on State and DEA licensures so that the integrity of MMA's Provider network is retained and MMA is in compliance with regulatory requirements, as well as customer contracts.

Recredentialing

MMA recredentials chain and PSAO pharmacies yearly via an attestation process (by corporate on behalf of all stores), and retail independent pharmacies a full credential no less than every three years. The items listed above are re-evaluated during this process. A pharmacy may be terminated from the network if there are material changes to its qualifications.

The purpose of Network Management Recredentialing is to ensure that in-network Providers meet and maintain a minimum set of credentials to remain a participating pharmacy and that the network does not include a pharmacy that has been listed by Federal or State organizations as an excluded Provider. ***The practice of recertifying annually allows MMA to consistently remain compliant and monitor the accuracy of Provider network information.*** Further, annual recertification better prepares us for audits and regulatory compliance and accreditation reviews.

- **Not implement any policies or procedures or enter into any agreements that would have the effect of limiting Provider participation in the State.**

MMA does not have policies or procedures in place, nor will we enter into any agreements that would result in limiting Provider participation in Louisiana. We adhere to any willing Provider provisions as required by law beginning with when a pharmacy requests participation in MMA's network. Contractual packets are sent to the requesting pharmacy regardless of service type and we maintain uniform terms and conditions within our pharmacy networks and contracts.

- **Not employ or contract with Providers excluded from participation in Federal health care programs under either Section 1128 or Section 1128A of the Social Security Act.**

MMA does not employ or contract with Providers excluded from participation in Federal health care programs under either Section 1128 or Section 1128A of the Social Security Act. MMA's Network

Management Team tracks credentialing and recredentialing requirements, ensuring all participating Providers meet all requirements.

8.2.1 Provider Agreements (RFP 2.1.7.1)

In the following narrative, MMA presents our approach to meeting and/or exceeding all requirements detailed in RFP Section 2.1.7.1.

The Contractor shall:

- **Develop and utilize a template for Provider Agreements that has been approved by LDH that specifies the requirements for Network Providers and provides for terminating the Provider Agreement or imposing other non-compliance actions and penalties if the Provider's performance is inadequate.**

MMA will develop and utilize a template for Provider Agreements that has been approved by LDH. Our Provider Agreement outlines all Network Providers requirements, as well as provides for the termination of the Provider Agreement or imposing other non-compliance actions and penalties if the Provider's performance is inadequate.

Pursuant to 42 CFR §438.206, MMA enters into written contracts with Network Providers. MMA's standard participating pharmacy agreement contains specific definitions to terms used within the agreement, details the obligations of participating pharmacies, defines the compensation based on LDH requirements and applicable submissions (e.g., Usual & Customary claims) from the pharmacy and payment from MMA, and details the confidentiality requirements between MMA and the pharmacy. The pharmacy must agree to comply with HIPAA requirements and maintain and retain records as detailed in the agreement. The pharmacy, at its cost, must maintain insurance. The agreement covers hold harmless:

- MMA to pharmacy
- Pharmacy to MMA
- Pharmacy to covered persons.

The initial term of the contract is one year and will automatically renew for successive one-year terms. The Network Management Team will submit Network Provider contract templates to LDH for review prior to executing contracts using the applicable template.

- **Not include in its Provider Agreements an all-products clause, requiring Providers to participate in all products offered by the Contractor or its parent organization.**

Our Provider Agreements do not contain an all-products clause. We do not require Providers to participate in all products offered by MMA or our parent organization.

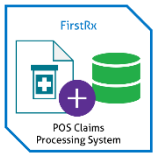
- **Inform all Providers, at the time they enter into a Provider Agreement, about the Enrollees' rights, and the availability of assistance, to file Grievances and Appeals, request State Fair Hearings, and request continuation of benefits that the Contractor seeks to reduce or terminate during an Appeal or State Fair Hearing, if filed within the allowable timeframes, although the Enrollee may be liable for the cost of any continued benefits while the Appeal or State Fair Hearing is pending if the final decision is adverse to the Enrollee.**

MMA's experience implementing full Medicaid pharmacy contracts for 14 states across the country underscores our capabilities to provide comprehensive support for Providers transitioning to our service. When a Network Provider enters into a Provider Agreement with MMA, our Network Management Team will provide information pertaining to Enrollees' rights, assistance in filing Grievances and Appeals, and requesting State Fair Hearings, as well as requesting continuation of benefits to reduce or terminate during an Appeal or State Fair Hearing, if filed within the allowable timeframes. The Providers are also informed that the Enrollee may be liable for the cost of any

continued benefits while the Appeal or State Fair Hearing is pending if the final decision is adverse to the Enrollee.

In addition, MMA provides transitional content encompassing all aspects of claims administration such as checking Enrollees' eligibility, claims submission, including use of our convenient online tools, PA requirements including what drugs need a PA and the process for completing the request, time frames for determinations, utilization management procedures and consultation, and appeals rights and procedures.

- **Require that Network Providers not bill Enrollees for PBM Covered Services in any amount greater than assessed copayment.**



MMA will require that Network Providers not bill Louisiana Medicaid Managed Care Program Enrollees for PBM Covered Services in any amount greater than the assessed copayment. ***FirstRx maintains all historical and current pricing methodologies.*** The FirstRx pricing module incorporates all program rules including the existence of copays, deductibles, dispensing fees, third party liability, and capitation, if applicable. Copays may be assessed based on information on the Enrollee eligibility file (e.g., long-term-care and/or copay indicators) or other files (e.g., drug file) and/or values submitted on the claim. FirstRx considers multiple price points and bases the reimbursement on the lowest price available.

- **The Contractor shall require that Network Providers offer the same services to Enrollees as those offered to individuals not receiving services through the Louisiana Medicaid Program, provided that they are PBM Covered Services. Network Providers shall also be required to treat Enrollees equally in terms of scope, quality, duration, and method of delivery of services, unless specifically limited by regulation. Network Providers are not required to accept every Enrollee requesting service.**

MMA's Provider Agreement will require the contract pharmacy to offer the same services to Enrollees as those offered to individuals not receiving services through the Louisiana Medicaid Program, if they are PBM Covered Services. Our Provider Agreement will also require Network Providers to treat Enrollees equally in terms of scope, quality, duration, and method of delivery of services, unless specifically limited by regulation. MMA acknowledges that Network Providers are not required to accept every Enrollee requesting service and reflects this in our Provider Agreements.

- **The Contractor shall require Network Providers to report to the Contractor loss of accreditation, suspension, or action taken that could result in loss of accreditation, inclusive of all documentation from the accrediting body, within twenty (24) hours of receipt of notification, if required to be accredited.**

MMA's Provider Agreements will require Network Providers to report loss of accreditation, suspension, or action taken that could result in loss of accreditation, within 24 hours of receipt of notification, if required to be accredited. This includes all documentation from the accrediting body.

MMA has implemented and maintains thorough credentialing and recredentialing processes. Every pharmacy is credentialed before becoming a participating Network Provider. As a part of this process before network participation and every month thereafter, MMA conducts PSV of State License and DEA and sanction monitoring including LEIE, GSA, and SSA Death Master file, as well as Medicaid exclusions directly from the sanctioning bodies across the United States. Sanctioned Providers are identified and immediately denied access or terminated from the network. This renders pharmacies unable to process claims and eliminates exposure. Pharmacies are notified in writing with the reason for their network termination and provided an opportunity to appeal the termination. ***This monitoring process ensures that MMA has the most current accreditation status for each Network Provider and enables us to take appropriate action, if necessary.***

- **The Contractor shall require Network Providers to immediately report cancellation of any required insurance coverage, licensure, or certification to the Contractor.**
  - **Upon receipt of such report, the Contractor shall immediately notify the Network Provider that it is prohibited from performing any work under the Contract unless and until the Network Provider provides written documentation to the Contractor indicating that the Network Provider has reinstated all required insurance coverage, licensure, or certification.**

MMA's Provider Agreement requires that Network Providers immediately report cancellation of any required insurance coverage, licensure, or certification. The minimum professional liability insurance that we require network pharmacies to maintain is $1 million per occurrence, and $3 million aggregate per policy year. As part of our established process to meet this requirement, MMA's Network Management Team reviews the received Pharmacy Agreements prior to credentialing and recredentialing and completes the following:

- Primary source verification of State License, DEA Certificate
- Insurance Certificate is valid and active
- Federal Employer Identification Number (EIN) validation
- Searches on entities, individuals with five percent or more ownership and Board Members.

Upon receipt of this information, non-compliant Network Providers are immediately denied access or terminated from the network. Providers are notified in writing with the reason for their network termination and provided an opportunity to appeal against the termination. These Network Providers are prohibited from processing claims for the Louisiana PBM Services for Medicaid MCOs Contract until MMA receives written documentation confirming that the Network Provider has reinstated all required insurance coverage, licensure, or certification.

- **The Provider Agreement shall require Network Providers to provide any information related to the performance of Contract responsibilities as requested by LDH. The Contractor shall be responsible for forwarding the information received from Network Providers to LDH.**

MMA's Provider Agreement will require Network Providers to provide any information related to the performance of Louisiana PBM Services for Medicaid MCOs Contract responsibilities as requested by LDH. Our Network Management Team will forward the information received from Network Providers to the appropriate Louisiana Account Team member for submission to LDH in a mutually agreed-upon format and within designated time frames.

- **The Contractor shall submit all original and amended Provider Agreement templates to LDH for approval prior to the execution of the agreement with a Provider.**

MMA will submit all original and amended Provider Agreement templates to LDH for approval prior to the execution of the agreement with a Provider. Our Network Management Team will forward the information received from Network Providers to the appropriate Louisiana Account Team member for submission to LDH in a mutually agreed-upon format and within designated time frames.

- **All Provider Agreements shall provide that the Network Provider shall comply, within a reasonable time, with any information, records or data requests from any healthcare oversight agency, including the Louisiana Department of Justice, MFCU, related to any services provided under the Contract. When requested by the MFCU, the production of the information, records or data requested by the MFCU shall be done at no cost to the MFCU, and the Provider shall not require the MFCU to enter into any contract, agreement or memorandum of understanding to obtain the requested information, records or data. The Provider shall agree that its Provider Agreement creates for any healthcare oversight agency an enforceable right for which the healthcare oversight agency can petition the court in the event of non-compliance with an information, records or data request.**

MMA's Provider Agreement will require that Network Providers comply, within established time frames, with requests from any healthcare oversight agency (e.g., Louisiana Department of Justice, MFCU, etc.)

for information, records, or data related to services provided under the Louisiana PBM Services for Medicaid MCOs Contract. Network Providers will not require the MFCU to enter into any contract, agreement, or memorandum of understanding to obtain the requested information, records, or data and the requested documentation will be provided at no cost to the MFCU. In addition, MMA will require Providers to agree that its Provider Agreement creates an enforceable right for any healthcare oversight agency for which the healthcare oversight agency can petition the court in the event of non-compliance with an information, records, or data request.

- **Inform all Providers, at the time they enter into a Provider Agreement, about the Enrollees' rights, and the availability of assistance, to file Grievances and Appeals, request State Fair Hearings, and request continuation of benefits that the Contractor seeks to reduce or terminate during an Appeal or State Fair Hearing, if filed within the allowable timeframes, although the Enrollee may be liable for the cost of any continued benefits while the Appeal or State Fair Hearing is pending if the final decision is adverse to the Enrollee.**

As detailed in our earlier response, when a Network Provider enters into a Provider Agreement with MMA, our Network Management Team will provide information pertaining to Enrollees' rights, assistance in filing Grievances and Appeals, and requesting State Fair Hearings, as well as requesting continuation of benefits to reduce or terminate during an Appeal or State Fair Hearing, if filed within the allowable timeframes. The Providers are also informed that the Enrollee may be liable for the cost of any continued benefits while the Appeal or State Fair Hearing is pending if the final decision is adverse to the Enrollee.

- **Only include pharmacies in the Network that are enrolled with LDH to provide services under the Louisiana Medicaid Program and conform to the Louisiana Board of Pharmacy rules concerning records to be maintained by a pharmacy.**

For the Louisiana Medicaid Managed Care Program, in accordance with 42 CFR §438.608, MMA will only contract with pharmacies that are enrolled with LDH to provide services under the Louisiana Medicaid Program and conform to the Louisiana Board of Pharmacy rules concerning records to be maintained by a pharmacy. Prior to contracting with a pharmacy and/or listing the pharmacy as a Network Provider, the Network Management Team will validate that the Provider is active in LDH's Provider network management system and enrolled for the applicable service and/or specialty. If a provider is not active in LDH's provider network management system, MMA will direct the Provider to LDH to submit an application for enrollment prior to contracting. The Network Management Team will confirm, in the format and frequency specified by LDH, that MMA has contracted with LDH-enrolled Providers that are active in LDH's Provider network management system and that we have uploaded those Providers into our system.

- **Not deny any pharmacy or pharmacist participating in the Louisiana Medicaid Program from contracting as a Provider if the pharmacy or pharmacist is licensed and in good standing with the Louisiana State Board of Pharmacy and accepts the terms and conditions of the Provider Agreement offered to them by the Contractor.**

We adhere to any willing Provider provisions, as required by law, beginning with a pharmacy's request to participate in MMA's network. MMA will not deny any pharmacy or pharmacist participating in the Louisiana Medicaid Program from contracting as a Provider if the pharmacy or pharmacist is licensed and in good standing with the Louisiana State Board of Pharmacy and accepts the terms and conditions of MMA's Provider Agreement.

- **All Network cancellations shall be approved by LDH at least sixty (60) Calendar Days prior to cancellation unless imminent peril is declared.**

At least 60 calendar days prior to cancellation (i.e., termination from the Network), unless imminent peril is declared, MMA's Network Management Team will submit network cancellations to LDH for review and approval.

- **Only reimburse out-of-State pharmacies when the pharmacy is enrolled with LDH to provide services under the Louisiana Medicaid Program and approved by LDH.**

For the Louisiana PBM Services for Medicaid MCOs Contract, MMA will only reimburse out-of-State pharmacies when the pharmacy is enrolled with LDH to provide services under the Louisiana Medicaid Program and approved by LDH. We will coordinate with the out-of-network Provider with respect to payment to ensure the cost to the Enrollee is no greater than it would be if the services were furnished by a Network Provider.

- **If PBM Covered Services are provided to an Enrollee who is out-of-State, the Contractor shall require the pharmacy to enroll in the Louisiana Medicaid Program for the purposes of securing payment of the Drug Claim and finalizing the Drug Claim at issue, not for obtaining continuous and active Provider status.**

MMA will require the pharmacy to enroll in the Louisiana Medicaid Program if PBM Covered Services are provided to an Enrollee who is out-of-State for the purposes of securing payment of the Drug Claim and finalizing the Drug Claim at issue, not for obtaining continuous and active Provider status.

- **Allow Providers to opt-out of one or more MCO Networks, if desired. For example, if contracted with the Contractor, a pharmacy does not need to be in every MCO Network.**

MMA's Provider Agreement will include language allowing Providers to opt-out of one or more MCO Networks. We acknowledge that, if the Network Provider has a current Provider Agreement with MMA, the Provider is not required to participate in every MCO Network.

- **Educate Providers about how to access the PDL on its website. The Contractor shall also offer Provider education on Drug Claims processing and payment policies and procedures.**

MMA understands that programmatic and formulary changes can have profound implications to Enrollees who may already have other significant barriers to care. With this understanding, MMA takes the responsibility of communicating changes to the Provider Network, including educating Providers about how to access the PDL on our Louisiana MCO PBM Web Portal and providing information about Drug Claims processing and payment policies and procedures, very seriously. For example, the Provider/Enrollee Relations Manager, working closely with the Account Team, will develop a Provider Welcome Packet containing information and tools specific to the Louisiana Medicaid Managed Care Program. MMA utilizes multiple channels to keep Network Providers up to date and informed as described below.

Web Portal: MMA will provide a web portal for the Louisiana Medicaid Managed Care Program that allows us to communicate significant events, such as the addition or deletion of formulary medications, changes in protocol, and program announcements to network pharmacies.

Manuals: MMA developed, maintains, and distributes a pharmacy procedure and billing manual along with payer sheets to Providers via our Louisiana MCO PBM Web Portal. The manual and payer sheets include instructions on how to submit claims, define plan specifics, and provide prior authorization details and reimbursement information. Our Louisiana MCO PBM Web Portal, including Provider information, will be updated on a regular basis.

POS Messaging: We also communicate with pharmacy Providers via messaging at the point of sale including soft edits, hard edits, and free-form messaging. Our free-form messaging affords pharmacists the ability to resolve issues at the point of sale.

- **Provide advance written notice to LDH prior to any Provider Agreement termination that causes a Material Change in the Network, whether terminated by the Contractor or the Network Provider, and such notice shall include the reason(s) for the proposed action. The notification shall include the Contractor's plans to notify Enrollees of such change and the strategy to ensure Timely access through other Network Providers to prevent stoppage or interruption of services to the Enrollee.**

MMA will provide advance written notice to LDH prior to any Provider Agreement termination that causes a Material Change in the Network, whether terminated by MMA or the Network Provider. The notice will include the reason(s) for the termination, as well as our plan to notify Enrollees of the change and our strategy to ensure no interruption of services or adverse impact to Enrollees.

MMA evaluates the removal of a chain pharmacy or grouping of pharmacies to ensure Enrollee access is maintained and maximum dollars are saved. Contained with MMA contracts with network pharmacies are 90 to 180 days no cause termination clauses. In cases of cause termination due to a breach of the agreement, a 30-day cure period exists to prevent the termination from becoming final.

MMA will work with the appropriate representative of a pharmacy, PSAO, or chain to mutually resolve any outstanding items toward re-contracting. If we are unable to resolve the outstanding items, we will work with LDH to mitigate the impact of this disruption, including options for LDH to enter into a direct contract with the chain.

Our Network Management Team will coordinate with the Account Team to facilitate the notification to Enrollees. Provider network changes due to termination are handled through collaboration between the Provider Relations and Audit teams. The Account Team produces lettering using reports from COAR to identify Enrollees and incorporates language from our Provider/Enrollee Relations Manager. A mail merge is created to prepare the letters and mail room staff are responsible for mailing them.

In addition, the Network Operations Team performs overall addition/termination reporting for our customers. These reports will be delivered to LDH through the Account Team. The Network Operations Team can also facilitate the creation of a GeoAccess report, if needed, due to a termination of pharmacies or the three closest Providers to an Enrollee, for incorporation in Enrollee disruption letters.

Notice to LDH

The Provider/Enrollee Relations Manager, working collaboratively with appropriate internal teams, will be responsible for notices to LDH. When submitting notification to LDH about Network Provider changes, MMA will include the following information:

- Provider information including name, Provider type, address, and parish where services were rendered
- Copy of the termination notice including the termination date
- Number of Enrollees who used services from, or were assigned to, the Provider in the previous 12 months
- Results of an evaluation of the remaining Network Provider contracts to assure adequate access, including the average and longest distance an Enrollee will need to travel to another Provider, and the name, Provider type, address, and parish of the remaining Network Providers that meet access requirements.

Notice to Enrollees

In the event a pharmacy Provider's participation is discontinued, MMA will evaluate the pharmacy removal at a global and granular level to ensure Enrollee access is maintained and the Enrollee is provided participating pharmacy alternatives. MMA will conduct a comprehensive analysis of Enrollee utilization to quantify individual store location volume and the resulting displacement impact of individual Enrollees' prescriptions and find the closest three participating pharmacy alternatives. Additional analysis is performed to address Enrollees with complex care challenges, maintenance medications, poly pharmacy and special needs. Through identification of these subsets, MMA will work with LDH to identify the preferable fulfillment channel (i.e., retail, specialty pharmacy, mail-order, pharmacy lock-in) that ensures consistency of care management and optimal pricing. Working with the Network Operations Team, the Louisiana Provider/Enrollee Relations Manager will notify the impacted membership pursuant to LDH requirements or commercially reasonable best efforts. The form of the notice and its content will be approved by LDH and will contain the following information:

- Provider's name and last date the Provider is available to provide care to Enrollees
- Information regarding how Enrollees can locate a different Provider
- MMA's CSC telephone number that Enrollees can call for further information or assistance.

- **Provide or arrange for medically necessary PBM Covered Services if the Network becomes temporarily insufficient within a service area.**

MMA is fully prepared to assist Enrollees during emergencies or when a unique circumstance interrupts their ability to access their pharmacy benefit. Pursuant to 42 CFR §438.206, if MMA is unable to provide medically necessary covered services to an Enrollee in a timely manner through our Provider Network, we will adequately, and in a timely manner, cover these services by an out-of-network Provider for as long as our Provider Network is unable to provide the services.

MMA will make arrangements to provide pharmacy services to Enrollees residing in locations where a suitable Network Provider is not available. Our approach is to arrange a short-term agreement with a non-network pharmacy Provider to provide pharmacy services for a specified period of time. We make every effort to enter into pharmacy Provider agreements with those entities under the same rules and regulations as outlined in the pharmacy participating Provider Agreement for in-network pharmacy Providers. In addition, in cases where the MMA network is unable to provide necessary pharmacy services covered under this Contract to a particular Enrollee, we will establish a Sole Service Agreement with a non-network pharmacy. Reimbursement will be made at the default in-network rate and the Enrollee will have the same copay (if applicable). Pharmacies providing services to Enrollees without a participating Provider Agreement are considered non-network Providers. We will coordinate with the out-of-network Provider with respect to payment and will ensure the cost to the Enrollee is no greater than it would be if the services were furnished by a Network Provider.

If the out-of-network Provider is not an active Provider in LDH's Provider Network system, MMA will verify the Provider's licensure and conduct Federal database checks in accordance with 42 CFR §455.436 and will execute a single case agreement with the Provider. Our Network Team will direct all out-of-Network Providers who are not active Providers in LDH's Provider network management system to LDH to submit an application for screening and enrollment. In addition, we will report all single case agreements with Providers who are not active in LDH's Provider network management system to LDH within a mutually agreed-upon time frame of becoming aware of the need to execute a single case agreement with such a Provider. If a Provider that is not active in LDH's Provider network is not willing or able to become an active Provider, MMA will terminate the single case agreement, as directed by LDH, and will not reimburse the Provider for services provided after termination of the single case agreement.

- **Submit required information on Material Changes to its Network in accordance with the MCO Manual in the time period specified by LDH.**

MMA will submit required information regarding Material Changes to our Network in accordance with the MCO Manual in the time period specified by LDH. Our Network Team will work closely with LDH during requirements review and validation meetings to determine mutually agreed-upon submission formats and processes.

- **Enter into written Provider Agreements with Providers to provide PBM Covered Services.**

MMA confirms that we will enter into written Provider Agreements with Providers to provide PBM Covered Services for the Louisiana PBM Services for Medicaid MCOs Contract. The Network Team will submit Network Provider contract templates to LDH for review prior to executing contracts using the applicable template.

- **Receive active agreement from pharmacies to participate in an MCO Network within thirty (30) Calendar Days after contracting of the new MCO, in the event of contracting with a new MCO into the Managed Care Program.**
  - **If a pharmacy is already contracted with the Contractor for other lines of business (commercial or Federal), notification alone shall not be sufficient for that pharmacy to be considered part of the new MCO Network.**
  - **The pharmacy shall actively agree to the terms of the contract addendum.**

In the event of contracting with a new MCO into the Managed Care Program, MMA's Network Team will require that pharmacies submit an active agreement to participate in an MCO Network within 30 calendar days after contracting of the new MCO. We acknowledge that, if a pharmacy is already contracted with MMA for other lines of business, notification alone will not be sufficient for that pharmacy to be considered part of the new MCO Network. MMA will require that the pharmacy executes a Provider Agreement to document their agreement to the terms of the contract addendum.

- **Validate the Prescriber is enrolled in the Louisiana Medicaid Program and registered with the MCO.**

MMA will utilize the prescriber network information provided by the MCOs via a data exchange to validate that the Prescriber is enrolled in the Louisiana Medicaid Program and registered with the MCO for claim adjudication purposes.

- **Ensure the Prescriber is eligible to prescribe medications in accordance with the business requirements provided by LDH.**

During claims adjudication, MMA will utilize the prescriber network information provided by the MCOs via a data exchange to ensure the Prescriber is eligible to prescribe medications in accordance with the business requirements provided by LDH.

- **Ensure the Provider or Prescriber is not excluded by CMS or State entities Prescriber is not excluded by CMS or State entities.**

As part of our established processes, MMA ensures that Providers are not excluded by CMS or State entities. The credentialing department is responsible for gathering all required information through a formal application process. Various sources are used to verify eligibility that includes but not limited to, State Licensing boards, DEA, Office Of Inspector General, US Dept of Health and Human Services List of Excluded Individuals and Entities (LEIE), GSA-System for Award Management (SAM), SSA Death Master file list, and sanctioning bodies across the United States. Initial credentialing policies and procedures for Network Providers involve verification of:

- Primary Source Validation of Pharmacy State License
- Primary Source Validation of the DEA

- Primary Source Validation of NPI
  - Good standing with state and Federal regulatory bodies, as applicable
  - The absence of Medicare and Medicaid sanctions
  - The absence of restrictions or provisions on any licensure
  - Completion of required materials and related documents for the contract
  - Completion of attestation signed by the Provider's representative before finishing the credentialing process
- Malpractice liability insurance to include $1 million per occurrence and $3 million aggregate per policy year.

MMA recredentials chain pharmacies yearly via an attestation (by corporate on behalf of all stores), and retail independent pharmacies of full credential no less than every three years. The items listed above are re-evaluated during this process. A pharmacy may be terminated from the network if there are material changes to its qualifications.

We will utilize the prescriber network information provided by the MCOs via a data exchange to ensure the Prescriber is not excluded by CMS or State entities.

- **Capture and utilize the type and specialty of the Prescriber for Drug Claims processing.**

FirstRx can capture and utilize the type and specialty of the Prescriber for Drug Claims processing. We will utilize the prescriber network information provided by the MCOs via a data exchange to meet this requirement.

For pharmacy providers, we use a network management system as the repository for all pharmacy network information required to accurately adjudicate pharmacy claims. ***The system also facilitates the processes needed to communicate with network pharmacies, to make regular updates to the network and to prepare network directories.*** A file interface between NCPDP, the software application, and the FirstRx POS system ensures that all Provider panels remain current at all times. Flexible parameters within FirstRx allow for configuration of differential payment algorithms based on network panel participation, including but not limited to, in-network Providers, out-of-network Providers dispensing through short-term sole service agreements, and specialty pharmacy Providers.

- **Have the capability of faxing Network Providers and Prescribers and maintain correct facsimile numbers.**

MMA has the capability of faxing Network Providers and Prescribers. Our Network Team is responsible for maintaining correct facsimile numbers for Providers. We routinely send fax blast and email blast notifications to Network Providers, pharmacies, and pharmacy groups, including third-party payers and other stakeholders, to disseminate pertinent information in a timely fashion regarding our customers' pharmacy programs. Information typically communicated in this manner includes program changes, benefit changes, or when system changes are implemented. For fax and email blasts, the requester completes a request form, including the specific documentation to be sent, and will forward it to Network Operations Management and LDH for review and approval. Once approved, the fax or email blast is scheduled and completed by Network Provider Relations Team.

MRx can utilize information, including contact information and correct facsimile numbers, from the prescriber network information provided by the MCOs via a data exchange to meet LDH's requirements.

8.2.2 Pharmacy Provider Directory (RFP 2.1.7.2)

In the following narrative, MMA presents our approach for meeting and/or exceeding all requirements in RFP Section 2.1.7.2, Pharmacy Provider Directory.

The Contractor shall:

- **Maintain an up-to-date pharmacy Provider directory for each MCO on its website for public access. Each directory shall include, but not be limited to, the following information for all Providers in the MCO Network:**
  - **Names, locations, and telephone numbers.**
  - **Any non-English languages spoken.**
  - **Identification of hours of operation, including identification of Providers that are open twenty-four (24) hours per day.**
  - **Identification of Providers that provide vaccine services.**
  - **Identification of Providers that provide delivery services.**
  - **Identification of compounding and Specialty Pharmacies.**

MMA will maintain an up-to-date pharmacy Provider directory for each MCO on our Louisiana MCO PBM Web Portal for public access. Each Provider Directory will include the following information for all Providers in the MCO Network:

- Names, locations, and telephone numbers
- Any non-English languages spoken
- Identification of hours of operation, including identification of Providers that are open 24 hours per day
- Identification of Providers that provide vaccine services
- Identification of Providers that provide delivery services
- Identification of compounding and Specialty Pharmacies.

The online Provider Directory will be searchable and easily downloaded for ease of access.

- **Make a hard copy of this directory available to Enrollees upon request at no charge. The online version shall be updated in real time, but no less than weekly.**

MMA will make a hard copy of the Louisiana Medicaid Managed Care Program Provider Directory available to Enrollees, upon request, at no charge. Updates to the online directory occur in real-time as they are made in the FirstRx system.

Enrollees can request a copy of the Provider Directory by contacting our CSC via a toll-free telephone number. Callers can request, or the CSC agent can offer to send, information to them by regular mail or email. We will maintain a list of available information and resource materials. CSC staff will record the request details or offer to provide materials. Materials will be sent to the caller within one calendar day. Information about this transaction will be timestamped and logged for tracking and reporting purposes. In addition, Enrollees will have the ability to download and print the hard copy Provider Directory from a link on our Louisiana MCO PBM Web Portal.

8.2.3 Provider and Enrollee Materials (RFP 2.1.7.3)

Enrollees, Providers, and other stakeholders, including the MCOs, will have many questions, and clear, easy-to-read, and understandable materials are vitally important to achieving the goals of the Louisiana Medicaid Managed Care Program. In the following narrative, MMA presents our approach for meeting and/or exceeding all requirements in RFP Section 2.1.7.3, Provider and Enrollee Materials.

The Contractor shall:

- **Obtain prior written approval from LDH, unless exempted by LDH, for all marketing and Enrollee materials including, but not limited to, websites and social media, ID cards, call scripts for outbound calls or customer service centers, Provider directories, advertisement, and direct Enrollee mailings.**
  - **Enrollee materials shall be submitted to LDH for approval at least thirty (30) Calendar Days before implementation, unless the MCO and/or Contractor can demonstrate to LDH's satisfaction that just cause for an abbreviated timeframe exists.**

MMA will obtain prior written approval from LDH, unless exempted by LDH, for all marketing and Enrollee materials including websites and social media, ID cards, call scripts for outbound calls or customer service centers, Provider directories, advertisement, and direct Enrollee mailings. Our Provider/Enrollee Relations Manager will submit Enrollee materials to LDH for approval at least 30 Calendar Days prior to implementation, unless the MCO and/or MMA can demonstrate to LDH's satisfaction that justification for an abbreviated timeframe exists.

The Louisiana Provider/Enrollee Relations Manager will collaborate with our Account Team, LDH, subject matter experts, and our quality assurance staff to ensure that written materials are accurate, clear, legible, and use person-centered, trauma-informed, and easily understood language and format. MMA incorporates industry best practices to ensure written materials meet or exceed readability requirements. ***We leverage a universal style guide to ensure materials are consistent and represent a reader-centered approach, paying particular attention to the audience background including education level, literacy level, and primary spoken language.***

MMA will develop and distribute all marketing and Enrollee materials in compliance with the requirements detailed in RFP Section 2.1.7.3. In the following narrative, we describe materials routinely created for our customers.

Louisiana MCO PBM Web Portal

Our Louisiana MCO PBM Web Portal will incorporate static websites that provide information to Enrollees regarding benefits and access. The portal will include public facing information for Enrollees, as well as secure areas that must be accessed using authorized LDH, MCO, or Provider login credentials. Authorized users will be able to view claims, remittance advices, reports, training documents, contract materials, as well as other LDH-determined information.

Identification (ID) Cards

Identification (ID) cards will contain all information necessary for claims adjudication, including Enrollee identification number and an effective date for the card. The cards will reflect compliance with Louisiana State laws, NCPDP guidelines, and Louisiana Medicaid Managed Care Program requirements, as well as any other information required by LDH. LDH staff has final approval on the format of the cards and the Enrollee identification number displayed on the card. Basic instructions about the use of the card are printed on the back. In no event will the Enrollee's Social Security Number (SSN) be printed on any ID card. Toll-free telephone numbers are included to assist Enrollees and Providers who have questions.

New Enrollee Letter

We approach the development of Louisiana Medicaid Managed Care Program Enrollee materials with a keen appreciation of the importance of effective communication and education in ensuring the success of the Louisiana PBM Services for Medicaid MCOs Contract. The Provider/Enrollee Relations Manager,

with input from the Account Team, will work closely with the MCOs to develop and provide information for the New Enrollee letter. MMA will provide a description of the pharmacy benefit, how to request a PA, and any additional information specified by LDH.

Enrollee Handbook

MMA prepares to take over operations by making certain all relevant manuals and related documentation are ready to release to minimize any disruption to Louisiana Medicaid Managed Care Program Enrollees, Providers, MCOs, and other stakeholders and trading partners. Information in the Enrollee handbook may include:

- Service excluded from the MMA's coverage
- Services and benefits available through MMA and how to obtain them (e.g., all services and benefits requiring PA and any applicable pharmacy utilization management strategies prior approved by LDH)
- Access to the PDL, including both online and hard copy
- Procedure for Enrollees to express their recommendations for changes to MMA
- Statement that pharmacy services must be obtained through the pharmacies in MMA's Provider network with any exceptions that apply
- Additional services available to Enrollees, including clinical programs
- MMA's policies regarding access to pharmacies outside the service area for non-emergency services and, if applicable, access to Providers within or outside the service area for non-emergency after hours services
- Procedure for Enrollees to file an appeal, a grievance, or State hearing request
- Mailing address and a copy of the optional form(s) that Enrollees may use to file an appeal or grievance with MMA and instructions about how to request the form(s) to file an appeal or grievance through MMA's CSC
- Statement that MMA does not discriminate on the basis of race, color, religion, gender, gender identity, sexual orientation, age, disability, national origin, military status, ancestry, genetic information, health status, or need for health services in the receipt of covered services
- Toll-free CSC telephone number
- Process for requesting or accessing additional information or services including oral interpretation, translation services, and auxiliary aids and service, written information in the prevalent non-English languages in MMA's service areas, and written information in alternative formats
- How to access the pharmacy Provider Directory, including both online and hard copy.

The Provider/Enrollee Relations Manager, with input from functional area subject matter experts (SMEs), will review, maintain, and update all information when system updates or policy changes occur according to a mutually agreed-upon schedule.

- **Obtain prior written approval from LDH for all Provider materials related to PBM Covered Services, unless exempted by LDH.**
  - **Provider (pharmacy and Prescriber) materials shall be submitted to LDH for approval at least thirty (30) Calendar Days before implementation, unless the MCO and/or Contractor can demonstrate to LDH's satisfaction that just cause for an abbreviated timeframe exists.**

MMA will obtain prior written approval from LDH for all Provider materials related to PBM Covered Services, unless exempted by LDH. Our Provider/Enrollee Relations Manager will ensure that Provider (pharmacy and Prescriber) materials are submitted to LDH for approval at least 30 calendar days prior to implementation, unless the MCO and/or MMA can demonstrate to LDH's satisfaction justification for an abbreviated time frame. Examples of communication materials tailored for prescribers and /or Network Providers include:

Provider Welcome Packet

The Provider/Enrollee Relations Manager will develop a Provider Welcome Packet containing information and tools specific to the Louisiana Medicaid Managed Care Program. ***To ensure that Providers can successfully process claims for Louisiana Medicaid Managed Care Program Enrollees, the Provider Welcome Packet will include a Payer Specification that details the claims submission process and provide instructions for using MMA's online tools accessible through the Louisiana MCO PBM Web Portal.*** The Provider Welcome Packet will also include Louisiana Medicaid Managed Care Program requirements (e.g., preferred and non-preferred drugs and eligibility and benefit requirements), provide information about PA requirements, and supply contact information to facilitate calls to our CSC so that questions or concerns can be expediently addressed. In addition, we will include a Frequently Asked Questions document to address common questions and/or issues to facilitate a seamless transition. Information for the Provider Welcome Packets will also be provided to the MCOs. MMA can post information contained in the Provider Welcome Packet to the Louisiana MCO PBM Web Portal for ease of reference and access.

Provider Manuals

The Provider/Enrollee Relations Manager, in collaboration with appropriate internal SMEs, will develop a comprehensive Provider Manual. The Provider Manual will be focused on and tailored to the needs of Louisiana Medicaid Managed Care Program Providers and billing agents. The Provider Manual will outline all benefit requirements and procedures necessary for use by Louisiana Medicaid Providers and billing agents to submit claims through the point of sale and details the process related to PAs, remittance advices, and explanation of benefits. This will ensure that claims and PAs are processed successfully and efficiently providing the highest level of customer service for Louisiana Medicaid Managed Care Program Enrollees. In addition, the Provider Manual will be structured according to LDH requirements and will include related policies, a brief overview, correspondence location(s), and instructions for out-of-state Providers.

The Provider Manual will include illustrations, screen shots, and call-out boxes to facilitate use by the Provider. ***All documentation contains step-by-step instructions and is written in a logical, procedural format which aligns with business transformation documents and allows for ease of understanding.*** User guides are reviewed by MMA subject matter experts to ensure instructions are accurate to the specific requirements of the Louisiana Medicaid Managed Care Program.

We will reference the Provider Manual during Systems Testing to ensure that the system functionality reflects the information and instructions in the Provider Manual accurately. If any anomalies are identified, we reconcile the system and manual and make the appropriate corrections. The

Provider/Enrollee Relations Manager will submit a draft Provider Manual to LDH that will be used and tested during User Acceptance Testing and Operational Readiness Testing.

The Provider Manual will be submitted to LDH for review and approval. Once the final version is approved, the Provider Manual will be published to the Louisiana MCO PBM Web Portal for ease of access by the Provider community and LDH users. Documentation is provided online in Adobe PDF format to allow for quick search and find capabilities and context-sensitive help. Documentation for end-users is available within the Help function of our web-based applications. PDF versions allow for ease of downloading and are formatted in a manner compatible with printing. The Provider/Enrollee Relations Manager will maintain and update the Provider Manual when system updates or policy changes occur or upon request from LDH.

- **Coordinate with the MCO regarding the dissemination of materials to Enrollees and Providers such that the MCO can obtain the appropriate prior approvals from LDH, when necessary.**

The importance of effective outreach and communication with Enrollees and Providers is paramount to the success of any program. ***MMA provides a cohesive solution that includes collaboration with the MCO to meet and/or exceed the goals and requirements for the dissemination of materials to Enrollees and Providers.*** MMA's Provider/Enrollee Relations Manager will serve as the primary contact to coordinate with the MCO so that the MCO can obtain the appropriate prior approvals from LDH, when necessary.

- **Provide Enrollees free access to any Provider participating in the applicable MCO Network (except in cases where the Enrollee is participating in the pharmacy lock-in program) without any form of steering.**

MMA confirms that we will provide Enrollees free access to any Provider participating in the applicable MCO Network, with the exception of Enrollees participating in the pharmacy lock-in program, without any form of steering.

- **Submit co-branded MCO or Contractor marketing and Enrollee/Provider materials, phone scripts, telemarketing materials, and Enrollee identification cards to LDH for prior approval.**

Our Provider/Enrollee Relations Manager will develop and maintain all education and outreach materials and will collaborate with various functional areas (e.g., Account Management, Clinical Account Management, CSC, etc.) to gather information for inclusion in communication documents, such as marketing and Enrollee/Provider materials, telephone scripts, telemarketing materials, and Enrollee identification cards. Collaboration with LDH, as well as the MCO, subject matter experts is essential to ensure that the documentation created is consistent with State regulatory requirements and contractual requirements.

We ensure that documentation is branded or co-branded, formatted, and written in accordance with LDH specifications, company standards, and State and Federal mandates. The Provider/Enrollee Relations Manager and Training and Development Department work closely to ensure that materials meet LDH's standards, are accurate, include business area-specific information, and comply with State and Federal requirements and policies. All co-branded MCO or MMA documentation as outlined above will be submitted to LDH for approval prior to publication.

- **Not steer Enrollees to certain Providers, including those that are owned by the Contractor or MCO. LDH retains the discretion to deny the use of marketing and Enrollee/Provider material that it deems to promote or suggest undue patient steering.**

MMA confirms that we will not steer Enrollees to certain Providers, including those that are owned by MMA or our MCO partners. We acknowledge that LDH retains the discretion to deny the use of marketing and Enrollee/Provider material that it deems to promote or suggest undue patient steering.

8.2.4 Prohibition of Additional Fees or Charges to Providers (RFP 2.1.7.4)

In the following narrative, MMA presents our approach for meeting and/or exceeding all requirements in RFP Section 2.1.7.4, Prohibition of Additional Fees or Charges to Providers.

- **The Contractor shall not charge fees to Providers for sending, receiving, or processing Drug Claims data; Provider enrollment, credentialing, or recredentialing; or performance of any other requirements under the Contract.**

MMA confirms that we will not charge fees to Providers for sending, receiving, or processing Drug Claims data; Provider enrollment, credentialing, or recredentialing; or performance of any other requirements under the Louisiana PBM Services for Medicaid MCOs Contract.

- **The Contractor shall not make or allow any direct or indirect reduction of payment to a Network Provider for a drug, device, or service under a reconciliation process to an effective rate of reimbursement, including, but not limited to, generic effective rates, brand effective rates, Professional Dispensing Fee effective rates, direct and indirect remuneration fees, chargebacks, or any other reduction or aggregate reduction of payment without written prior written approval from LDH.**

MMA will not make or allow any direct or indirect reduction of payment to a Network Provider without prior written approval from LDH. This includes reduction of payments for a drug, device, or service under a reconciliation process to an effective rate of reimbursement, including generic effective rates, brand effective rates, Professional Dispensing Fee effective rates, direct and indirect remuneration fees, chargebacks, or any other reduction or aggregate reduction of payment.

- **The Contractor shall not implement or apply spread pricing, retrospective claw backs, true-ups or effective rates without written approval by LDH, including, but not limited to group pharmacy organizations or PSAOs.**

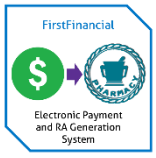
MMA confirms that we will not implement or apply spread pricing, retrospective claw backs, true-ups, or effective rates without written approval by LDH, including group pharmacy organizations or PSAOs.

8.2.5 Pharmacy Reimbursement (RFP 2.1.8)

In the following narrative, MMA presents our approach to meeting and/or exceeding all requirements detailed in RFP Section 2.1.8, Pharmacy Reimbursement.

8.2.5.1 General Requirements (RFP 2.1.8.1)

This Section refers to a collection of business processes and automated functions necessary to support pharmacy payments, record keeping, providing transparency, and the proper management of State and Federal funds used for those payments.



MMA has 50 years of Medicaid experience providing financial services to our customers. Our Provider Payment system consists of separate modules in our financial suite, including accounts payable, accounts receivable, and cash management. Our FirstFinancial payment system is based on the GAAP-compliant Oracle accounting suite. The implementation of MMA's FirstFinancial Provider Payment solution will provide the Louisiana Medicaid Managed Care Program with an up-to-date platform necessary to support pharmacy payments and record keeping, as well as providing transparency and the proper management of State and Federal funds used for those payments.

Internal controls and monitoring are important to ensure fiscal integrity and financial management processes are compliant with State and Federal guidance. The Contractor's system shall have the functionality to support the implementation of internal control mechanisms as defined by LDH through timely and accurate financial reports, detailed audit trails, and financial trending.

Relevant Experience +

MMA's current solution, FirstFinancial, has been in production for over 20 years. During that time, MMA has established internal controls in place and performs routine monitoring to ensure that fiscal integrity and financial management processes are compliant with State and Federal guidance. Our system incorporates functionality to support the implementation of internal control mechanisms as defined by LDH through timely and accurate financial reports, detailed audit trails, and financial trending. MMA has passed multiple external MARS-E audits, as well as obtained our HITRUST certification. We perform internal controls and internal audits independently assess our systems and processes according to SOX, as well as Statement on Standards for Attestation Engagements 19 (SSAE 19) Service Organizations Controls 1 (SOC1) report requirements. This demonstrates and documents the effectiveness of controls and safeguards MMA has in place.

Reconciliation of all payments, including those that are unsuccessful due to failed electronic fund transfers, shall be performed within a cycle to be defined by LDH. The Contractor shall collaborate with LDH to establish the various cycles and schedules related to disbursement and reconciliation activities.

MMA will perform reconciliation of all payments, including those that are unsuccessful due to failed electronic fund transfers (EFTs), within a cycle to be defined by LDH. We will partner closely with LDH to establish the various cycles and schedules related to disbursement and reconciliation activities.

MMA provides a monthly bank reconciliation for all Provider payment accounts. The reconciliation, along with all supporting documentation, is submitted to our customers by the 15th of the next month. These reconciliations are performed electronically through use of the cash management module. After each check write funding, a check file (positive pay) and Automated Clearing House (ACH) file EFT are sent to the bank. This allows the bank to accept any checks that are presented for payment during the month.

The cash management module, as mentioned above, is used to automatically clear paid checks and EFTs, as well as record deposits and any adjustments. We receive a cleared checks file from our banking institution, create an EFT file from FirstFinancial, and combine them. MMA loads this file into the system and runs an automated process to change the status of all negotiable items in the file to be reconciled. Our Finance Team will provide all appropriate monthly reconciliation reporting to LDH within required time frames for the preceding month's activity. These reports include the Summary Reconciliation, Cash Management Module reconciliation screenshot, Summary Funding, Outstanding Payment Report, Bank Statement, EFT Rejects Report, and Counter Deposits.

If an EFT rejects, our banking partner notifies us of the rejection which prompts our experienced Finance Team to conduct outreach to the Provider directly via email or telephone to resolve the issue. The Finance Team works with our Provider Relations Department to update incorrect addresses and banking information and also works directly with the banking institution and Providers to reconcile EFT issues. Most issues are resolved in a few days.

The Contractor shall:

- **Ensure reimbursement to Network Providers is prompt and accurate and in accordance with LDH, State and Federal requirements.**

MMA will ensure reimbursement to Network Providers is prompt, accurate, and complies with LDH, State, and Federal requirements. We utilize our proprietary FirstFinancial Provider payment system to pay claims and non-claims transactions. FirstFinancial is based on an online Oracle-based COTS claims payment application. MMA maintains Network Provider records in FirstFinancial, with the appropriate

payment mechanism and Provider financial address information for remittances in either paper or EDI 835 format. FirstFinancial interfaces with FirstRx to coordinate payment to Network Providers and can provide denied claim information on remittance advices, if necessary.

As part of MMA's overall payment processing system, we have adopted several balancing processes so that all transactions and associated dollars are accounted for. Balancing begins with the loading of claims transaction from the FirstRx claims adjudication system. Audit processes ensure that the claims loaded represent a complete and accurate transfer of all information from First Rx. Then, at several points in the FirstFinancial payment processing system, balancing routines validate accurate payment processing. One such routine incorporates all steps of the check write process in the order that they should be run. Several outputs are reviewed to ensure that each stage is completed satisfactorily. Our sophisticated system, effective procedures, and experienced staff enable us to appropriately disburse funds for the payment of claims and State/Federal post-payment transactions. Our financial management functionality includes our Accounting System and sub-ledgers, Federal Data Reporting, data transfer, and financial management reporting. In addition, MMA performs a pre-note process to prevent an EFT from rejecting.

- **Not remit payment to any Provider for which the State-issued Medicaid Provider Identifier number has been revoked or terminated by LDH.**

MMA will not remit payment to any Provider for which the State-issued Medicaid Provider Identifier number has been revoked or terminated by LDH. FirstRx configures edits to ensure the Provider is valid and included in the LDH Provider Network. The claim will deny at the POS and return the appropriate NCPDP error message to the submitter if the Provider record is terminated, suspended, or is not on file as compared to the claim date of service. In the event of paper claim submission, MMA will return claims containing errors and reason codes to the originating Provider.

- **Require at least ninety percent (90%) of the Providers to be reimbursed via an EFT.**

MMA will require at least 90% of Network Providers to be reimbursed via an EFT. We offer and encourage Providers to utilize EFT and will perform due diligence to maximize EFT participation.

- **Establish a contract with a national drug database approved by LDH, or other source approved by LDH, to determine payment amounts for the ingredient cost of the drug.**

MMA will establish a contract with a national drug database approved by LDH, or other source approved by LDH, to determine payment amounts for the ingredient cost of the drug. We currently have license agreements with First Databank (FDB) for drug pricing files to adjudicate claims. This file provides access to WAC, DP, and the FUL. We also utilize Medi-Span for Average Wholesale Price (AWP). In addition, NADAC data are available from CMS on their website for regularly scheduled downloads.

Through the use of our Code Table Maintenance functionality, authorized users are able to add new price types for use in claim pricing and disposition. Once created and populated with price points, any of the newly supplied price types are immediately available for incorporation in the pricing algorithms and are available for use in the determination of ingredient cost during claims processing.

- **Perform payment calculations as specified by LDH in a transparent manner and without spread pricing, direct or indirect fees or charges to the Provider, or other methodologies other than those explicitly approved by LDH. Providers shall be compensated using a transparent pass-through method of payment of ingredient cost and any applicable fees paid to the Network Provider.**

FirstRx will perform payment calculations, as specified by LDH, transparently and without direct or indirect fees or charges to the Provider, or other methodologies other than those explicitly approved by LDH. We do not manage spread pricing within any of our state Medicaid customers' pharmacy networks. For the Louisiana PBM Services for Medicaid MCOs Contract, Providers will be compensated using a

transparent pass-through method of payment of ingredient cost and any applicable fees paid to the Network Provider.

MMA will provide transparent, full pass-through pricing (including discounts) to LDH. We will invoice the MCOs the same amount we pay the pharmacy Providers. As a government PBM contractor, particularly for Medicaid, we provide pass-through pricing on a regular basis.

MMA will pass through the amount we pay on each individual claim and will retain no spread. We will not charge direct or indirect charges to the pharmacy Provider, and we will use only those pricing methodologies that have been explicitly approved by LDH. ***Under our transparent arrangement, authorized LDH users will be able to audit retail pharmacy transactions at the claim level to verify that MMA has passed through the exact amount we reimbursed the Provider for the claim.***

- **Use a uniform reimbursement methodology such that the same pharmacy will be reimbursed the same amount for the same prescription on the same day of service regardless of the Enrollee's MCO.**

MMA will utilize a uniform reimbursement methodology so the same pharmacy will be reimbursed the same amount for the same prescription on the same day of service regardless of the Enrollee's MCO. All edits deployed for claims adjudication, including reimbursement methodology, can be configured according to LDH's criteria specifications. MMA business users configure and maintain edits for all of our Medicaid state agency customers through a user interface. ***Online user configuration of pricing algorithms eliminates the need to involve application development or other system resources to support LDH's current or future reimbursement methodologies allowing for quicker turnaround and deployment.***

- **Be responsible for payment of PBM Covered Services from an Enrollee's effective date of Enrollment with the MCO.**

MMA will be responsible for payment of PBM Covered Services from an Enrollee's effective date of enrollment with the MCO. FirstRx will use current and historical Enrollee eligibility data provided by the Louisiana MMIS in an extract transmitted daily and stored in the Enrollee eligibility record to support eligibility verification. FirstRx validates the Enrollee is on file and eligible for pharmacy benefits before claims payment is authorized.

- **Negotiate the Professional Dispensing Fee and ingredient cost reimbursement in contracts with Network Providers to maximize the economy and cost-effectiveness of PBM Covered Services.**

MMA's Network Team will negotiate the Professional Dispensing Fee and ingredient cost reimbursement in contracts with Network Providers to maximize the economy and cost-effectiveness of PBM Covered Services.

- **Reimburse Local Pharmacies in accordance with La. R.S. 46:460.36 and the MCO Manual.**

MMA has thoroughly reviewed, understands, and agrees to reimburse Local Pharmacies in accordance with La. R.S. 46:460.36 and the MCO Manual.

- **Add the Provider Fee, on top of the Professional Dispensing Fee and ingredient cost reimbursement.**

MMA will add the Provider Fee, in addition to the Professional Dispensing Fee and ingredient cost reimbursement. Our system allows LDH to define ingredient cost and dispensing fee payment rules. The flexibility of FirstRx allows the configuration of different reimbursement logic or benefit coverage and pricing rules.

- **Update the ingredient costs of medications at least weekly and within three (3) Business Days of new rates being posted from a national database.**

MMA will update the ingredient costs of medications at least weekly and within three Business Days of new rates being posted from a national database. We currently process claims in FirstRx using the clinical data contained in the FDB NDDF Plus Standard Product. MMA receives the Medi-Span MDDB database as a source for AWP pricing data and weekly updates from FDB that include additions, modifications, pricing, and deletions to the drug file, as well as related drug clinical parameters. FDB files are applied on a customer-specific schedule; this schedule will be defined by LDH during the requirements phase. The application or load of FDB files to the adjudication engine is logged at each individual National Drug Code (NDC). A record update timestamp and load job identifier are present in the database and visible in the FirstRx GUI for user review. Load reports are available for review and analysis to ensure that records have been added or updated in a timely and accurate manner.

MMA performs thorough testing and analysis to ensure pricing additions, deletions, or updates are loaded correctly to the FirstRx Drug File. ***Since pricing is built into the FirstRx engine, MMA offers a seamless solution that eliminates the need to build an interface with new pricing vendors regardless of whether the pricing is simple or very complex.*** MMA currently accepts and loads price points from FDB and Medi-span (among other sources) to various customer schemas as required. Most of the pricing information is supplied via the FDB weekly updates and include, but are not limited to , AAC, EAC, AWP, UMAC, FUL, WAC, AIR, NADAC Brand, NADAC Generic, FSS, 340B, U and C, and Gross Amount Due.

- **Apply Base Maximum Allowable Cost (MAC) price lists on generic drugs with an FDA interchangeable rating beginning with an "A", if or when a MAC price list is applied to Non-Local Pharmacy Drug Claims.**

MMA will apply Base Maximum Allowable Cost (MAC) price lists on generic drugs with an FDA interchangeable rating beginning with an "A", if or when a MAC price list is applied to Non-Local Pharmacy Drug Claims. MMA works with multiple MAC vendors, as well as our internal MAC pricing group, to accept and load their price points. All edits deployed for claim adjudication, including payment methodology, are configured according to the criteria and date specifications in accordance with LDH policy.

- **Make current and historical drug pricing list available to Network Providers for review at no charge.**

MMA will make current and historical drug pricing list available to Network Providers for review at no charge. The Network Management Team will be responsible for maintaining the list to ensure accuracy. The drug pricing list will be posted to our Louisiana MCO PBM Web Portal for ease of access.

- **Afford individual Network Providers a chance to Appeal inadequate reimbursement.**

MMA has established and proven processes in place to allow individual Network Providers the opportunity to appeal inadequate reimbursement. Network Provider appeals related to inadequate reimbursement can be submitted to MMA through our dedicated web portal, email, telephone, and/or fax, for analysis and timely resolution.

- **Apply cost sharing (copayment) as follows:**
  - **Impose cost sharing on Enrollees in accordance with 42 CFR §§447.50 - 447.57, Louisiana Medicaid State Plan, and the MCO Manual. The copay tiers in the State Plan shall be based on the total amount reimbursed to the pharmacy for the Drug Claim.**
  - **LDH reserves the right to amend cost sharing requirements.**

MMA's Louisiana MCO PBM Solution has the ability to impose cost sharing on Enrollees in accordance with 42 CFR §§447.50 - 447.57, Louisiana Medicaid State Plan, and the MCO Manual. We acknowledge

that the copay tiers in the State Plan will be based on the total amount reimbursed to the pharmacy for the Drug Claim.

Our claims processing solution, FirstRx, will consider both deductibles and copays when pricing the claim during adjudication. FirstRx will take these amounts in consideration when determining the amount to be paid by the State. As a result, the payment information portion of the claim that should be paid by LDH will be communicated to our Provider payment solution, FirstFinancial. MMA's Louisiana Financial Manager, in collaboration with appropriate functional area SMEs, will work closely with LDH should the Department determine it is necessary to amend cost sharing arrangements.

- **Reimburse Providers with State Enrollment effective dates equal to or less than ninety (90) Calendar Days prior to execution of the Provider Agreement, reimbursement shall be provided for dates of services on or after the State Enrollment effective date. For Providers with State Enrollment effective dates greater than ninety (90) Calendar Days prior to execution of the Provider Agreement, reimbursement shall be provided for dates of services on or after the Provider Agreement execution date. In either case, if a Provider would otherwise be eligible for reimbursement at an earlier date under La. R.S. 46:460.62, then reimbursement shall be provided for dates of service on or after that date.**

MMA will reimburse Providers with State Enrollment effective dates equal to or less than 90 Calendar Days prior to execution of the Provider Agreement. Reimbursement will be provided for dates of services on or after the State Enrollment effective date. For Providers with State Enrollment effective dates greater than 90 Calendar Days prior to execution of the Provider Agreement, reimbursement will be provided for dates of services on or after the Provider Agreement execution date. We will ensure that, in either case, if a Provider would otherwise be eligible for reimbursement at an earlier date under La. R.S. 46:460.62, then reimbursement shall be provided for dates of service on or after that date.

- **Manage accounts receivable activities (e.g., reversing of payments due for canceled prescriptions, balancing and offsetting pharmacy reimbursement, and appropriately directing overpayments to LDH-identified entities) and the disbursement of payments to pharmacies on a State-specified schedule.**

MMA will manage accounts receivable (A/R) activities (e.g., reversing of payments due for canceled prescriptions, balancing and offsetting pharmacy reimbursement, and appropriately directing overpayments to LDH-identified entities) and the disbursement of payments to pharmacies on a State-specified schedule. MMA can systematically create A/Rs from either claim voids/adjustments should they not be recouped within the same cycle in which they were created. Upon notification from LDH and with adequate supporting documentation, we can manually enter A/Rs where an overpayment has been identified due to fraud or other means.

The list of claims or non-claims transactions with supporting documentation can be submitted to MMA for input into the FirstFinancial A/R module. Depending on the volume of information, we may request a file that can be uploaded into our system. This reduces time and risk of error over manual input. From this point, the claim ages for a period approved by LDH. If the claim ages beyond the defined period, it will be extracted and processed automatically in FirstRx using the batch processing functionality. This ensures LDH-initiated A/Rs are both tracked and reversed on a claim-by-claim basis within our adjudication system.

- **Apply, maintain, and store adjustments.**

MMA will apply, maintain, and store adjustments using FirstFinancial. The flexibility of FirstFinancial allows for the creation and processing of non-claim specific financial transactions in multiple different timeframes, including recoupments, payouts, voids, refunds, and returned check adjustments. These adjustments are entered by MMA and are reflected in the regular financial cycle. They may be viewed within the FirstFinancial system and can be reported on, as well. MMA will work with LDH to determine the agreed upon format for reporting.

- **Support audits of financial activities.**

MMA supports audits of financial activities. We adhere to requirements of the Sarbanes-Oxley Act of 2002; section 404 (SOX), which significantly expands the rules for corporate governance, disclosures, and reporting. The act requires that we attest each year that our internal control structure operates in an effective manner. Our executive leadership asserts annually on the effectiveness of the Company's internal control over financial reporting, and the company's external auditor independently verifies internal control over financial reporting.

Our Internal Audit function performs a risk assessment annually to identify key risks and develops an audit plan addressing operational, financial, IT, and compliance risks. Within the plan are information systems audits that cover application and operating system change management, access security, computer operations, and system interface processes. These audits identify and test key controls for SOX reporting required for all public companies.

- **Provide payments to Network Providers no less than every week and comply with LDH-specified requirements for financial reporting.**

MMA will provide payments to Network Providers no less than every week and comply with LDH-specified requirements for financial reporting. We will fully comply with all RFP requirements for promptly paying pharmacy Providers, including payment schedules and financial reporting. FirstFinancial will capture, process, and track Louisiana Medicaid Managed Care Program Provider payment information. It will create the necessary files to support payments for all payables associated with pharmacy services for Enrollees participating in supported programs, as well as producing and distributing Remittance Advices (RAs) to Providers.

Generally, pharmacy Provider claims are paid weekly. Balancing reports are created to ensure complete and accurate processing of the check write. Once completed and reviewed, a payment cycle is run. However, we can pay weekly, bi-weekly, bi-monthly, or monthly, if necessary. MMA can also hold an entire check write, if needed (for budgetary reasons) and release when instructed to do so. Funding and balancing reports that reflect both claim counts and dollars are provided by cycle time frame to support the payment process. The Provider payment cycles for each program (check write stream) can be different.

MMA can establish and maintain a separate checking account for each of the Louisiana Medicaid MCOs or combine them, as directed by LDH. To accomplish LDH-approved pharmacy Provider payments, funds will be wired/deposited by each MCO directly to the appropriate MMA checking account that was established to pay Providers on behalf of that MCO.

MMA performs a monthly bank reconciliation for each account from which checks are drawn. We receive the cleared checks file from the bank and create a cleared electronic funds transfer file from FirstFinancial, and we combine them as part of our reconciliation. We load this file into the system and run an automated process to change the status of all negotiable items in the file to be reconciled. Our Finance staff will provide all appropriate monthly reconciliation reporting to LDH for the preceding month's activity. System-generated reports support balancing and accounting of every dollar. These reports include:

- Pending Balance Report (Aging)
- Bank Account Reconciliation
- Summary Funding
- Detail Funding Report (Fund Code)
- Batch Control
- Claims Extract.

- **Provide payment by EFT or paper checks as requested by Network Providers and approved by LDH.**

MMA can provide payment by EFT or paper checks as requested by Network Providers and approved by LDH. MMA uses FirstFinancial to prepare payments and to pay Providers through their preferred method (EFT or paper checks) and provides Remittance Advices via their designated preference—paper or electronic (835). FirstFinancial manages all aspects of Provider payment—the receipt of the claim and other non-claim transactions, the routing of the payment to the Provider, and the acceptance of a reimbursement from a Provider.

Pharmacy Providers can use the Louisiana MCO PBM Web Portal to securely sign on and request payment via EFT. The Louisiana MCO PBM Web Portal will also allow pharmacy Providers to view and retrieve their remittance advices, which will include the methodology by which each claim paid. To ease the administrative burden on the Provider, the secure sign-on (SSO) will enable authorized Providers to migrate from our Louisiana MCO PBM Web Portal to LDH's Medicaid Portal, and vice versa, without the need to sign in to the second portal.

MMA has the capability of mailing paper checks to pharmacies upon request via Web Checks. When paper checks are required, we use positive pay functionality from our banking partner to expedite and automate the Bank Reconciliation functionality. The cash management module creates and sends a file to the bank listing all check numbers issued, payee name, and corresponding amounts. If a check is presented to the bank that does not match the positive pay file (both date and payee amount) received by the bank, that check is rejected pending approval by the Treasury Department.

MMA also has a standard process of grouping like pharmacies (e.g., Walgreens, CVS, etc.) in one payment. ***This eases the burden on the pharmacy Providers because it consolidates pharmacy payments in one check making reconciliation more efficient.*** It also aids in cash flow for the customer as it can recoup a negative balance from one Provider under the chain from another Provider's payment balance.

Our standard reports include the check register for every check write, which shows whether each payment or RA was provided via EFT or paper.

- **Produce and distribute any applicable tax information related to Network Provider payments and the Federal government (e.g., form Internal Revenue Service (IRS)-1099).**

MMA's Finance staff prepares any applicable tax information for Provider payments and the Federal government. Our proprietary FirstFinancial system incorporates 1099 functionality to create 1099 information for both the Provider, as well as creating and exporting the file that is required to be submitted to the Federal government. For those Providers who do not update tax ID information, we can also follow up with first and second B notices, as necessary. In addition, in accordance with IRS regulations, MMA has the functionality to back-up hold the mandated percentage as required by Federal or State Law until such time as the information is corrected (e.g., IRS-1099), if requested by LDH.

- **Support 1099 updates, transmission, and inquiries.**

As described above, MMA's Finance Team supports 1099 updates, transmission, and inquiries.

- **Capture, maintain, and process unique program and service-related payments.**

FirstFinancial can capture, maintain, and generate unique program and service-related payments according to LDH funding sources and programs. MMA's system incorporates table-driven code functionality, as well as standard codes used to identify certain transaction types. Our system supports being able to delineate administrative services payments by specific groups or programs, allowing us to have separate check write processes for those respective groups or programs. For example, MMA can perform a single check write and report on each program separately or perform one check write for each of the MCOs.

- **Capture and maintain LDH-identified data (e.g., Drug Claim, Enrollee identification, Enrollee enrollment data at time of payable creation, Provider identification, HCPCS codes, dates, amounts, funding sources, reason, approvals, audit information) for all payables.**

Our Finance Management solution will capture and maintain LDH-identified data for all payables, including data such as Enrollee identification, Enrollee enrollment data at time of payable creation, Provider identification, HCPCS codes, dates, amounts, funding sources, reason, approvals. FirstFinancial maintains pharmacy Provider records with the appropriate payment mechanism and Provider financial address information for remittance. FirstFinancial manages all aspects of Provider payment—the receipt of the claim and other non-claim transactions, the routing of the payment to the Provider and the acceptance of a reimbursement from a Provider. FirstFinancial prepares and pays providers through their preferred method (EFT or paper checks) and provides Remittance Advices via their designated preference—paper or electronic (835).

- **Capture recoveries from other state or Federal entities or third-party payers.**

Our proven systems and processes allow the State's Third Party Liability (TPL) file to be effective at the POS to strengthen LDH's position as the payor of last resort. MMA sends as much data as possible in the Coordination of Benefits (COB)/Other Payers segment of the NCPDP claim response to assist the submitter with billing the primary insurance, including Part D. FirstRx edits for any voluntary TPL information submitted that is not yet available on the enrollment file. FirstRx also performs COB when the Provider submits TPL information, even in those cases where we do not have TPL records for that Enrollee.

FirstRx applies all Other Payer edits as allowed under the NCPDP Standard. MMA will produce reports for voluntary TPL submitted on the transaction to LDH in required format and in the time frame specified by LDH.

Our solution processes both claim and non-claim transactions. Amounts owed to other external partners, such as the Louisiana Attorney General, Sister State Agencies or TPL payers, can be used to offset any amounts that are owed back to the Provider that are housed in the Accounts Receivable application. These transactions can be interfaced into our system electronically via a specific file layout, or if the number of transactions is low, they can be manually entered, as well.

- **Calculate recoupment amounts, when necessary, as directed by LDH.**

MMA can calculate recoupment amounts, when necessary, as directed by LDH. FirstFinancial will apply receipts against amounts owed as part of the normal payment processing routine. The application of receipts against amounts owed can be at 100% or some other percentage, as defined by LDH. Additionally, we can recoup a fixed amount per cycle. If the appropriate receipts are not available, the system can be set to recoup appropriately up to the amount available. The remaining balance is automatically calculated and can be viewed via report or online.

- **Provide functionality to withhold portions of a payable (e.g., percentage, fixed amount).**

MMA's system provides functionality to withhold portions of a payable (e.g., percentage, fixed amount). The FirstFinancial Accounts Receivable solution provides the capability to maintain Negative Balance/Recoupment information. Repayment terms can be administered several different ways.

Repayment can come automatically against any future claims process. The repayment can be placed on hold for a specified period to give Providers time to question the transaction or make payment. Additionally, we can recoup a certain amount or percentage per period.

Recoupment will be initiated from future payments from the pharmacy under any appropriate Provider number. In the instance of off-setting future payments, MMA reverses claims via a B1 or B2 batch file.

The Contractor shall not:

- **Deny services to an individual who is eligible for services because of the individual's inability to pay the cost sharing.**

MMA confirms that we will not deny services to an individual who is eligible for services because of the individual's inability to pay the cost sharing.

- **Require Enrollees to use a mail service pharmacy. Mail order shall not exceed more than one percent (1%) of all Drug Claims. Enrollees shall not be charged any amounts above applicable copays for mail order (e.g. shipping and handling fees).**

MMA confirms that we will not require Enrollees to use a mail service pharmacy. We understand that mail order should not exceed more than one percent of all Drug Claims. Enrollees will not be charged any amounts above applicable copays for mail order (e.g., shipping and handling fees).

- **Restrict Enrollees' access to needed drugs and related pharmaceutical products by requiring that Enrollees use mail-order Network Providers.**

MMA confirms that we will not restrict Enrollees' access to needed drugs and related pharmaceutical products by requiring that Enrollees use mail-order Network Providers.

- **Impose copayments for the following:**
  - **Family planning services and supplies.**
  - **Emergency services.**
  - **U.S. Preventative Services Task Force (USPSTF) A and B Recommendations.**
  - **Services provided to:**
    - **Individuals younger than twenty-one (21) years old.**
    - **Pregnant women.**
    - **Individuals who are inpatients in long-term care facilities or other institutions.**
    - **Native Americans.**
    - **Alaskan Eskimos.**
    - **Enrollees in a Home and Community Based Waiver.**
    - **Women whose basis of Louisiana Medicaid Program eligibility is Breast or Cervical Cancer.**
    - **Enrollees receiving hospice services.**

MMA confirms that we will not impose copayments for the following:

- Family planning services and supplies.
- Emergency services.
- U.S. Preventative Services Task Force (USPSTF) A and B Recommendations.
- Services provided to:
  - Individuals younger than twenty-one (21) years old.
  - Pregnant women.
  - Individuals who are inpatients in long-term care facilities or other institutions.
  - Native Americans.
  - Alaskan Eskimos.
  - Enrollees in a Home and Community Based Waiver.
  - Women whose basis of Louisiana Medicaid Program eligibility is Breast or Cervical Cancer.
  - Enrollees receiving hospice services.

8.2.5.2 Pharmacy Reimbursement Fund Management (RFP 2.1.8.2)

Pharmacy Reimbursement Fund Management refers to a collection of business processes and automated functions necessary to support pharmacy payments, provide record keeping transparency, and apply the proper management of State and Federal funds used for those payments.

The Contractor shall not reimburse an affiliated pharmacy more than any other pharmacy on a drug-by-drug basis.

MMA confirms that we will not reimburse an affiliated pharmacy more than any other pharmacy on a drug-by-drug basis. During claims adjudication, FirstRx does not consider the pharmacy as part of the algorithm used to price a claim. Therefore, the same drug submitted by different pharmacies, given all other variables are equal, will result in the same reimbursement.

The Contractor's system shall have the functionality to support the implementation of internal control mechanisms as defined by LDH through timely and accurate financial reports, detailed audit trails, and financial trending.

MMA's pharmacy solution for the Louisiana Medicaid Managed Care Program has the functionality to support the implementation of internal control mechanisms as defined by LDH through timely and accurate financial reports, detailed audit trails, and financial trending.

The Contractor shall:

- **Have internal controls and monitoring to ensure fiscal integrity and financial management processes are compliant with State and Federal guidance.**

MMA recognizes the importance of providing assurance to our customers on the integrity of transactions and operational processing with a financial impact, as well as the security of the processing and storage of its data. ***We have established internal controls in place and performs routine monitoring to ensure that fiscal integrity and financial management processes are compliant with State and Federal guidance.*** Our system incorporates functionality to support the implementation of internal control mechanisms as defined by LDH through timely and accurate financial reports, detailed audit trails, and financial trending. MMA has passed multiple external MARS-E audits, as well as obtained our HITRUST certification. We perform internal controls and internal audits independently assess our systems and processes according to SOX, as well as Statement on Standards for Attestation Engagements 19 (SSAE 19) Service Organizations Controls 1 (SOC1) report requirements. This demonstrates and documents the effectiveness of controls and safeguards MMA has in place.

- **Be responsible for making payments to pharmacies on behalf of the MCOs and be consistent across all MCOs.**

MMA will make payments to pharmacies, consistent across all MCOs, on behalf of the MCOs. Our reimbursement of pharmacy Providers will be prompt, accurate, and transparent. We understand the importance of ensuring a smooth transition and providing consistent and continual claims processing and Provider payments without a break in service.

- **Determine payment amounts using a national drug database approved by LDH indicating the cost of the drugs and a Professional Dispensing Fee that may vary based on the attributes of a given pharmacy:**
  - **The Provider Fee shall be reimbursed on every Drug Claim when the Louisiana Medicaid Program is the primary payer.**
  - **The pricing calculation shall be ingredient cost (quantity * price per unit) + Professional Dispensing Fee – Third Party Liability (TPL) paid – copayment + Provider Fee = payment. If the Usual and Customary (U&C) Charge is less than the MAC, then the calculation is U&C Charge – applicable TPL amount paid –**

copayment + Provider Fee = payment. MAC is defined as Professional Dispensing Fee plus ingredient cost (quantity * price per unit) or U&C Charge, whichever is less.

For the Louisiana Medicaid Managed Care Program, MMA will determine payment amounts using a national drug database approved by LDH indicating the cost of the drugs and a Professional Dispensing Fee that may vary based on the attributes of a given pharmacy. We process claims in our proprietary claims adjudication system using the clinical data contained in the FDB NDDF Plus Standard Product. FDB files are received weekly and applied on a customer-specific schedule; this schedule will be defined by LDH during the requirements phase of implementation. The application or load of FDB files to the adjudication engine is logged at each individual NDC.

Record update timestamps and load job identifiers are present in the database and visible in the FirstRx graphical user interface (GUI), where they can be reviewed. ***Records are never physically deleted from FirstRx, creating, and preserving a perpetual record of all iterative changes to a product record.*** Load reports are available for review and analysis to ensure that records have been added or updated in a timely and accurate manner. FirstRx stores and uses not only the industry-standard price types listed (e.g., FUL, MAC, etc.), but also allows LDH to define or integrate other price types as appropriate.

MMA will reimburse the Provider Fee on every Drug Claim when the Louisiana Medicaid Program is the primary payer. The pricing calculation utilized will be:

Ingredient cost (quantity * price per unit) + Professional Dispensing Fee – Third Party Liability (TPL) paid – copayment + Provider Fee = payment.

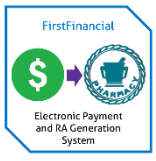
If the Usual and Customary (U&C) Charge is less than the MAC, then the calculation will be:

U&C Charge – applicable TPL amount paid – copayment + Provider Fee = payment (MAC is defined as Professional Dispensing Fee plus ingredient cost [quantity * price per unit] or U&C Charge, whichever is less).

- **Perform reconciliation for all payments, including those that are unsuccessful due to failed electronic fund transfers, within a cycle to be defined by LDH.**

MMA will perform reconciliation of all payments, including those that are unsuccessful due to failed EFTs, within a cycle to be defined by LDH. We will partner closely with LDH to establish the various cycles and schedules related to disbursement and reconciliation activities.

MMA typically reconciles account statements monthly and submits supporting documentation to our customers by the 15th of each month. After each check write funding, a check file (positive pay) and Automated Clearing House (ACH) file EFT are sent to the bank. This allows the bank to accept any checks that are presented for payment during the month.



Our FirstFinancial system includes a cash management module that automatically clears paid checks and EFTs, and records deposits and any adjustments. We receive a cleared checks file from our banking institution, create a cleared EFT file from FirstFinancial, and combine them. MMA loads this file into the system and runs an automated process to change the status of all negotiable items in the file to be reconciled. Our Finance Team will provide all appropriate monthly reconciliation reporting to LDH within required time frames for the preceding month's activity. These reports include the Bank Account Summary Report, FirstFinancial Summary, Outstanding Payment Report, Bank Statement, EFT Rejects Report, and Counter Deposit Report.

If an EFT rejects, our banking partner notifies us of the rejection which prompts our experienced Finance Team to conduct outreach to the Provider either directly or through our EFT Reject form letter to resolve the issue. The Finance Team works with our Provider Relations Department to update incorrect

addresses and banking information and also works directly with the banking institution and Providers to reconcile EFT issues.

- **Collaborate with LDH to establish the various cycles and schedules related to disbursement and reconciliation activities.**

MMA will collaborate with LDH to establish cycles and schedules related to disbursement and reconciliation activities. Pharmacy Provider claims are paid every week for the previous week's processed claims, and, once balancing reports have been completed and examined, a payment cycle is run. However, we can pay weekly, bi-weekly, bi-monthly, or monthly, if necessary. MMA can also hold an entire check write, if needed (for budgetary reasons) and release when instructed to do so. Funding and balancing reports that reflect both claim counts and dollars are provided by cycle period to support the payment process. The Provider payment cycles for each program (check write stream) can be different.

Our standard practice is to perform a monthly bank reconciliation for each account from which checks are drawn. We receive the cleared checks file from the bank and create a cleared electronic funds transfer file from FirstFinancial, and we combine them as part of our reconciliation. We load this file into the system and run an automated process to change the status of all negotiable items in the file to be reconciled. Our Finance staff will provide all appropriate monthly reconciliation reporting to LDH for the preceding month's activity.

During requirements review meetings, our Finance Team will work closely with LDH to determine time frames for disbursement and reconciliation activities.

8.2.5.3 Pharmacy Remittance Advices (RFP 2.1.8.3)

The Contractor shall:

- **Provide remittance advices to Network Providers electronically and as specified by LDH.**

MMA can produce and distribute Remittance Advices (RAs) in electronic or paper form. For Electronic RA form (EDI835), we provide access for the Providers to download files using secure FTP over Secure Shell (SSH) protocol. This method provides a more secure and HIPAA-compliant means of delivery. Paper RAs can also be produced and mailed directly using the Provider mailing address on file.

Electronic remittance advice, which detail all processed claims, and the corresponding electronic payments are issued for each payment cycle. The paid claims history file is updated following each payment cycle. A cumulative pharmacy-specific accounting file of claim payments is maintained after each payment cycle.

- **Provide remittance advices to Network Providers that comply with the provisions of La. R.S. 46:460.71, the MCO Manual, and 42 CFR §455.18 and §455.19.**

MMA will provide remittance advices to Network Providers that comply with the provisions of La. R.S. 46:460.71, the MCO Manual, and 42 CFR §455.18 and §455.19.

- **Provide adjustments and voids on the remittance advice under "Adjusted or Voided Claims" either as Approved or Denied.**

MMA will systematically create A/Rs from either claim voids/adjustments as approved or denied. Upon notification from LDH, we can manually enter A/Rs where an overpayment has been identified due to fraud or other means. The list of claims with criteria is submitted to MMA for input into the FirstFinancial A/R module. Depending on the volume of information, we may request a file that can be uploaded into our system. This reduces time and risk of error over manual input. From this point, the claim ages for a period approved by LDH. If the claim ages beyond the defined period, it will be extracted and processed automatically in FirstRx using the batch processing functionality. This ensures

LDH-initiated A/Rs are both tracked and reversed on a claim-by-claim basis within our adjudication system.

- **Submit a sample of remittance advices that were sent to Local, Non-Local and Specialty Pharmacies by the Contractor to LDH pharmacy staff quarterly. This sample shall include at least ten (10) remittance advices from different pharmacies from each pharmacy type (Local, Non-Local, and Specialty). Each quarter shall have samples from different pharmacies.**

On a quarterly basis, our Finance Team will submit a sample of remittance advices to LDH pharmacy staff that were sent to Local, Non-Local, and Specialty Pharmacies by MMA. We will include a minimum of 10 remittance advices from different pharmacies from each pharmacy type and samples from different pharmacies will be sent each quarter.

- **Base its electronic remittance advices transmissions on HIPAA-mandated transactions and utilize code sets in compliance with HIPAA rules.**

MMA will provide remittance advices to pharmacy Providers as specified by LDH. We are fully compliant with HIPAA rules for transactions and code sets and will remain so. We can produce and distribute RAs in electronic or paper form, according to each pharmacy Provider's designated preference. For Electronic Remittance Advice (ERA) Form (EDI 835), we provide access for the Providers to download files using secure FTP over Secure Shell (SSH) protocol. ***This method provides a more secure and HIPAA-compliant means of delivery.*** Paper RAs can also be produced and mailed directly using the Provider mailing address on file.

FirstFinancial captures and maintains financial transaction information (e.g., included claims, payment instrument, recoupments, adjustments) to be included in the remittance advice, delivered in either electronic (X12 835) or paper form as selected by the payee.

FirstFinancial fully complies with CMS requirements as communicated through the CAQH (Committee for Affordable Quality Healthcare) Phase III Core EFT and ERA Operating Rules section 1104. The electronic funds transfer (EFT) file always returns the trace number (TRN) segment using the CCD+ format. Also, MMA ensures that the BPR16, data element of the electronic remittance advice (ERA) or the 835 includes the Check Issue or EFT Effective Date, as appropriate. This enables Providers to reconcile ERAs with payments more easily.

- **Implement the updated HIPAA transaction sets as updates become available and are mandated at no additional cost to the MCOs.**

MMA will implement updated HIPAA transaction sets as updates become available and are mandated at no additional cost to the MCOs. Our solution will continue to comply with all current and future HIPAA standard transactions and code sets that are in place or mandated by LDH and CMS. MMA employees also belong to NCPDP Task Groups that pertain to our Medicaid business (e.g., Coordination of Benefits, Telecommunication FAQ, 340B, and Government Programs Encounters). MMA provides input on and votes on every proposed update to transactions and NCPDP code sets (i.e., the External Code List) and is aware of the changes as they are approved to update our systems, solutions, and processes accordingly.

- **Maintain compatibility with pharmacies using the previous version elements and those pharmacies using the updated version(s), according to the timeline approved by LDH.**

MMA will maintain compatibility with pharmacies using the previous version elements and those pharmacies using the updated version(s), according to the timeline approved by LDH.

- **Provide all data elements required by LDH.**

MMA will provide all data elements required by LDH. During requirements review meetings, our Finance staff will work closely with LDH to ensure understanding of all requirements.

- **Provide a standalone RA, specific to the Louisiana Medicaid Program and separate from other lines of business at the request of the pharmacy.**

At the request of the pharmacy, MMA will provide a standalone RA, specific to the Louisiana Medicaid Program and separate from other lines of business.

- **Provide a portal to allow pharmacies to check all payments at an individual Drug Claim level, which includes the methodology by which the Drug Claim paid.**

Our Louisiana MCO PBM Web Portal will allow pharmacy Providers to securely sign in to view and retrieve their remittance advices (concerning paid, denied, and suspended claims), which includes the methodology by which each claim paid, within one business day of the completion of a check write cycle. A link is provided on the Louisiana MCO PBM Web Portal that allows Providers to easily access and retrieve their remittance advices. Private content on the Louisiana MCO PBM Web Portal, including claim payment information, is only accessible through role-based security. All active hyperlinks are continuously monitored and updated, as necessary.

- **Pay ninety percent (90%) of all Drug Claims within fifteen (15) Calendar Days and one hundred percent (100%) within thirty (30) Calendar Days from submission of the Drug Claim.**

MMA will pay 90% of all Drug Claims within 15 Calendar Days and 100% within 30 Calendar Days from submission of the Drug Claim. Our Louisiana Financial Manager, collaborating with appropriate functional areas, will monitor our performance to ensure that this service level is being met. In addition, MMA's reports allow us to manage all performance requirements to ensure that service level agreements are consistently met.

In the event that a Provider submits paid and voided claims, and the total balance is negative, all paid and voided claims will be paid on a given EFT transaction or check, even if the payment is brought down to $0. A voided claim that produces a negative balance in the FirstFinancial check write system will not be paid.

Only those voided claims over that amount, which would carry the balance negative, are held in the system. This follows standard GAAP-compliant functionality which does not allow a "negative" check. An accounts receivable (A/R) transaction is automatically created during check write for these claims in order to track and report on their aging status. As they clear and are pulled into subsequent check write payments, cash receipt entries are automatically created, as well to close out the corresponding A/R transaction.

- **Pay Network Providers interest at a rate of twelve percent (12%) per annum, calculated daily for the full period in which a payable Drug Claim remains unpaid beyond the thirty (30) Calendar Day Drug Claims processing deadline. Interest owed to the Network Provider shall be paid the same date that the Drug Claim is Adjudicated. Any interest payment should be reported on the applicable encounter submissions to the FI as defined in the MCO System Companion Guide.**

MMA can be configured to pay Network Providers interest at a rate of 12% per year, calculated daily for the full period in which a payable Drug Claim remains unpaid beyond the 30 Calendar Day Drug Claims processing deadline. Interest owed to the Network Provider will be paid the same date that the Drug Claim is adjudicated. MMA will report interest payments on the applicable encounter submissions to the FI as defined in the MCO System Companion Guide.

8.2.5.4 Pharmacy Claims Dispute (RFP 2.1.8.4)

The Contractor shall:

- **Maintain an internal Drug Claims dispute process to permit Network Providers to dispute the reimbursement paid for any Drug Claim.**

MMA has an established and proven internal Drug Claims dispute process in place. Our process allows Network Providers to dispute the reimbursement paid for any Drug Claim. MMA will provide a link on our Louisiana MCO PBM Web Portal so Providers can easily access dispute forms.

- **Permit Network Providers to submit Drug Claim disputes directly to the Contractor or through a Pharmacy Services Administrative Organization (PSAO) at the Network Provider's option.**

We will permit Network Providers to submit Drug Claim disputes directly to MMA or through a PSAO at the Network Provider's option. Many of our customers require MMA to allow for both in accordance with MAC/Pricing regulations. Network Provider pricing dispute inquiries can be submitted to MMA through our dedicated web portal, email, telephone, and/or fax.

- **Provide written notification of the outcome of the internal Drug Claims dispute process to the Network Provider, LDH and the MCO within seven (7) Business Days of the date that the dispute was received by the Contractor with the following requirements:**
  - **LDH has the authority to overturn the Contractor's decision on internal Drug Claims' disputes.**
  - **If LDH disagrees with the Contractor's decision, LDH shall provide written notification of its decision within seven (7) Business Days of the receipt of the Contractor's decision.**
  - **LDH's decision shall be considered final.**

MMA will provide written notification of the outcome of the internal Drug Claims dispute process to the Network Provider, LDH and the MCO within seven Business Days of the date that the dispute was received by MMA. MMA understands that LDH has the authority to overturn our decision regarding internal Drug Claims' disputes and, if LDH disagrees with MMA's decision, LDH will provide written notification of its decision within seven Business Days of receipt of the original decision. We acknowledge that LDH's decision will be considered final.

- **The Contractor may require Network Providers to submit Drug Claim disputes within a predetermined time limit. Such limit shall be no less than seven (7) Business Days after the Drug Claim fill date.**

MMA will require Network Providers to submit Drug Claim disputes within seven Business Days after the Drug Claim fill date.

8.3 Drug Claims/System Requirements (RFP 1.8.8, 2.1.9)

Drug Claims/System Requirements: Describe the approach to, including but not limited to, processing Drug Claims consistently across all MCOs, compliance with Federal and State regulations, LDH policy, programming flexibility, compound drug policy and process for benefit changes.

With 38 years of government PBM experience including Medicaid, MMA possesses specific expertise and the capability to perform all pharmacy claims processing-related services required for Louisiana Medicaid Managed Care Organizations. MMA will process Drug Claims consistently for all MCOs to avoid duplication of effort and reduce administrative overhead. We will comply with all federal and state regulations as well as LDH policy. ***Our pharmacy solution has been CMS-certified for 13 of our Medicaid FFS POS customers, including seven recent MECT 2.x certifications.***

MMA is currently working with our California and Nevada customers to conduct an Outcome Based Certification (OBC), which focuses on measuring the effectiveness of the pharmacy solution to support desired business outcomes through development and tracking of Key Performance Indicators (KPIs). We will conduct the certifications per the guidance stipulated in the MECT Toolkit or future-state OBC at the time of the associated milestone review or implementation.

In the following narrative, we detail our approach to meeting and/or exceeding all Drug Claims/System Requirements detailed in RFP Section 2.1.9.

MMA's proprietary Drug Claims processing system ***FirstRx is designed for Medicaid, with 6,245 Medicaid-tailored claim checks and edits*** that manage care within the guidelines of Medicaid rules. FirstRx is a proven system that currently supports our 13 Medicaid FFS PBM contracts, as well as 5 ADAP contracts and 4 SPAPs. FirstRx provides fully integrated capabilities for claims processing, including rules and limit application, formulary management, and third-party liability/coordination of benefits (TPL/COB) and cost avoidance.

Demonstrated Flexibility

The configurability of FirstRx has allowed MMA to quickly make the benefit plan changes that our state customers need to respond to the global COVID-19 pandemic without having to modify our core software.

Our comprehensive solution supports programming flexibility, compound drug policy, benefit changes as needed, data exchanges/interfaces, real-time POS claims processing and adjudication, batch and paper claims receipt and adjudication, payment to pharmacies, clinical management, coordination of benefits (COB), recoupment services, formulary adherence, and correction of invalid claims and overpayments.

FirstRx supports receipt of eligibility data and real-time pharmacy POS claims adjudication and responses. The main POS transaction data flow consists of claims that are received from pharmacies through national pharmacy transaction switch vendors. During adjudication, claims transactions will be processed against the business rules established by LDH during implementation and configured in FirstRx. Our state customers' benefit plan rules are implemented through the configuration of our rules engine integrated within the FirstRx application.

FirstRx is a highly configurable, rules-based system that allows for efficient deployment of changes with minimal development effort. Across our book of business, ***98% of change requests are met through configuration and deployed by a business analyst (and not a software developer).*** This is made possible by the highly flexible nature of the application, which allows us to implement changes to covered populations and programs quickly.

The configurability of FirstRx allows the responsive and quick support of Medicaid programs with customized edits, including those required for natural disasters and public health emergencies such as

COVID-19, as shown in *Figure 8.3.1*. ***For example, we implemented COVID-19 emergency edits for our Medicaid PBM customers, as well as our other government customers.***

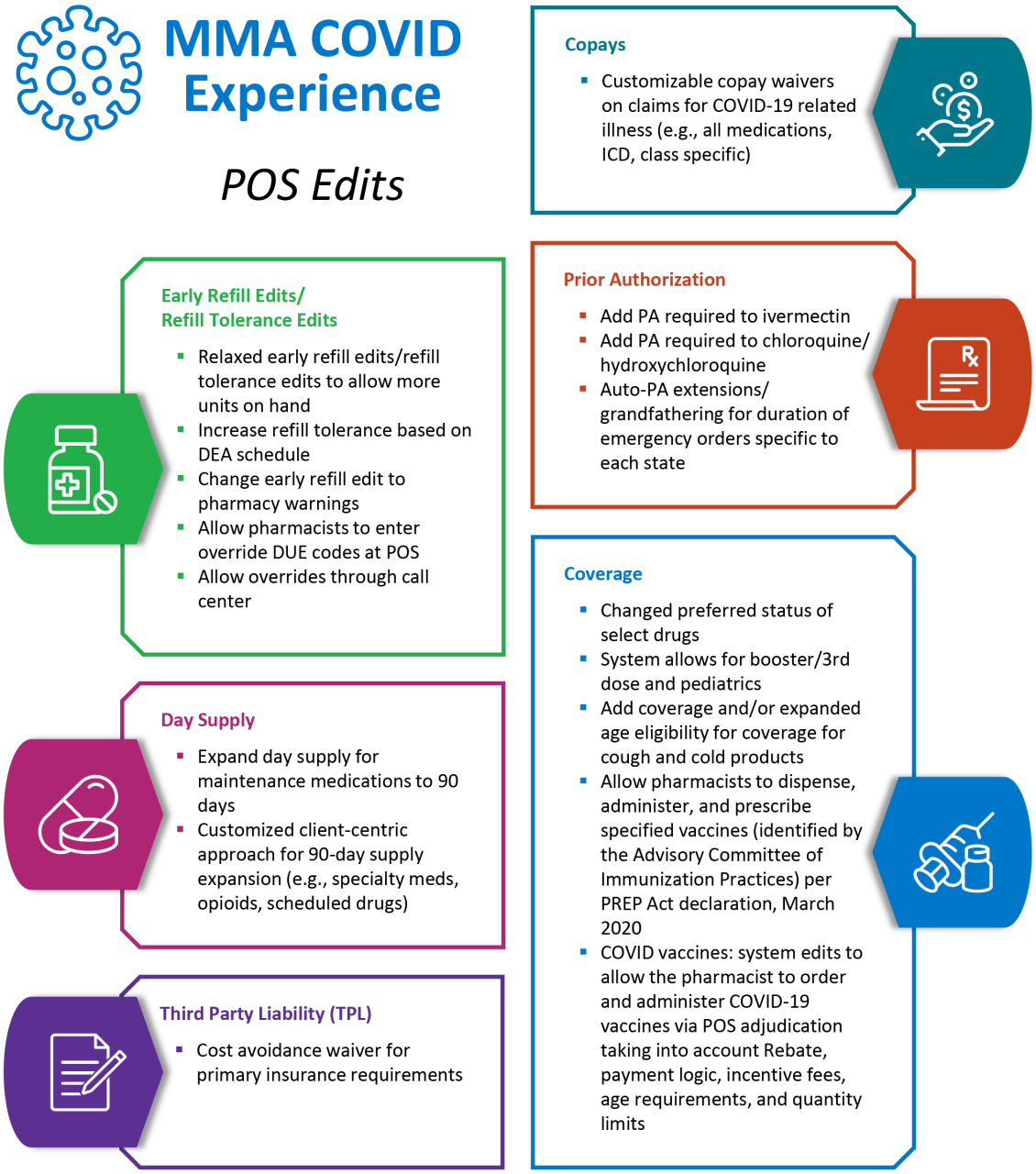


Figure 8.3-1: MMA COVID Experience with POS Edits

MMA acted quickly and implemented COVID-19 edits as a result of emergency orders put into place by Governors nationwide, such as suspension of early refill edits for all drugs except opioids, waiving of copays for all drugs, removal of quantity limits for rescue inhalers, and expansion of drugs eligible for 90-day supply. MMA has been able to expeditiously implement the edits shown in the following table for different state Medicaid POS customers, based on CMS guidance related to COVID-19.

POS	Purpose
Varying COVID-19 Early Refill Procedures based on customer needs	▪ Bypassed early refill edits on all claims. ▪ Bypassed early refill edits on all claims except opioids and/or controlled substances. ▪ Configured the system to allow pharmacies to enter Reason for Service code "ER" for any claim where, based on day supply, <= 50% of the previous fill remained. For these instances, we were able to apply a message at POS which stated, "For COVID19 early refill required, if 50% utilized, enter DUE response codes with reason for service code ER." To ensure customers are able to appropriately receive federal funding, MMA is providing customers with reporting that shows which claims were affected by these changes.
COVID-19 ICD-10 Overrides	On March 18, 2020, the Centers for Disease Control (CDC) announced that a new ICD-10-CM code for COVID-19 would become effective April 1, 2020. ▪ The new ICD-10-CM code was quickly incorporated into our POS system for all customers. ▪ Some of our State Medicaid agencies updated their plan design to allow pharmacies to enter the COVID-19 ICD-10 code on claim so that Beneficiaries would receive a $0 copay.

Emergency edits have had to be added and then removed quickly from FirstRx to meet state COVID-19 requirements, and these edits varied from state-to-state. For example, MMA assisted our Medicaid customers with receiving pandemic-related federal reimbursements. For our District of Columbia and Virginia Medicaid customers, we implemented customized FirstRx edits that enable pharmacies to be reimbursed for COVID-19 testing. When the COVID-19 vaccine became available, MMA was ready to configure the FirstRx system promptly and responsively to adjudicate claims for the vaccine.

FirstRx is in full compliance with the HIPAA regulation for transactions and code sets and supports the current HIPAA-named standards: NCPDP Telecommunication D.0, Batch 1.2, SCRIPT, and Medicaid Subrogation 3.0. MMA maintains compliance with the federal rules and regulations relevant to the Medicaid pharmacy space, including the Deficit Reduction Act (DRA) of 2015, the Affordable Care Act (ACA) of 2010, and all other applicable state and federal/CMS legislation, regulations, rules, and guidelines. For public health emergencies MMA participates in the NCPDP Emergency Preparedness Task Group meetings and shares the learned information with our customers, thus ensuring our customers are knowledgeable of NCPDP guidance and the related discussions occurring across the country.

FirstRx affords the capability to configure each MCO as a group under the LDH umbrella and to apply a uniform benefit in support of the Department's program goals. This streamlines operations and thus reduces administrative overhead. FirstRx allows the flexibility of adjudicating all claims using the same subset of edits/rules, regardless of the mode of submission of the incoming transaction or application of different edits/rules based on the mode of submission. Unless exceptions are configured, all claims submitted via POS, paper, and batch are subject to the same validation and LDH policy edits within the system.

We are in full compliance with all privacy and security aspects protecting data confidentiality, including those defined by the HIPAA Security Rule, the HITECH Act, and the Sarbanes-Oxley Act of 2002 (SOX). MMA has built in processes in place and complies with all HIPAA Privacy and Security Standards Subpart C of 45 CFR Parts 164, as well as 160 and 162.

We adhere to the controls and guidelines of NIST SP 800-61 series. We are also compliant with the Federal Information Security Management Act (FISMA) Moderate requirements. Our compliance with federal requirements is proven by our successful track record in implementing federally certified PBM systems.

Additionally, FirstRx allows the flexibility to apply edits differently based on the media type, e.g., applying timely filing edits, quantity limitations, copayments, reimbursement logic, prior authorization (PA), or PDL edits based on a specific media type. We have successfully configured FirstRx to accommodate each customer's complex and specific requirements and can accommodate LDH's requirements pricing and response to submitter edits, such as Bill [Primary Health Plan] and [phone number], and BIN/PCN and Enrollee ID number and group number for the primary health plan.

All edits deployed for claims adjudication, including reimbursement methodology, can be configured based on program, category code, Enrollee age, drug or drug class, Medicare-Medicaid dual eligibility, Enrollee residence in a nursing facility, and all other program specifications according to the criteria and date specifications of LDH.

MMA will pay pharmacies for the costs of medications. Our established pharmacy payment process disburses payments and corresponding remittance advice to our network pharmacies on a routine, recurring basis. Prescription claims data from our FirstRx system are captured in our FirstFinancial system, where we can generate both paper and Electronic Funds Transfer (EFT) provider payments. MMA also supplies paper and electronic remittance advice (RAs), escheatment, reporting to support 1099, and pending balance reconciliation and reporting.

To ensure that all stakeholders understand how our Drug Claim system will serve their needs, MMA will collaborate with the MCOs to disseminate information to Network Providers and Enrollees upon approval from LDH.

Our solution for Louisiana Medicaid Managed Care Program includes the development of a comprehensive plan that will guide our communication and engagement strategy with stakeholders throughout the life of the Louisiana PBM Services for Medicaid MCOs Contract. Our stakeholder communication and engagement strategy leverage highly experienced teams and an in-depth understanding of the needs of each group of stakeholders.

8.3.1 General Drug Claim Adjudication System Requirements (RFP 2.1.9.1)

MMA will meet all General Drug Claim Adjudication System Requirements as described in RFP 2.1.9.1.

The Contractor's Drug Claim Adjudication system shall:

- **Adhere to all State and Federal accessibility requirements, or their successors.**

MMA's solution will adhere to all State and Federal accessibility requirements and their successors.

- **Comply with Section 6504(a) of the PPACA, which requires that state claims processing and retrieval systems are able to collect data elements necessary to enable the mechanized claims processing and information retrieval systems in operation by the State to meet the requirements of Section 1903(r)(1)(F) of the Act [42 CFR §438.242(b)(1); Section 6504(a) of the ACA; Section 1903(r)(1)(F) of the Act].**

MMA maintains compliance with the rules and regulations relevant to the Medicaid pharmacy space, including Section 6504(a) of the PPACA, Section 1903(r)(1)(F) of the Act [42 CFR §438.242(b)(1); Section 6504(a) of the ACA; Section 1903(r)(1)(F) of the Act], and all other applicable state and federal/CMS legislation, regulations, rules, and guidelines. MMA's core solution will allow for the collection, reporting and analysis of usage and usage pattern data for MMA's Louisiana Medicaid MCO websites/portals.

Our Business Intelligence and reporting tool MRx Explore has the ability to capture who can access Louisiana's data.

- **Comply with the latest version of the W3C Mobile Web Application Best Practices for browser-based components.**

MMA's solution provides a secure, thin client, browser-based solution that will comply with the latest version of the W3C Mobile Web Application Best Practices for browser-based components. The presentation tier is not solely dependent upon application, applet, or plug-in delivered to the user for system functionality.

Our solution allows any web browser-based component to operate consistently and fully across all web browsers in widespread use, including support at the minimum for the following desktop/mobile browser platforms: 1. Microsoft Edge, 2. Google Chrome, 3. Mozilla FireFox, and 4. Apple Safari. MMA will identify a complete list of browsers (including version numbers) that MMA's solution supports, along with justification for proposing the specific list of browsers and their proposed approach for ensuring cross-browser capability. This list will be submitted and approved by the State as part of the Test Plan.

- **Comply with the current Authoring Tool Accessibility Guidelines (ATAG) as published by the Worldwide Web Consortium (W3C).**

MMA will comply with the current W3C Authoring Tool Accessibility Guidelines, including making authoring tools accessible so that people with disabilities can create web content, as well as helping authors create more accessible web content that conforms to Web Content Accessibility Guidelines (WCAG).

- **Perform balancing procedures to guarantee control within the Drug Claims processing cycles including, but not limited to, ensuring that each Drug Claim received by the system is properly included in all payments, data extracts, or reports in which it shall be included.**

MMA will perform quality control and balancing procedures within the Drug Claims processing cycles to validate submitter data and process, batch submission and receipt date-stamp, and Julian date. FirstRx will assign unique control numbers and batch sender ID records for encounter claims received, as well as encounter adjustments/re-adjudications.

Control processes are in place to ensure batch claim count balancing, as well as the review of any claims that were unable to be loaded for content, format, or other system determined denials during processing. *Figure 8.3-2* shows a sample processing log that can be used to validate records loaded and passed, as well as any rejected records that require review.

- **Collaborate with LDH to develop, implement, and maintain payer sheet(s) using the NCPDP-published template and following the guidance it contains.**

In accordance with the State's Addendum #4 answer to Question 61, MMA will develop one payer sheet to be used by all MCOs.

MMA will work with LDH to develop, maintain, and distribute an NCPDP-compliant pharmacy procedure and billing manual, along with payer sheets to providers via our Web portal. The manual and payer sheets for Louisiana Medicaid MCOs will include instructions on how to submit claims, define plan specifics, and provide prior authorization details and reimbursement information. Our provider's website is updated on a regular basis.

- **Impose different copays for groups of Enrollees based on the Enrollee's copay code.**

FirstRx will calculate Enrollee-specific copayments in accordance with LDH specifications and program policy. The system will be configured to impose different copays for groups of Enrollees based on the Enrollee's copay code.

- **Recognize all applicable copays or coinsurance and deduct that amount from the payment made to the Network Provider.**

FirstRx will be configured to recognize all applicable copays or coinsurance and deduct that amount from the payment made to the Network Provider. After deducting the primary payer's amount from the claim, our system compares the Medicaid-allowed amount to the submitted claim cost and pays the lesser amount. Our system is configured to sum all values present for primary, secondary, or tertiary payers and deducts this value from the final claim payment in order to obtain maximum cost avoidance and reimbursement for Enrollees covered by third parties. Messages indicating dual or duplicate coverage with commercial insurance programs or Medicare Part D coverage will be returned to the submitter if they are not fully cost-avoided on the inbound claim in accordance with the NCPDP standard.

- **Report copay, coinsurance, and deductible information to LDH as required by LDH.**

MMA will report copay, coinsurance, and deductible information to LDH as required.

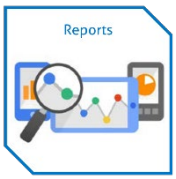
- **Calculate different copayment amounts or exempt copay based on pharmacy services, populations, variations in programs, products, Enrollee age, eligibility attributes, Provider groups, categories of service and Drug Claim data elements.**

The flexibility of the system allows the business user to establish copayments based on the different pharmacy services, populations, variations in programs, products, Enrollee age, eligibility attributes, Provider groups, categories of service and Drug Claim data elements (e.g., submission clarification code).

- **Ensure cost sharing does not exceed five percent (5%) of the household's monthly income.**

MMA will ensure cost sharing does not exceed 5% of the household's monthly income. ***MMA POS Programmers are benefit configuration specialists who are able to make 98% of FirstRx edits without bringing in a software developer to edit code***. The POS Programmers will configure and maintain ingredient cost, dispense fee, and Enrollee cost sharing edits for all our Medicaid state agency customers through a user interface. On-line user configuration of pricing algorithms eliminates the need to involve application development or other system resources to support LDH's current or future reimbursement methodologies allowing for quicker turnaround and deployment.

- **Provide functionality for LDH-authorized users to export and print selected Drug Claim information into a standardized human readable format (e.g., 1500, UB04 claim forms), including all associated data and attachments used in the Adjudication.**



MMA's solution provides the capability to submit all business rules in human-readable form. LDH-authorized users can use our MRx Explore self-service reporting tool to export and print selected Drug Claim information into a standardized human readable format (e.g., 1500, UB04 claim forms), including all associated data and attachments used in the Adjudication.

- **Accept and capture Drug Claim attachments, Drug Claim notes, and supporting information as directed by LDH.**

All paper claims, along with any attachments, notes, or other documentation submitted as supporting information for a claim, will be imaged as directed by LDH. As part of the scanning process, a unique internal control number is applied to each claim. Imaged copies of paper claims will be stored and available for LDH review through our Louisiana Web Portal.

- **Assign a unique tracking number to all Drug Claim attachments, Drug Claim notes, and supporting information.**

FirstRx assigns a unique identification number (ICN) for every claim that enters the system, regardless of the mode of submission. The ICN is the master index for all claim-related activity, including adjudication, reversal transaction, quantity and financial accumulations, and all claim-related extracts.

As supporting documents are scanned, each image is assigned a unique identifier. This numerical code is assigned to each document for ease of retrieval in the imaging system. This identifying numerical code is also keyed into the claims adjudication system for matching the documents together.

MMA processes adjustments for recovery in accordance with NCPDP B2 (reversal) and B3 (resubmission) transactions in FirstRx and adjusts the claim to the proper paid amount. Reversal transactions will contain a unique claim identification number, as well as a link to the unique claim number of the original claim which was reversed. The claim identification number is sent in the claim file. Our reconciliation process incorporates matching claim reversals and adjustments to originally paid claims so that adjustments are included in the claims file to prevent an imbalance in the claims process.

FirstRx enables end-to-end claim tracking from receipt of the first new day claim, through adjustments and final payment. FirstRx also tracks denied claims. Users can audit and/or look up claim history by a variety of parameters, in solo or combination, including by:

- Enrollee
- Provider
- Prescriber
- Date of service
- Paid Status
- Denied Status
- Original ICN
- Adjustment ICN (partial and full adjustments)
- Adjustment Date
- Adjustment Reason Code.

- **Associate and maintain all Drug Claim attachments, Drug Claim notes, and supporting information to the original Drug Claim and associated applicable transaction for an LDH-defined time in accordance with State and Federal requirements.**

MMA's system will associate and maintain all Drug Claim attachments, Drug Claim notes, and supporting information to the original Drug Claim and associated applicable transaction for an LDH-defined time in accordance with State and Federal requirements, and this information is viewable in FirstTrax, our prior authorization and contact tracking system. The images can be retrieved in real time by searching on the Enrollee's contact detail record.

FirstTrax is MMA's proprietary online contact and PA management system, powered by our configurable, business rules-driven clinical decision module, MRx Decide. It is a web-enabled, secure tool that is table- and parameter-driven, allowing flexible and easy configuration to support changes/updates as requested by LDH. The system is integrated in real time with eligibility, Providers, and our claims system. The real-time claims data in FirstTrax allows Customer Service Center (CSC) agents to provide an immediate response to callers.

In addition, we have implemented a process that allows image files of Enrollee letters to be attached to the contact detail records in FirstTrax. Retaining the letters online allows for easier access when assisting a caller, as well as improved auditability and tracking. PA processing and MRx Decide are also fully integrated into FirstTrax to allow the CSC agent easy access to data and a view across claims and PAs before escalating the issue, as appropriate.

- **Establish a Louisiana Medicaid specific Bank Identification Number (BIN)/Issuer Identification Number (IIN), Processor Control Number (PCN), and Group Number combination for POS Drug Claims processing.**
  - **These numbers shall uniquely identify each MCO and ensure Louisiana Medicaid Program Drug Claims are distinguishable from the Contractor's commercial, Medicare Part D and other business lines.**
  - **The BIN/IIN, PCN and group number shall appear on all Enrollees' identification cards along with the toll-free phone number for Provider and Enrollee assistance.**

MMA will establish unique BIN/IIN, PCN, and Group Number combinations that will identify the Louisiana MCOs. The unique BIN/PCN/Group Number combination is part of the process that ensures Medicaid claims are correctly differentiated from those of other business lines.

We understand that the BIN/IIN, PCN number, and toll-free assistance phone number will appear on all Enrollees' identification cards. Pharmacies that submit claims to MMA seeking payment from the Medicaid program that do not match the specific required data (RxBIN, RxPCN, RxGRP) will be notified via NCPDP-compliant messaging that these invalid claims have been rejected.

- **Work with LDH and other vendors, as necessary, to establish appropriate system interfaces. The Contractor shall:**
  - **Accept and conform to the interface layouts currently in use by LDH and its vendors unless otherwise approved by LDH.**

MMA's solution establishes appropriate system interfaces, consistent communication patterns, and protocols for data exchange with external systems. Interfaces are developed using common, widely-used transport protocols. MMA will conform to the interface layouts currently in use by LDH and its vendors unless otherwise approved by LDH. During implementation, our solutions will be configured to meet LDH's requirements, and interfaces will be built to exchange the data needed. All interface configuration will be validated by LDH during User Acceptance Testing (UAT).

  - **Establish file transfers as necessary to determine Enrollee and Prescriber eligibility and TPL information.**

MMA will establish the necessary file transfers for Enrollee and Prescriber eligibility, as well as TPL information. We will validate Enrollee eligibility in real time via a HIPAA standard eligibility request transaction, such as the X12N 270/271 transaction set, or as directed by LDH. FirstRx also validates Provider eligibility in real time access, including the pharmacy and prescriber National Provider Identifier (NPI) and authorization IDs for electronic submission of claims. We will also establish all transfers needed in order to determine whether there is a liable third party (or parties) that must be billed prior to billing LDH.

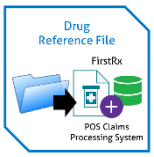
- **Provide daily Drug Claims and payment history files directly to the MCO.**

We will provide claims and payment history files directly to the MCO in the LDH-defined format and at the LDH-defined frequency as agreed upon and documented during the DDI Phase.

- **Maintain a comprehensive data dictionary and make the dictionary available to the MCOs and LDH.**

MMA creates and maintains a comprehensive data dictionary that catalogs the contents, format, and structure of the FirstRx database and the relationship between its drug file elements. MMA will leverage the existing templates refined from experience gained from our 13 current Medicaid POS customers (12 states and the District of Columbia), as well as during our Medicaid MCO contracts, to customize our Data Dictionary to meet Louisiana Medicaid MCO requirements. Our Comprehensive Data Dictionary includes the names and descriptions of various tables (records or Entities) and their contents (fields) plus additional details, like the type and length of each data element. Another important piece of information that a data dictionary can provide is the relationship between the Tables. MMA will make our data dictionary available to the MCOs and LDH.

- **Ensure data and reference files accessed for Adjudication are accurate and maintained timely.**



MMA will ensure that the data and reference files used for adjudication are accurate by following our well-established procedures to process and store reference files such as the weekly supplied drug data. We currently have license agreements with First Databank (FDB) for drug pricing files to adjudicate claims. This file provides access to WAC, DP, and the FUL. We also utilize Medi-Span for Average Wholesale Price (AWP). In addition, NADAC data are available from CMS on their website for regularly scheduled downloads.

These reference files will support business functions for claims adjudication. All updated data will be immediately utilized to support the accurate and timely disposition of pharmacy claims and encounters processing. FirstRx features a complete audit trail functionality and includes specific time and user stamps for each record update. FirstRx will manage current and historical reference data so that updates do not overlay historical information.

Our Quality Assurance (QA) Team will conduct trading partner testing and trouble resolution assistance with LDH trading partners (such as switches and direct submitters). Our Implementation Management Services (IMS) team tests and documents all data interfaces, and all switch vendors are required to test their connections in our QA environment and again during soft Go-Live in production prior to official GoLive time. QA Testing verifies the proper execution of all system components, including interfaces with external applications. Tests are performed to verify that the system is functional and operationally sound. Testing will be performed at no additional cost to the trading partner or LDH.

- **Integrate historical Drug Claims data provided by each of the MCOs. This includes a minimum of twenty-four (24) months of Drug Claims history, open PAs, and other patient-specific data to be available for PA automation during Adjudication.**

MMA will integrate historical claims data provided by LDH and each of the Louisiana MCOs as directed. MMA understands the importance of coordination with LDH and the MCOs. We will exchange information bi-directionally with the MCOs and LDH, as required. Our MCO PBM Solution supports a modular, flexible approach to systems development, including the use of open interfaces and exposed application programming interfaces (APIs). ***MMA utilizes bi-directional APIs to conduct data exchange between our FirstTrax integrated PA module and the FirstRx claims processing engine.*** We will maintain multiple interfaces for LDH and the MCOs, all containing information that must meet HIPAA privacy and security rules and guidelines and use industry standards, such as X.12, NCPDP, and HIPAA for interoperability and data integration needs.

We also support the use of industry-standard data exchange using industry-leading tools, including SnapLogic, EDIFECS, and Informatica.

Once data are loaded into FirstRx, incoming claims will be cross-checked against the Enrollee's medication claims history profile during claims adjudication and evaluated according to PA and DUR criteria, as directed by LDH. Claims history includes current, historical, paid, and denied claims data, regardless of the media source of the claim's submission. The on-line evaluation of claims permits identification of drug therapy problems prior to dispensing. If a potential drug therapy problem is identified, an alert message is transmitted on-line to the pharmacist dispensing the prescription drug. The flexible nature of FirstRx DUR capabilities allows LDH to define the period of history to review based on the Drug Utilization Evaluation (DUE) edit. For example, the period of history to review for the early refill edit may be set to 60-days of claims history; however, the Drug-to-Drug interaction edit may be set to review 90-days of claims history.

- **Maintain a minimum of twenty-four (24) months of data in the POS system after a MCO leaves the program.**

Our system has the ability to refresh, replace, or archive all historical data, on a scheduled basis approved by LDH. We will maintain a minimum of 24 months of data in the POS system after a MCO leaves the program. Our solution will provide data retention, including current and purged history files, for the LDH-defined time period of 10 years.

- **Honor existing PAs issued by the MCOs or their PBM through the PA end date included on the historical PA file provided by each MCO, unless otherwise directed by LDH. At the direction of LDH, grandfather patients with specified prior drug history (with or without a PA on file) to permit Adjudication without a PA denial.**

To avoid disruption to Enrollee access to medication and to ensure continuity of care, MMA will honor existing PAs through the PA end date on the historical PA files, unless otherwise directed by LDH. MMA will load historical PA files records into FirstRx for evaluation in claim disposition.

MMA will grandfather patients with specified prior drug history to permit adjudication without a PA denial, as directed by LDH. As an example, in support of PDL requirements, a rule is created in FirstRx that looks at the Enrollee profile for the medication history for a specified period, such as the most recent 90 days, for claims for the drug that had been chosen for grandfathering. If a claim for that drug is seen in the medication history, prior authorization requirements are bypassed and the claim will pay.

- **Provide a mechanism for LDH and the MCOs to view unredacted Adjudicated Drug Claims, PA records, and reference files in a real-time environment.**

MMA will provide a mechanism for authorized LDH and MCO users to view unredacted adjudicated claims, PA records, and reference files in a real-time environment. We provide a look-up function using our FirstCI tool for authorized LDH and MCO staff to view claim level detail including the benefit plan rules and reference data in effect on the date of service that were used to process the claim. MCO staff is able to view the records of their own Enrollees only.

Authorized users are provided read-only access through FirstCI, which provides searchable history of claims based on flexible parameters, including drug NDC, claim ID, Enrollee ID, Provider ID, and dates of service, among others, which are visible in FirstCI for authorized user review.

- **Perform a risk assessment of the Drug Claims processing system and Drug Claim operations business processes on an annual basis and provide a written report including the methodology to conduct the assessment, findings, and planned action(s) to mitigate identified risk(s) and address identified issues.**

MMA recognizes the importance of providing assurance to its partners on the integrity of transactions and operational processing with a financial impact, as well as the security of the processing and storage of its data. ***Annual SOC2 and SOX audits are conducted to assess the effectiveness of the controls in***

place and to develop and deploy control improvement plans, when appropriate and necessary. MMA will provide LDH with an annual reporting from an external auditor on the effectiveness of internal controls. We affirm that we will provide this reporting at system go live, and annually thereafter.

We have passed multiple external MARS-E audits, as well as obtained our HITRUST certification. MMA performs internal controls and internal audit independently assess our systems and processes according to SOX as well as Statement on Standards for Attestation Engagements 18 (SSAE 18) Service Organizations Controls 1 (SOC 1) report requirements to demonstrate MMA's effectiveness of controls and safeguards in place. We provide a SOC 1, Type 2 report (which contains the requirements of a SOC 1,Type 1 report within it) which provides coverage for a 12 month cycle

MMA's external auditors complete an annual SSAE 18 SOC 1 report over our claims processing functions, demonstrating the accuracy and integrity of claims processing and the effectiveness of those controls. To attest to our data security and privacy, vendor management, risk management, and corporate governance, MMA performs an AICPA AT-C 205 SOC 2, Type 2report for our customers. Similar to a SOC1, an independent auditor reports on management's description of a service organization's system and the suitability of the design and operating effectiveness of controls.

HITRUST certification is completed annually, and a copy of the assessment can be provided. The HITRUST Alliance HITRUST CSF is a certifiable framework that provides organizations with a comprehensive, flexible, and efficient approach to regulatory compliance and risk management. Both HITRUST CSF and SOC 2 controls leverage security controls of the NIST-800-53-Rev framework. MMA has HITRUST certification and SOC 2 Security Audits over the MMA external facing websites. Additionally, our website has been accredited by the Verified Internet Pharmacy Practice Sites (VIPPS) program in every state.

- **Utilize the Louisiana Medicaid Identification Number and aggregate Enrollee history across multiple eligibility spans, if applicable.**

MMA will aggregate Enrollee history across multiple eligibility spans when applicable. All eligibility spans associated with each Enrollee are maintained and viewable in perpetuity via our user interface. FirstRx provides the flexibility to record managed care organization enrollment for the Enrollee as part of each claim record, as applicable and consistent with LDH's coverage and reimbursement policies. ***FirstRx is not limited in any way to the number of benefit plans that a customer can configure for their Enrollee populations.*** FirstRx allows submitting Providers to supply a single group (known as a tracking group), and the adjudication engine determines the appropriate group based upon enrollment information and selects the appropriate plan for claim adjudication per LDH's program hierarchy.

- **Apply individual Prescriber or Network Provider-related restrictions such as special Drug Claim reviews, payment withholds, including withholds for delinquent taxes, or other limitations as instructed by LDH.**

MMA will work with the State through requirements validation to configure our solution to apply individual Prescriber or Network Provider-related restrictions such as special Drug Claim reviews, payment withholds, including withholds for delinquent taxes, or other limitations as instructed by LDH. FirstRx is capable of maintaining an exclusive panel for Providers, and FirstFinancial can accommodate withholds and other limitations as instructed by LDH. A Provider may be excluded for failure to meet eligibility requirements on data validation check. MMA will update the list of sanctioned/excluded Providers in real-time at the direction of LDH.

- **Update ingredient cost rates within three (3) Business Days of new rates being posted from a nationally recognized database approved for use by LDH.**

MMA will update ingredient cost rates within three Business Days of new rates being posted from a nationally recognized database approved for use by LDH. We process claims in our proprietary claims adjudication system using the clinical data contained in the First Databank (FDB) NDDF Plus Standard Product. FDB files are received weekly and applied on a customer-specific schedule. The application or load of FDB files to the adjudication engine is logged at each individual National Drug Code (NDC).

Record update timestamps and load job identifiers are present in the database and visible in the FirstRx graphical user interface (GUI), where they can be reviewed. Records are never physically deleted from FirstRx, creating, and preserving a perpetual record of all iterative changes to a product record. Load reports are available for review and analysis to ensure that records have been added or updated in a timely and accurate manner. FirstRx stores and uses not only the industry-standard price types listed (FUL, MAC, etc.), but also allows LDH to define or integrate other price types as appropriate.

- **Require Network Providers to file Louisiana Medicaid Program-only Drug Claims within three hundred sixty-five (365) Calendar Days of the DOS.**

FirstRx allows the flexibility to apply timely filing edits, and we will require Network Providers to file Louisiana Medicaid Program-only Drug Claims within 365 calendar days of the date of service.

- **Allow Network Providers to back bill electronically (reversals and resubmissions) not to exceed three hundred sixty-five (365) Calendar Days back to the DOS.**
  - MMA will allow Network Providers to back bill electronically (reversals and resubmissions) not to exceed 365 calendar days back to the DOS.

- **Require Network Providers to file Drug Claims involving TPL (excluding Medicare) within three hundred sixty-five (365) Calendar Days from the DOS.**

Using timely filing edits, FirstRx will be configured to require network providers to file Drug Claims involving TPL (excluding Medicare) within 365 calendar days from the DOS.

- **Require Network Providers to file the Drug Claim within one hundred eighty (180) Calendar Days from Medicare's EOB of payment or denial when Medicare is the primary insurer.**

FirstRx will be configured to require Network Providers to file the Drug Claim within 180 Calendar Days from Medicare's EOB of payment or denial when Medicare is the primary insurer.

- **LDH will identify and address any exceptions to these provisions in the MCO Manual.**

MMA understands that LDH will identify and address any exceptions to these provisions in the MCO Manual. Unless exceptions are configured, all claims submitted via POS, paper claims, and batch are subject to the same validation and LDH policy edits within the system.

- **Support interfaces with Network Provider point-of-sale systems (and their facilitating networks) and Prescriber's electronic health record (EHR) systems, providing seamless interoperability through the life cycle of a prescription.**

MMA supports interfaces with network provider POS systems (and their facilitating networks), electronic prescribing, EHRs, HIEs, and prescription drug monitoring programs (PDMPs) for state Medicaid agencies, providing seamless interoperability through the life cycle of a prescription. We have successfully interfaced with ePrescribing for six government customers, including the following five Medicaid customers, Arkansas, Florida, Idaho, Michigan, and Virginia, and for our Pennsylvania Pharmaceutical Assistance Contract for the Elderly (PACE) Program contract.

8.3.2 General Drug Claim Processing Requirements (RFP 2.1.9.2)

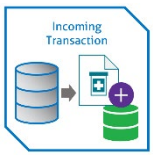
MMA will meet all General Drug Claim Processing Requirements as described in RFP 2.1.9.2.

The Contractor shall:

- **Conduct Drug Claims processing consistently across all MCOs that prevents duplication of effort or multiple solutions and allows changes to be made easily and seamlessly for the entire Managed Care Program.**

In accordance with the State's Addendum #4 answer to Question 62, MMA will use one set of reject code sets that will apply consistently for all MCOs. MMA will process Drug Claims consistently for all MCOs to avoid duplication of effort and reduce administrative overhead. MMA has transitioned health plan customers from all major PBMs, so we know how to work collaboratively and effectively with the PBMs currently used by the MCOs in Louisiana.

- **Receive, Adjudicate, and correctly price one hundred percent (100%) of Drug Claims, including Drug Claims for multi-ingredient compounded prescriptions, whether submitted electronically or on paper.**



FirstRx will receive, adjudicate, and correctly price 100% of Drug Claims, including Drug Claims for multi-ingredient compounded prescriptions, whether submitted electronically or on paper. FirstRx accepts pharmacy claims via POS, electronic batch submission, web claims submission, Enrollee-submitted claims for emergencies, and manually-entered paper claims submitted on the NCPDP Universal Claim Form version D.0. FirstRx allows the flexibility of adjudicating all claims using the same subset of edits/rules, regardless of the mode of submission of the incoming transaction or application of different edits/rules based on the mode of submission. Unless exceptions are configured, all claims submitted via POS, paper claims, and batch are subject to the same validation and LDH policy edits within the system.

- **Be able to accept multiple concurrent electronic Drug Claims transactions while maintaining required maximum processing times and minimum uptimes.**

MMA's solution is able to accept multiple concurrent electronic Drug Claims transactions while maintaining required maximum processing times and minimum uptimes. FirstRx will process all electronic pharmacy claims in a HIPAA-compliant format and version. MMA supports the use of industry standard data exchange using industry leading tools, including Oracle Fusion, EDIFECS, and Informatica. These tools run on high-performance AIX, Linux, and Windows servers that provide load-balancing, parallel processing, and concurrent file processing of all HIPAA transactions.

- **Maintain permanent history by service date for those services identified as "once-in-a-lifetime".**

FirstRx will maintain permanent history by service date for those services identified as "once-in-a-lifetime," such as hysterectomy or appendectomy or treatment with Zolgensma®, for example. Our solution will provide permanent data retention for these records.

- **Not utilize a Subcontractor for Drug Claims processing.**

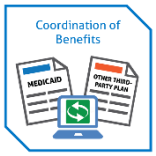
MMA will not utilize a subcontractor for Louisiana Medicaid MCO Drug Claims processing.

- **Have an automated Drug Claims processing system for Drug Claims that support the requirements of the contract and ensures the accurate and timely processing of Drug Claims and encounters.**

Our proven FirstRx system will support the accurate and timely disposition of pharmacy claims and encounters processing. MMA's automated system will meet all requirements of the contract. FirstRx supports online benefit configuration and claims adjudication in real time, 24/7/365, as well as encounter claim loads/pricing. It accepts pharmacy claims via real-time and batch submission, web claims submission, and manually entered paper claims. FirstRx provides system edits, ProDUR, and integrated AutoPA functionality.

- **Comply with State and Federal requirements on the proper use of current standards, recognition, and enforcement of Third-Party Liability (TPL) and coordination of benefits (COB), adjusting prior Adjudication, and efficient handling of paper records when necessary.**

MMA will comply with State and Federal requirements on the proper use of current standards, recognition, and enforcement of third-party liability (TPL) and coordination of benefits (COB), adjusting prior adjudication, and efficient handling of paper records when necessary. FirstRx fully supports all applicable State and federal policies regarding verification of Enrollee eligibility and editing for pharmacy claims.



The TPL/COB functionality in FirstRx is highly configurable and allows LDH to eliminate unnecessary payments to submitters when other insurance has been identified, ensuring that the State is the payer of last resort. FirstRx also performs COB when the Provider submits TPL information, even in those cases where we do not have TPL records on file for that Enrollee. FirstRx edits all pharmacy claims for the presence of TPL, using the data on the enrollment file and applies all Other Payer edits as allowed under the NCPDP Standard, as well as editing for any voluntary information submitted that is not yet available on the enrollment files.

MMA provides and maintains in FirstRx NCPDP-compliant cost avoidance and TPL edits to ensure that it coordinates benefits so that Louisiana Medicaid is always the payer of last resort. ***The flexibility of our solution allows LDH to customize its cost avoidance solution to meet the needs of each individual program.*** The system edits incoming claims based on the available, validated TPL information on file and the configuration requirements by enabling the varied cost avoidance options available in FirstRx and following an approved hierarchy ensuring each claim has assessed for other insurance coverage, and LDH's TPL rules and requirements are met during the claims adjudication process.

FirstRx edits TPL claims to adhere to the cost avoidance adjudication rules specified in federal and State regulations. The FirstRx system stamps each claim with the Enrollee eligibility group/benefit plan under which the claim was processed. All claims entering the FirstRx system are parsed to individual data fields and stored in data tables based on NCPDP claim standards. These data are maintained as required by contractual agreements. Denials are issued in real time when the incoming claim does not contain the COB segment or if the incoming claims data do not match or include all the information on the enrollment record. If a third party exists, the claim will be rejected with an appropriate message instructing the Provider to bill the primary carrier, including such information as carrier code, carrier name, BIN, and policy number. This process minimizes pay and chase and maximizes real-time cost avoidance of pharmacy claims.

- **Apply Drug Claim edits to include, but not limited to, eligibility, drug coverage, benefit limitations, Network Provider, Prescriber and prospective/concurrent drug utilization review edits.**

MMA will maintain claim edits in FirstRx that enforce State-specific conditions to be met for claims payment in accordance with Louisiana Medicaid Program rules. These edits are defined during implementation and configured in FirstRx. They will be applied and maintained throughout the contract by MMA staff so as to remain consistent with evolving LDH requirements, regulatory changes, and innovations, following our defined Change Control Process. FirstRx will be configured to process LDH's MCO pharmacy program claims, applying all business logic including:

- Automated Prior Authorization processing
- Claims management
- Clinical and business edits
- LDH Preferred Diabetic Supplies Lists
- Duplicate claims
- Lock-in

- MCO-specific identifiers
- NDC validation and drug coverage eligibility
- NPI validation
- Payer of last resort
- Prescription validity
- Pricing methodologies
- Provider fees
- Prior Authorization
- Prospective Drug Utilization Review (ProDUR)
- Multi-ingredient compound processing
- Real-time fraud and abuse detection
- Utilization Management, including Quantity Limits and Step Therapy.

- **Make all program changes as directed by LDH with a formal process for changes such as a Benefit Change Form (BCF). The BCF shall be completed and executed by both LDH and the Contractor to make modifications to the benefit plan design. The Contractor shall be responsible for maintaining a file of all BCFs for LDH and provide LDH with said BCFs upon request for review or audit purposes.**

FirstRx provides benefit configuration management, including adding, changing, or deleting adjudication rules by authorized business analysts via a user-configurable interface in real time. Changes will be made, according to our defined Change Control Process, within a time frame approved by LDH. MMA agrees that changes to be made under the formal Change Control Process will be signed off on the Benefit Change Form and executed by both LDH and MMA to make modifications to the benefit plan design. MMA will be responsible for maintaining a file of all BCFs for LDH and provide LDH with said BCFs upon request for review or audit purposes.

- **Process and reimburse Drug Claims without inappropriate denials, delays, or recoupments.**

MMA will process and reimburse Drug Claims without inappropriate denials, delays, or recoupments.

  - **If the Contractor has a pattern, as determined by the MCO, of inappropriately denying, delaying or recouping Provider payments for services, the Contractor may be subject to Monetary Penalties equal to one and one-half (1.5) times the value of the Drug Claims inappropriately denied, delayed, or recouped, contract cancellation, or refusal to contract in a future time period.**

MMA acknowledges.

  - **If the Contractor has a pattern, as determined by the MCO, of inappropriately denying, delaying, or recouping Provider payments for services after the termination of the Contract, the Contractor may be subject Monetary Penalties equal to one and one-half (1.5) times the value of the Drug Claims inappropriately denied, delayed, or recouped.**

MMA acknowledges.

- **Retain historical data submissions for a period not less than ten (10) years, following generally accepted retention guidelines.**

MMA will retain historical data submissions for a period not less than 10 years, following generally accepted retention guidelines. Our system supports data retention policies in accordance with records management retention rules and regulations.

- **Maintain audit trails online for no less than six (6) years.**

We will maintain audit trails online for no less than six years. MMA's system provides the ability to inactivate records rather than purge or perform a physical delete of the record in the database as required by audit and data retention rules.

- **Retain additional history for no less than ten (10) years.**

MMA will retain additional history for no less than 10 years.

- **Provide a maximum forty-eight (48) hour turnaround on requests for access to information that is between six (6) to ten (10) years old in machine readable form.**

MMA will provide maximum 48-hour turnaround on requests for access to information that is between six to ten years old in machine readable form. MMA's solution supports initiation of reports through various methods, including but not limited to on-demand requests, scheduled requests, and event-driven requests.

- **Ensure that National Drug Code (NDC), which includes the manufacturer number, product number and package number for the drug dispensed is listed on all Drug Claims and encounters. This information shall be taken from the actual package from the dispensed drug.**

FirstRx is configured to exceed the needs of our Medicaid customers. Drug coverage will be configured to ensure that NDC, which includes the manufacturer number, product number and package number for the drug dispensed is listed on all Drug Claims and encounters.

FirstRx will be configured to identify that NDCs are valid and eligible for payment under LDH policy. FirstRx is also configured to ensure compliance with all state and federal requirements for claims processing.

8.3.3 Drug Claims System Requirements (RFP 2.1.9.3)

MMA will meet all Drug Claims System Requirements as described in RFP 2.1.9.3.

The Contractor's system shall:

- **Support electronic submission of Drug Claims using the most current HIPAA compliant transaction standard (Currently NCPDP D.0).**

FirstRx supports electronic submission of Drug Claims using the most current HIPAA compliant transaction standard (currently NCPDP D.0).

MMA's system is fully NCPDP v.D.0-and Batch standard version 1.2-compliant. Our staff was directly involved with the development of the NCPDP v.D.0 standard and the next HIPAA-named Telecommunication standard (version F6 or a newer version).

MMA maximizes NCPDP participation, with technical, operational, and clinical employees involved who represent all aspects of our business. MMA currently meets all state and federal privacy and security regulatory requirements for protecting data confidentiality, including those defined by the HIPAA Security Rule and HITECH Act, and all requirements for data and information processing as mandated by 42 CFR 447 for individual and batch claims.

Figure 8.3-3 presents our proposed solution architecture model (SAM) for the project. The diagram shows the workflow between MMA's solution and the other automated systems that support LDH. This diagram documents our ports, protocols, interfaces, and direction of workflow/communication.

Claims Adjudication Flow: FirstRx is connected with all major switch vendors, which in turn are connected with pharmacy providers. This establishes the secured connection through which pharmacies interact when Enrollees fill their prescriptions. *Figure 8.3-4* shows the flow of a claim through the adjudication system from receipt to final decision and response.

- **Provide information on areas including, but not limited to, utilization, Drug Claims, Grievances and Appeals, and Disenrollment for reasons other than loss of Louisiana Medicaid Program eligibility [42 CFR §438.242(a)].**

MMA's solution supports full compliance with the Health Information Systems General Rule [42 CFR §438.242(a)]. Our system will collect, analyze, integrate, and report the required information to achieve its objectives, including but not limited to, utilization, Drug Claims, Grievances and Appeals, and Disenrollment for reasons other than loss of Louisiana Medicaid Program eligibility.

- **Provide for an automated update to the National Drug Code file including all product, packaging, prescription and pricing information.**

Our solution includes an automated update to the National Drug Code file including all product, packaging, prescription, and pricing information. MMA will ensure that the data and reference files used for adjudication are accurate by following our well-established procedures to process and store reference files such as the weekly supplied drug data.

We currently have license agreements with First Databank (FDB) for drug pricing files to adjudicate claims. This file provides access to WAC, DP, and the FUL. We also utilize Medi-Span for Average Wholesale Price (AWP). In addition, NADAC data are available from CMS on their website for regularly scheduled downloads.

- **Provide public online access to reference file information (e.g. drug name, NDC, unit price(s), payable status, manufacturer, therapeutic class, etc.) for the MCOs, LDH, and representatives of the State.**

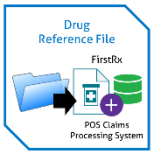
As shown in *Figure 8.3-5*, public online users are provided with drug lookup functionality on the Web Portal. The Web Portal for Louisiana will include drug name, NDC, unit price(s), payable status, manufacturer, therapeutic class, etc.) for the MCOs, LDH, and representatives of the State.

- **Be responsible for procuring and maintaining hardware and software resources which are sufficient to successfully perform the services detailed in the Contract.**

MMA will be responsible for procuring and maintaining hardware and software resources that are sufficient to perform the services detailed in the RFP. As we currently provide PBM services to 13 other Medicaid programs, we are confident in our ability to serve LDH utilizing our current hardware and software.

Our IT department services and maintains our systems, employing the developers and analysts. MMA updates and repairs our systems as needed following the guidelines outlined in our software, hardware, data change management policy. We own the source code to our systems, allowing us to exercise complete control over the change management process.

- **Maintain a history of the pricing schedules and other significant reference data.**



MMA's solution maintains a history of the pricing schedules and other significant reference data. FirstRx features a complete audit trail functionality and includes specific time and user stamps for each record update. FirstRx will manage current and historical reference data so that updates do not overlay historical information.

- **Update the drug file, including price, within three (3) Business Days of receipt of changes, notification from a national data base, or LDH.**

MMA will update the drug file, including price, within three business days of receipt of changes, notification from a national data base, or LDH. FDB files are received weekly and applied on a customer-specific schedule. The application or load of FDB files to the adjudication engine is logged at each individual NDC.

Record update timestamps and load job identifiers are present in the database and visible in the FirstRx user interface, where they can be reviewed. Records are never physically deleted from FirstRx, creating, and preserving a perpetual record of all iterative changes to a product record.

Load reports are available for review and analysis to ensure that records have been added or updated in a timely and accurate manner. FirstRx stores and uses not only the industry-standard price types listed (FUL, AWP, MAC, etc.), but also allows LDH to define or integrate other price types as appropriate.

- **Have the capability to implement pharmacy value-based payment incentives meant to improve health outcomes.**

MMA has the capability to implement pharmacy value-based payment incentives meant to improve health outcomes. The strength of our experienced teams and collaboration efforts, combined with our technology solutions, allows us to collaborate with government customers to deliver innovative healthcare solutions focused on positive health outcomes. MMA has the ability to implement and administer (including rebate administration) a value-based arrangement should the State want to do that in the future.

MMA has been involved in value based initiatives for years and in fact collaborated with the Center for Evidence-Based Policy at the Oregon Health and Sciences University on the State Medicaid Alternative Reimbursement and Purchasing Test for High-Cost Drugs, known as the SMART-D project. MMA was working on efforts to bring an open-source Outcomes-Based Contract (OBC), also known as "value based," to the Medicaid market. For the duration of this project, MMA has been the industry partner with the SMART-D program.

MMA's experience in supplemental rebate contract template development, gaining approval from CMS, and administration was key in this process. This contract template has been approved by CMS for nine states since its launch by SMART-D. With experience in the development of the contract template as well as industry-leading manufacturer negotiations experience, MMA is ideally situated to assist states in navigating this new contracting opportunity.

MMA understands fiscal pressures and service demands and offers targeted solutions for the high-cost, high-need areas of Medicaid and other state health programs. We work with our Medicaid customers to design and implement innovative programs around value-based purchasing, which is focused on overall value, taking into account three points—quality, cost, and access to care—to lower total healthcare costs.

LDH's innovative Hepatitis C Subscription Model Program is an example of a successful value-based initiative. As the State's incumbent PDL contractor, MMA assisted LDH with manufacturer negotiations, the Supplemental Rebate Agreement (SRA), and implementation of the program.

MMA continues to provide ongoing analytic support to evaluate the performance of this unique approach. This model was implemented in July of 2019 and has resulted in ***positive clinical and financial outcomes for the State*** as shown in the box to the right.

MMA will collaborate with LDH to obtain mutual approval for any future value-based payment incentive processes and methodology prior to deployment.

Demonstrated Value-Based Support for LDH

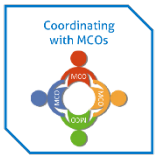
- In 2019, the state executed its Hepatitis C Subscription Model to **help eradicate this disease in Louisiana** while using a cost-effective initiative.
- The state entered into a 5-year SRA with Asegua that **caps gross annual expenditure** for one contracted hepatitis C medication (velpatasvir/sofosbuvir AG).
- Once this cap is met, **the net cost for this drug to the state becomes zero** for the rest of the state fiscal year.
- This model **allows unlimited access to the hepatitis C treatment** for Medicaid MCO and FFS beneficiaries, as well as incarcerated individuals in the state.

- **Implement a single solution that interfaces with each MCO.**

MMA will implement our proven FirstRx drug claims processing system as a single solution that interfaces with each MCO. This will benefit LDH by optimizing cost-effectiveness. The single solution will

also benefit the Enrollee population by facilitating effective and consistent care management. Our Medi-Cal Rx experience moving pharmacy from managed care to a single PBM, as well as our experience as the single PBM for the TennCare Program, has led us to appreciate the importance of effective and timely data exchanges with each MCO to facilitate comprehensive pharmacy program management.

- **Not maintain separate Drug Claims processing systems for each MCO nor alter or customize its Drug Claims processing for each MCO, ensuring Drug Claims processing shall occur as specified by LDH without exception and be uniform for all MCOs.**



MMA will provide a single tenant pharmacy solution. We will not maintain separate Drug Claims processing systems for each MCO nor alter or customize its Drug Claims processing for each MCO. We will ensure that Drug Claims processing will occur as specified by LDH without exception and that processing will be uniform for all MCOs. MMA will process Drug Claims consistently for all MCOs, and we will comply with all federal and State regulations as well as LDH policy.

- **Interoperate as needed with LDH's systems and shall conform to applicable standards and specifications set by LDH including all Contractor applications, operating software, middleware, and networking hardware and software.**

The MMA solution will interoperate as needed with LDH's systems and will conform to applicable standards and specifications set by LDH including all MMA applications, operating software, middleware, and networking hardware and software.

Our solution uses key industry standards and supports compliance with all applicable federal and state Medicaid laws, regulations, and policies relevant to system security, confidentiality and safeguarding of information. Where policies overlap, the system will always strive to attain the more stringent policy. MMA understands that the most recent versions for standards and specifications is applicable.

- **Be capable of adding, changing, or removing Adjudication rules, edits, pricing, product status and all Adjudication elements to accommodate LDH-required changes.**

FirstRx provides benefit configuration management, including adding, changing, or deleting adjudication rules by authorized business analysts via a user-configurable interface in real time. Changes will be made, according to our defined Change Control Process, within a time frame approved by LDH.

FirstRx will support LDH rules, edits, pricing logic, PDL status, and all adjudication elements needed to accommodate required changes for current and future pharmacy programs in accordance with State and Federal required changes. ***The configurability of FirstRx allows the responsive and quick support of Medicaid programs with customized edits, including those required for public health emergencies such as COVID-19.***

- **Completely Adjudicate Drug Claims with a maximum response time of no longer than one (1) second, ninety-eight percent (98%) of the time measured weekly and reported monthly. Response time means the time from when the Drug Claim is received by the Contractor until the time the results are transmitted from the Contractor and includes all procedures required to complete the Adjudication.**

FirstRx will meet the requirement to provide an average maximum response time of no longer than one second, 98% of the time for completely adjudicating Drug Claims, measured weekly and reported monthly.

- **Conduct research on Drug Claim payment problems and provide a root cause analysis (RCA).**

MMA is committed to accurate claim payment to ensure LDH expenditure is efficient. Upon discovery of a Drug Claim payment problem, MMA will research the issue, then produce and deliver a Root Cause Analysis (RCA) document to LDH for review and discussion. The RCA will include the following information: any contract requirement that is in violation, the non-compliance issue causing the need

for the RCA, supporting evidence of that issue, immediate and long-term corrective actions as applicable and any contract penalty points for performance standards and liquidated damage amounts.

- **Be responsible for all expenses required to obtain access to LDH systems—including systems maintained by other Contractors including, but not limited to, FI and Enrollment Broker resources that are relevant to successful completion of the requirements of the Contract, unless explicitly stated to the contrary. The Contractor is also responsible for expenses required for LDH to obtain access to the Contractor's systems or resources which are relevant to the successful completion of the requirements of the Contract. Such expenses are inclusive of hardware, software, network infrastructure and any licensing costs.**

MMA affirms that we will be responsible for all expenses required to obtain access to LDH systems—including systems maintained by other contractors including, but not limited to, FI and Enrollment Broker resources that are necessary to successfully implement all requirements identified in this RFP. We will provide LDH with secure access to our systems and resources relevant to the implementation and operations according to RFP requirements. These expenses include hardware, software, network infrastructure and any licensing costs.

- **Alert LDH of outstanding Drug Claim payment issues and resolve within 24 hours unless LDH approved an extension in writing.**

MMA will alert LDH of outstanding Drug Claim payment issues and resolve within 24 hours, unless LDH approves an extension in writing.

- **Any Contractor use of flash drives or external hard drives for storage of Louisiana Medicaid Program data shall first receive written approval from LDH and upon such approval shall adhere to FIPS 140-2 hardware level encryption standards.**

MMA policy dictates no use of flash drives or external hard drives for customer data storage. MMA understands that if the need arises where we may need to use flash drives or external hard drives for LDH data storage, we will first obtain written approval from the Department and ensure any external storage device meets FIPS 140-2 hardware level encryption standards.

- **Implement PDL change notices as needed.**

MMA will implement PDL change notices as needed. In accordance with the State's Addendum #4 answer to Question 66, MMA understands that major PDL changes may occur twice a year after P&T committee meetings, with such changes to be implemented in January and July. MMA will be responsible for identifying Enrollees affected by negative changes to the PDL. The MCOs will be responsible for sending negative change letters to their affected Enrollees.

- **Not revise or modify standardized forms or formats.**

MMA will not revise or modify standardized forms or formats. We will provide LDH with on-demand access to downloadable real-time client and service data in an approved LDH format (e.g., CSV or XLSX).

- **Interface with LDH, the FI, the Enrollment Broker, and other State contractors. The Contractor shall have capacity for real time connectivity to all LDH approved systems. The Contractor shall have the capability to allow and enable authorized LDH personnel to have real-time connectivity to the Contractor's system as remote connections from LDH offices.**

MMA will interface with LDH, the FI, the Enrollment Broker, and other State contractors. MMA has the capacity for real time connectivity to all LDH approved systems. We will allow and enable authorized LDH personnel to have real-time connectivity to our system as remote connections from LDH offices.

MMA will establish and maintain compatible drug file transfer layouts, data integration requirements, and secure connectivity so that we can accurately establish pharmacy benefit design, conduct POS editing, and perform reporting as required.

As the incumbent provider of the single PDL that is used by the Louisiana MCOs, we currently coordinate with the State to establish and maintain secure connectivity with the MMIS and other trading partners as directed, in support of the exchange of all required data files. This understanding of the interfaces will allow us to implement the interfaces for this contract with less development effort. As the Louisiana Medicaid MCO PBM, MMA will coordinate with LDH and the MMIS vendor to set up the requisite data exchanges in support of the Louisiana Medicaid MCO project, and we will continue to ensure compatibility of our drug file with the MMIS.

- **Maintain hardware and software compatible with current LDH requirements in accordance with the MCO Manual.**

MMA will maintain hardware and software compatible with current LDH requirements in accordance with the MCO Manual. We will procure and maintain hardware and software resources necessary to perform the requirements and scope of services outlined in the RFP throughout all phases of the contract.

- **Have network and back-up capabilities in accordance with the MCO Manual.**

MMA's Drug Claims System solution will meet all of the RFP requirements for operations, including the required network and back-up capabilities in accordance with the MCO Manual for systems and application monitoring, SLAs, backup and restore, service desk, B2B support, operations documentation, and planning for operating contingencies, including business continuity and disaster recovery.

- **Ensure Medicare Part B products covered by the Louisiana Medicaid Program for the dual eligible are paid only after Medicare is billed as the primary payer at least quarterly or otherwise specified by LDH.**

MMA will ensure Medicare Part B products covered by the Louisiana Medicaid Program for the dual eligible are paid only after Medicare is billed as the primary payer at least quarterly or otherwise specified by LDH. FirstRx includes edits that identify dual eligible Enrollees. The system will deny claims covered by Medicare, Medicare Managed Care Plans, and Medicare Part D claims and return appropriate messaging to the submitter.

- **Track drug utilization and denied PAs.**

MMA's solution provides comprehensive tracking and reporting of drug utilization and denied PAs.

- **Notify LDH staff of the following changes to its system within its span of control upon the earlier of beginning work on the changes or at least ninety (90) Calendar Days prior to the projected date of the change, unless otherwise directed by LDH:**
  - **Major changes, upgrades, modification or updates to application or operating software associated with the following core production systems:**
    - **Drug Claims processing.**
    - **Eligibility and Enrollment processing.**
    - **Service authorization management.**
    - **Provider Enrollment and data management.**
    - **Conversions of core transaction management systems.**

MMA will notify LDH staff of major changes, upgrades, modification, or updates within its span of control upon the earlier of beginning work on the changes or at least 90 calendar days prior to the projected date of the change, unless otherwise directed by LDH, to application or operating software associated with Drug Claims processing, eligibility and enrollment processing, service authorization management, provider enrollment and data management, and conversions of core transaction management systems.

- **Respond to LDH notification of system problems not resulting in system unavailability according to the following timeframes:**
  - **Within five (5) Calendar Days of receiving notification from LDH, the Contractor shall respond in writing to notices of system problems.**
  - **Within fifteen (15) Calendar Days, the correction shall be made or a requirements analysis and specifications document will be due.**

MMA will respond in writing to LDH notices of system problems not resulting in system unavailability within five calendar days of receiving notification from LDH. Within 15 calendar days, the correction will be made or a requirements analysis and specifications document will be delivered. MMA's solution leverages hardware infrastructure that can support high availability, load tolerance and real-time failover.

- **Correct each deficiency by an effective date to be determined by LDH.**

MMA will correct each deficiency by an effective date to be determined by LDH. Our action plan or requirements analysis and specifications document will identify the deficiencies, and/or operational issues and the steps taken to correct the issue. We will continue to monitor the issue or deficiency until resolved and service delivery is no longer impacted.

- **Have a system-inherent mechanism for recording any change in the Contractor's systems to a software module or subsystem.**

MMA has a system-inherent mechanism for recording any change in our systems to a software module or subsystem. MMA achieves this though the use of a software repository that provides version control services. We are currently utilizing the open source Git version control system across our development teams. MMA's solution also updates malicious code protection mechanisms (including signature definitions) whenever new releases of software modules or subsystems are available, in accordance with IT system configuration management policy and procedures. Our business rules solution supports policy (rule-set) versioning, along with archival of historic policy versions for audit and regulatory purposes. MMA's business rules solution supports the grouping of rules into policies or rule-sets to support management, versioning, and effective dating of rules by rule groups. Our business rule engine provides the capability to enable or disable a rule in a policy without deleting the rule from the policy version.

- **Put in place procedures and measures for safeguarding against unauthorized modification to the Contractor's systems.**

MMA has established, in-place procedures and measures for safeguarding against unauthorized modification to MMA's systems. We will immediately terminate and investigate all unauthorized and/excessive sensitive data reads/writes via application or directly to the database (as preapproved by the State and programmed by the vendor).

- **Not schedule systems unavailability to perform system maintenance, repair and/or upgrade activities during hours that can compromise or prevent critical business operations, unless otherwise agreed to in advance by LDH.**

MMA will not schedule systems unavailability to perform system maintenance, repair and/or upgrade activities during hours that can compromise or prevent critical business operations, unless otherwise agreed to in advance by LDH. The system is available 24/7/365. Maintenance downtime is taken only when necessary and is scheduled throughout the year. For planning purposes, MMA retains the use of a four-hour maintenance window beginning at 11:00 pm on Saturday and continuing through 3:00 am Eastern Time

(ET) on Sunday. The system generally would be available during that entire time, but we require four hours for scheduling.

If the full scheduled maintenance window is not needed, we use a much more abbreviated time frame, sometimes as short as 15 minutes, to recycle the adjudication engines. If application or server maintenance is required, we will schedule time with the program manager for an outage during this designated time frame. If no maintenance is planned for a given weekend, the application system will remain available and accessible.

To minimize unscheduled downtime, we use system-level failovers on critical POS databases. This means that the systems are supported by clustering two servers: one active node and one passive node. Most of our production SQL server databases are on three 4-way active clusters. Failure of the active server will be detected by the Power HA software and automatically redirect storage and processes the passive server. Transactions are seamlessly routed to the redundant server and claims processing continues.

- **Work with LDH pertaining to any testing initiative as required by LDH and shall provide sufficient system access to allow testing by LDH and/or its FI of the Contractor's system.**

MMA will work with LDH pertaining to any testing initiative as required by LDH and will provide sufficient system access to allow testing by LDH and/or its FI of MMA's system. Our system environment provides for separation of development areas to support multiple development efforts concurrently. This environment allows execution and testing of application modules created by an individual developer without affecting other developers.

- **Receive, process and update Enrollment files sent by the Enrollment Broker, and update eligibility and Enrollment databases within the following timelines:**
  - **Daily files – within twenty-four (24) hours of receipt.**
  - **Weekly reconciliation files – within three (3) Business Days of receipt.**
  - **Quarterly or monthly reconciliation files – within five (5) Business Days of receipt.**
  - **Special corrections files – within seven (7) Business Days of receipt.**

MMA will receive, process and update Enrollment files sent by the enrollment broker. We will update eligibility and enrollment databases within 24 hours of receipt for daily files, within three business days of receipt for weekly reconciliation files, within five business days of receipt for quarterly or monthly reconciliation files, and within seven business days of receipt for special corrections files.

Currently, MMA supports thousands of unique batch file transfers for our customers, such as feeds from Medicaid plans and enrollment files, on a daily basis (both inbound and outbound), occurring as frequently as every 15 minutes to once a day/week/month, to support our customers' business needs. Our data services team backs up our operations through 24/7/365 on-call support for critical deliveries. Ninety-nine percent of the time system issues that impact critical deliveries are resolved in less than 30 minutes.

The transaction specifications agreement lists the details of each individual interface, including the layout, schedule, file name, and detail system mapping documentation. The details captured include but are not limited to system translations, business rules, and documents used to set up schedules, specify the priority of the interface for error handling, alerts, and notification requirements. We also include FTP documents for message exchange protocols.

- **Be capable of uniquely identifying (i.e., Master Patient Index) a distinct Enrollee across multiple populations and systems within its span of control.**

MMA is capable of uniquely identifying (i.e., Master Patient Index) a distinct Enrollee across multiple populations and systems within our span of control. We can track an Enrollee who moves from FFS to an MCO and back again using a master patient index identifier that is unique to the enrollee.

FirstRx is capable of capturing benefits used in managed care plans and applying those transactions to Enrollee or plan benefit limits when an Enrollee returns to FFS. Individual benefit plans can be assigned to one or more groups, which facilitates the application of consistent rule sets to multiple groups and allows LDH to define, manage, and report on various populations that utilize an identical benefit. FirstRx is not limited in any way as to the number of benefit plans (FFS or MCO) that LDH may define and configure for its Enrollees. FirstRx allows submitting providers to supply a single group (known as a tracking group). The adjudication engine then determines the appropriate group based upon enrollment information. In this way, FirstRx can ensure that the appropriate eligibility record for the transaction received is selected and used to adjudicate the claim or encounter transaction.

- **Receive a list of Louisiana Medicaid Program Provider types, specialty, and sub-specialty codes provided by LDH or its designee. The Contractor shall provide the following:**
  - **A weekly Pharmacy Provider Network File.**
  - **Performance of all Federal or State mandated exclusion background checks on all Network Providers, including owners and managers. The Network Providers shall perform the same for all their employees at least annually.**

MMA will receive a list of Louisiana Medicaid Program Provider types, specialty, and sub-specialty codes provided by LDH or its designee. MMA will provide a weekly Pharmacy Provider Network File, and we will perform all Federal or State mandated exclusion background checks on all network providers, including owners and managers. the network providers will perform the same for all their employees at least annually.

FirstRx is capable of maintaining an exclusive panel for Providers. A Provider may be excluded for failure to meet eligibility requirements on data validation check. If the NCPDP record has been terminated, suspended, or deleted, the Provider is deemed ineligible, and the claim denied. In addition, if the State has removed the Provider from eligibility, the eligibility check will fail, and the claim will deny.

The Contractor may be required to implement medication synchronization; a service that synchronizes the filling or refilling of prescriptions in a manner that allows the dispensed drugs to be obtained on the same date each month.

MMA can implement medication synchronization if directed by LDH. This service that synchronizes the filling or refilling of prescriptions in a manner that allows the dispensed drugs to be obtained on the same date each month. MMA offers LDH a flexible and proven solution to support the requirements for prescription synchronization of refills. Our Synchronization of Refills Program allows covered Medicaid members with multiple, ongoing prescriptions to coordinate the refill date for their medications in a POS environment.

Medication synchronization improves convenience and efficiency for members, pharmacists, and prescribers and substantially improves medication adherence and the cost of care. MMA offers an automated solution that FirstRx, our POS claims processing system, applies to POS claims and that is triggered when the pharmacy submits specific Submission Clarification Codes (NCPDP field 42Ø-DK).

All information, whether data or documentation and reports that contain references to that information involving or arising out of the Contract, is owned by LDH. The Contractor is expressly prohibited from sharing or publishing LDH's information and reports without the prior written consent of LDH. In the event of a dispute regarding the sharing or publishing of information and reports, LDH's decision on this matter shall be final.

MMA understands that all information, whether data or documentation and reports that contain references to that information involving or arising out of the Contract, is owned by LDH. MMA agrees it will not use LDH information for commercial purposes and will not publish any information about program Enrollees without LDH review and prior written permission. MMA does not sell or receive any

fees from any outside entities, nor do we share customer data with external entities. Rather, MMA uses customer data to better serve those customers and prospects as outlined below.

We use customer data in two primary ways:

- To analyze, aggregate, and share your utilization experience with you, pointing out trends in your data and opportunities to enhance the cost and quality of your pharmacy program, with particular emphasis on cost and utilization
- To identify aggregate trends in your data and in industry-specific data.

MMA aggregates data within our data mart to identify trends and opportunities to enhance the cost and quality of your pharmacy program at an aggregate level. This data supports innovation and program enhancement. We only share PHI in accordance with, and as permitted by, the terms of our business associate agreement with our customers and the HIPAA Privacy Rule, including the HITECH Act and Omnibus Rule.

HIPAA

MMA is well versed in HIPAA requirements and will exclude all PHI or other confidential information or information in documentation that will jeopardize the security of the State's infrastructure. Magellan's Corporate Compliance Department works in conjunction with each business unit to monitor on-going compliance efforts and maintain various reporting mechanisms that are required by law or requested by Enrollees.

8.3.4 Information Systems Availability (RFP 2.1.9.4)

MMA will meet all Information Systems Availability requirements as described in RFP 2.1.9.4.

The Contractor shall:

- **Not be responsible for the availability and performance of systems and IT infrastructure technologies outside of the Contractor's span of control.**

MMA agrees that we will not be responsible for the availability and performance of systems and IT infrastructure technologies outside of MMA's span of control.

- **Allow LDH personnel, agents of the Louisiana Attorney General's Office, individuals authorized by LDH in writing, and CMS direct, real-time, read-only access to its data for the purpose of data mining and review. Access shall be granted within thirty (30) Calendar Days of LDH request. Direct, real-time, read-only access can be provided through a SQL based production-like reporting environment to be updated no less than weekly with the ability to query using Microsoft SQL Server Management Studio©, or similar enterprise-grade technology which shall be subject to LDH approval. This reporting environment shall include all data from the systems referenced in the Contract or any additional data upon LDH request.**

MMA will provide a mechanism for authorized LDH personnel, agents of the Louisiana Attorney General's Office, individuals authorized by LDH in writing, and CMS users to view unredacted adjudicated claims, PA records, and reference files in a real-time environment. Access will be granted within 30 calendar days of LDH request.

We provide a look-up function using our MRx Explore BI tool for authorized LDH and MCO staff to view claim level detail including the benefit plan used to process the claim. MRx Explore mines data that is updated daily. The MMA Web Portal for Louisiana will allow authorized LDH and MCO users to access our business intelligence (BI) reports, dashboards, and ad hoc tools.

Our BI tool, MRx Explore, offers a robust suite of pharmacy program management dashboards and interactive reports built to interface with our highly flexible dimensional data warehouse model. MRx

Explore uses information sent from external systems in the development of reports. It aggregates information from MMA applications throughout the data warehouse to analyze utilization by demographics and geography on a quarterly and annual basis. This allows authorized LDH and MCO users to analyze patterns and outliers for improved care management and education purposes.

The Louisiana MCO PBM Web Portal will have an Okta landing page featuring single sign-on (SSO), which is where authorized LDH and MCO users will access MRx Explore, FirstCI, and FirstTrax. The MRx Explore self-service report building tool, accessed via the Web Portal, allows authorized users to create custom ad hoc reports, which can be saved and re-used. In order to support the need for users with various skill-sets and backgrounds to interact with the business intelligence tools, the dashboards and reports have been built so that users can change interactive report parameters themselves in order to view program information based on the individual user's specific area of interest.

- **Provide access to the following systems, including systems owned and/or operated by Subcontractors (this is not an exclusive list):**
  - **Prior Authorization.**
  - **Drug Claims processing.**
  - **Provider portal.**
  - **Third Party Liability.**
  - **Fraud, Waste, and Abuse.**
  - **Point of Sale.**
  - **Provider contracting and credentialing.**

MMA will provide security-controlled access to our system for individuals for the user's designated role, as determined by LDH, including systems owned and/or operated by any subcontractors. Access to our systems is protected using the highest level of TLS version 1.2, and network authentication is used to access any applications.

Unique usernames and secure passwords are required for access identification and authentication. The communication layers supported include the highest level of protocol versions.

All MMA Internet-facing Websites incorporate the usage of TLS protocols to protect sensitive information. Our web-based systems are fully accessible through all browser platforms including computer, laptop, smartphone, tablet, and/or other mobile devices.

In the following table, we show how access for properly credentialed users will be provided for each of the listed required functions.

Access for Individuals Determined by LDH	
Prior Authorization 	MMA's PA functionality is a fully integrated capability of our claims adjudication system. Authorized LDH users will receive access to ***FirstCI***, which allows view-only capability to all prior authorizations and call tracking information available in FirstTrax. Once claims are submitted at POS and prior authorizations and call details are saved in FirstTrax, the records can be obtained in real time through FirstCI.
Drug Claims Processing and Point-of-Sale 	MMA will provide web-based access to the PBM system through ***FirstCI, our Client Interface tool***. A Remedy-based query system, FirstCI allows authorized users the ability to view live claims adjudication in real-time and is seamlessly integrated with FirstRx. FirstCI is an easy-to-use, read-only application that allows LDH-authorized users to search for claim information, product cost, eligibility information, prescription history, pharmacies, drugs, physicians, demographic information, and call tracking against both the FirstRx and FirstTrax databases.

Access for Individuals Determined by LDH	
Provider Portal 	MMA's ***secure Web Portal*** will feature secured sign-on. It will allow authorized LDH and MCO users access to MMA applications. The secure Web Portal will also support Provider web PA submissions. MMA's ***public Web Portal*** will provide public access to LDH and MCO program content, the Drug Lookup tool, the Pharmacy Locator Provider Directory, the CDL/PDL, Pharmacy and Prescriber notifications, and Provider educational content, as approved by LDH.
Third Party Liability 	***FirstCI*** will allow view-only access to search Enrollee prescription history against both the FirstRx and FirstTrax databases, accessible to properly credentialed individuals determined by LDH. FirstRx edits all pharmacy claims for the presence of TPL, using the data on the enrollment file and applies all Other Payer edits as allowed under the NCPDP Standard, as well as editing for any voluntary information submitted that is not yet available on the enrollment files. FirstRx also performs COB when the Provider submits TPL information, even in those cases where we do not have TPL records on file for that Enrollee.
Fraud, Waste, and Abuse 	The MMA Special Investigations Unit (SIU) will provide a report in agreed-upon timeframes and format, as required by the contract. This report can be posted to our ***Enterprise Content Management (ECM) repository*** for remote access viewing. Authorized users can use ***FirstCI*** to view the record of claim voids/adjustments created when an overpayment has been identified due to fraud or other means. ***FirstCI*** will also allow authorized users to view MMA's ProDUR edits, which are designed to minimize the risk of fraud, waste, and abuse while validating that the Enrollee receives clinically sound medication therapy with minimal delay.
Point-of-Sale	*Please refer to the second row of this table.*
Provider Contracting and Credentialing. 	Authorized users can monitor provider contracting and credentialing by logging in to view comprehensive records in our ***Enterprise Content Management (ECM) repository***, which will contain provider contracts as well as the records of our contracting and credentialing, designed to ensure that in-network Providers meet and maintain a minimum set of credentials to remain a participating prescriber or pharmacy and that the network does not include a provider that has been listed by Federal or State organizations as an excluded Provider.

- **The Contractor's satisfaction of the requirements to provide the direct, real-time access to LDH personnel shall not constitute constructive compliance with nor relieve the Contractor of any duty to satisfy any other provision of the Contract, including, but not limited to, the Contractor's obligation to provide information at the request of LDH.**

MMA will responsively provide information at the request of LDH. MMA acknowledges that the requirement to provide the direct, real-time access to LDH personnel will not constitute constructive compliance with nor relieve MMA of any duty to satisfy any other provision of the Contract, including, but not limited to, MMA's obligation to provide information at the request of LDH.

- **Provide training of LDH staff on how to use the Contractor's systems and data on-site at the Contractor's location upon request by LDH.**

MMA will provide training of LDH staff on how to use MMA's systems and data on-site at our location upon request by LDH. MMA can provide in-person training sessions, CBTs, and/or WBT (webinars) as needed.

- **Ensure that critical Enrollee and Provider internet and/or telephone-based IVR functions and information functions are available to the applicable system users twenty-four (24) hours a day, seven (7) days a week except during periods of scheduled system unavailability agreed upon by LDH and the Contractor. Unavailability caused by events outside of the Contractor's span of control is outside of the scope of this requirement.**

The FirstRx, FirstTrax, Web Portal, and Customer Service Center (CSC) systems are available 24/7/365, with the exception of scheduled and approved maintenance downtime or when unavailability is caused by events outside of MMA's span of control. Our system provides the capability to automatically search for and verify critical data, including but not limited to address, personal information (e.g., DOB, SSN), current coverage, eligibility ,and enrollment information.

The claims system is self-contained and includes its own prior authorization (PA) and ProDUR modules to eliminate the need to communicate with secondary systems during the POS process. This integration helps to improve response times to the pharmacy Provider.

Our system infrastructure uses key industry standards, such as load balancing, server virtualization, and high availability, to allow us to quickly address increases in demands for system resources. We are in alignment with the LDH average claims processing response time, with 98% of claims processing in five seconds or less.

Maintenance downtime is taken only when necessary and is scheduled throughout the year. For planning purposes, MMA retains the use of a four-hour maintenance window beginning at 11:00 pm on Saturday and continuing through 3:00 am Eastern Time (ET) on Sunday. The system generally would be available during that entire time, but we require four hours for scheduling.

If the full scheduled maintenance window is not needed, we use a much more abbreviated time frame, sometimes as short as 15 minutes, to recycle the adjudication engines. If application or server maintenance is required, we will schedule time with the program manager for an outage during this designated timeframe. If no maintenance is planned for a given weekend, the application system will remain available and accessible.

To minimize unscheduled downtime, we use system-level failovers on critical POS databases. This means that the systems are supported by clustering two servers: one active node and one passive node. Most of our production SQL server databases are on three 4-way active clusters. Failure of the active server will be detected by the Power HA software and automatically redirect storage and processes the passive server. Transactions are seamlessly routed to the redundant server and claims processing continues.

- **Ensure that, at a minimum, all other system functions and information are available to the applicable system users from 7:00 a.m. to 7:00 p.m., Central Time, Monday through Friday.**

MMA will ensure that, at a minimum, all other system functions and information are available to the applicable system users from 7:00 a.m. to 7:00 p.m., Central Time, Monday through Friday. To further enhance a positive customer experience, we provide web support via our nationwide toll-free number. The support center assists pharmacy Providers who need support with use or navigation of the site.

- **Ensure that the systems and processes within its span of control associated with its data exchanges with the FI and/or Enrollment Broker and its contractors are available and operational.**

MMA will ensure that the systems and processes within MMA's span of control associated with its data exchanges with the FI and/or Enrollment Broker and its contractors are available and operational by monitoring data exchange traffic and performing "health checks" on the systems and processes within our span of control.

We have 24-hour monitoring in place that alerts us of activity with our data exchange interfaces. Controls are in place to monitor and ensure that when files are received, they are validated to confirm that records are present and the file is monitored through completion.

- **Ensure that in the event of a pandemic, natural disaster or man-made emergency including, but not limited to, localized acts of nature, accidents, and technological and/or attack-related emergencies, or other events which leads to a significant disruption in operations due to staff absence and/or loss of utilities, the Contractor's core eligibility/Enrollment and Drug Claims processing system shall be back on line within seventy-two (72) hours of the failure's or disaster's occurrence.**

MMA will ensure that in the event of a pandemic, natural disaster or man-made emergency including, but not limited to, localized acts of nature, accidents, and technological and/or attack-related emergencies, or other events which leads to a significant disruption in operations due to staff absence and/or loss of utilities, MMA's core eligibility/Enrollment and Drug Claims processing system will be back on line within 72 hours of the failure's or disaster's occurrence.

MMA's system is designed in a way that prevents a single point of failure that could cause the system to become unavailable. Our solution leverages hardware infrastructure that can support high availability, load tolerance and real-time failover. Our redundant hardware infrastructure that is designed to eliminate a single point of failure on the hardware device (e.g., redundant power supplies, fans, network interface cards, etc.). MMA uses backup/failover sites/services that are located within the continental united states.

In the event of a disaster to the primary physical hosting site, MMA's system provides the ability to recover and be fully operational in an alternate site within four hours from the time of the disaster event. MMA maintains a disaster recovery and business continuity contingency plan (DR-BCCP) for responding to a system emergency or natural disaster. The plan includes performing back-ups, preparing critical facilities that can be used to support continuity of operations in the event of an emergency, communication and outreach (to LDH and other stakeholders) during the disaster, and returning to regular operations following the disaster.

Our DR-BCCP requires the management team to use a command center to define the conditions under which a disaster will be declared, develop security procedures to be followed during a disaster, and maintain telephone lists of team leaders and support staff. A full data center recovery plan details recovery processes for each system. The plan includes defined recovery roles and responsibilities, systems backup and recovery procedures, off-site media storage details, itemized hardware and software configurations/specifications, and emergency and critical business contact information.

Based on our extensive experience, MMA uses best practices to prevent emergencies and disasters and to ensure prompt detection. We report incidents to all appropriate authorities and stakeholders, respond to and address all types of emergencies and disasters, and maintain contingency plans for sufficient back-up and recovery for all operations.

We are Experts in Providing Emergency Services

We have **50 years of experience** in successfully providing emergency planning, business continuity, and disaster recovery services for our customers. MMA has the people, processes, and systems in place to address emergencies and disasters and proven and robust contingency plans for adequate backup and recovery.

MMA's disaster recovery provisions include backup network connectivity to the local facility, primary production, and disaster recovery environments. We have both primary and secondary circuits to our production data center and our disaster recovery data center. Our business continuity and disaster recovery strategy includes off-site replication of data and

infrastructure necessary to maintain critical business services if our primary data center should become unusable.

- **Unless otherwise specified herein, notify designated LDH staff via phone and electronic mail within sixty (60) minutes of discovery of a problem within or outside the Contractor's span of control that may jeopardize or is jeopardizing availability and performance of critical systems functions and the availability of critical information as defined in this Section, including any problems impacting scheduled exchanges of data between the Contractor and LDH, LDH's FI, or any other State vendors or systems. In its notification, the Contractor shall explain in detail the impact to critical path processes such as Enrollment management and encounter submission processes.**

Unless otherwise specified herein, MMA will notify designated LDH staff via phone and electronic mail within 60 minutes of discovery of a problem within or outside MMA's span of control that may jeopardize or is jeopardizing availability and performance of critical systems functions and the availability of critical information as defined in this Section, including any problems impacting scheduled exchanges of data between MMA and LDH, LDH's FI, or any other State vendors or systems. In our notification, MMA will explain in detail the impact to critical path processes such as Enrollment management and encounter submission processes.

- **Notify designated LDH staff via phone and electronic mail within fifteen (15) minutes of discovery of a problem that results in delays in report distribution or problems in online access to critical systems functions and information, in order for the applicable work activities to be rescheduled or handled based on system unavailability protocol.**

MMA will notify designated LDH staff via phone and electronic mail within 15 minutes of discovery of a problem that results in delays in report distribution or problems in online access to critical systems functions and information, in order for the applicable work activities to be rescheduled or handled based on system unavailability protocol.

- **Provide information on system unavailability events, as well as status updates on problem resolution, to appropriate LDH staff. At a minimum, these updates shall be provided on an hourly basis until resolution and made available via phone and/or electronic mail.**

MMA will provide information on system unavailability events, as well as status updates on problem resolution, to appropriate LDH staff. At a minimum, we will provide these updates on an hourly basis until resolution and will make them available via phone and/or electronic mail.

- **Resolve and implement system restoration within sixty (60) minutes of official declaration of unscheduled system unavailability of critical functions caused by the failure of system and telecommunications technologies within the Contractor's span of control. Unscheduled system unavailability to all other system functions caused by system and telecommunications technologies within the Contractor's span of control shall be resolved, and the restoration of services implemented, within eight (8) hours of the official declaration of system unavailability.**

MMA will resolve and implement system restoration within 60 minutes of official declaration of unscheduled system unavailability of critical functions caused by the failure of system and telecommunications technologies within MMA's span of control. Unscheduled system unavailability to all other system functions caused by system and telecommunications technologies within MMA's span of control will be resolved, and the restoration of services implemented, within eight hours of the official declaration of system unavailability.

- **Cumulative systems unavailability caused by systems and/or IS infrastructure technologies within the Contractor's span of control shall not exceed twelve (12) hours during any continuous twenty (20) Business Day period.**

MMA agrees that cumulative systems unavailability caused by systems and/or IS infrastructure technologies within MMA's span of control will not exceed 12 hours during any continuous 20 business day period.

- **Within five (5) Business Days of the occurrence of a problem with system availability, the Contractor shall provide LDH with full written documentation that includes a Corrective Action Plan describing how the Contractor shall prevent the problem from reoccurring.**

Within five business days of the occurrence of a problem with system availability, MMA will provide LDH with full written documentation that includes a Corrective Action Plan describing how we will prevent the problem from reoccurring.

8.3.5 Off Site Storage and Remote Back-up (RFP 2.1.9.5)

MMA will meet all Off Site Storage and Remote Back-up requirements as described in RFP 2.1.9.5.

The Contractor shall develop and implement data back-up policy and procedures that provide for off-site storage and a remote back-up of operating instructions, procedures, reference files, system documentation, and operational files.

The data back-up policy and procedures shall include, but not be limited to:

- **Descriptions of the controls for back-up processing, including how frequently back-ups occur.**
- **Documented back-up procedures.**
- **The location of data that has been backed up (off-site and on-site, as applicable).**
- **Identification and description of what is being backed up as part of the back-up plan.**
- **Any change in back-up procedures in relation to the Contractor's technology changes.**
- **A list of all back-up files to be stored at remote locations and the frequency with which these files are updated.**

MMA has established data back-up policy and procedures that provide for off-site storage and a remote back-up of operating instructions, procedures, reference files, system documentation, and operational files. Our data back-up policy and procedures include, but are not limited to:

- Descriptions of the controls for back-up processing, including how frequently back-ups occur
- Documented back-up procedures
- The location of data that has been backed up (off-site and on-site, as applicable)
- Identification and description of what is being backed up as part of the back-up plan
- Any change in back-up procedures in relation to MMA's technology changes
- A list of all back-up files to be stored at remote locations and the frequency with which these files are updated.

The locations of the disaster recovery environment and the source infrastructure are separated by a significant physical distance to ensure that the disaster recovery environment is isolated from conditions that could impact the source site. During the normal course of business, but especially during a disruption or emergency, customer communication is extremely important to MMA. Upon a declaration of an emergency, customers affected by the disaster will be notified immediately.

MMA uses SunGard Availability Services, Inc. (SunGardAS), a world leader in disaster recovery services, to provide a pre-configured warm-site and standby hardware located in Philadelphia, Pennsylvania, to facilitate the continuation of data processing services performed on the production computer systems located at the National Service Center (NSC) in the event of a catastrophic disaster.

MMA's system backups are accomplished through Symantec's NetBackup technologies and Veeam, a backup, disaster recovery and intelligent data management software for virtual, physical, and multi-cloud infrastructures. The servers, applications, and databases are subject to daily backups to virtual tape libraries. The backup rotation consists of the following:

- Full backups are conducted once a week.
- Incremental backups are conducted once a day when a full backup is not scheduled.
- Database archive backups are conducted as needed, but no less than once a day.
- Full backups for long-term retention are taken once a month and moved to Amazon's Glacier, which is an online file storage web service that provides storage for data archiving and backup.

Restoration and recovery of these backups are also conducted through NetBackup technologies and Veeam. Transactions recorded in the databases are also recorded as database redo-logs and are archived periodically to the servers to be picked up during the daily backups. The databases and archive logs are backed up through Oracle's recovery manager (RMAN) to Symantec NetBackup's media management layer. Recovering a lost database to the last recorded transaction is accomplished using RMAN and restoring database files, recovering through incremental backups, and applying the last archived or redo-logs.

8.3.6 Records Retention (RFP 2.1.9.6)

MMA will meet all Records Retention requirements as described in RFP Section 2.1.9.6.

The Contractor shall:

- **Have online retrieval and access to documents and files for audit and reporting purposes for ten (10) years following termination of the Contract in live systems and an additional four (4) years in archival systems. Historical encounter data submission shall be retained for a period not less than ten (10) years following termination of the Contract, following generally accepted retention guidelines. Services which have a once in a lifetime indicator (e.g., appendix removal, hysterectomy) are denoted on LDH's procedure formulary file, and Drug Claims shall remain in the current/active Drug Claims history that is used in Drug Claims editing and are not to be archived or purged. Online access to Drug Claims processing data shall be by the Medicaid Beneficiary ID, Provider ID, Provider NPI, and/or ICN (internal control number) to include pertinent Drug Claims data and Drug Claims status.**

MMA will retain records in accordance with RFP requirements and applicable State and Federal laws and regulations. For every addition, update, modification, or logical deletion of a business rule, the record is saved with the system user ID of the user, the current date and time, and a unique sequential rule identifier. To preserve a full audit trail for every claim, adjudication rules are not physically deleted from FirstRx. They are modified to be marked as terminated or inactivated by being logically deleted. When an existing record is modified, a new record is created from the contents of the original record. This new record is then assigned another sequence number with a full audit history.

We will provide online retrieval and access to documents and files for audit and reporting purposes for 10 years following termination of the Contract in live systems and an additional four years in archival systems. Historical encounter data submission will be retained for at least 10 years following

termination of the Contract, following generally accepted retention guidelines. Services that have a once in a lifetime indicator (e.g., appendix removal, hysterectomy) are denoted on LDH's procedure formulary file, and Drug Claims will remain in the current/active Drug Claims history that is used in Drug Claims editing and will not be archived or purged. Online access to Drug Claims processing data will be available by the Medicaid Beneficiary ID, Provider ID, Provider NPI, and/or ICN (internal control number) to include pertinent Drug Claims data and Drug Claims status.

- **Audit trails shall be maintained online for no less than six (6) years following termination of the Contract.**

MMA will maintain audit trails online for at least six years following termination of the Contract. Our solution produces sortable audit logs on-demand. MMA's solution provides the capability for auditing user (application and administration operations) access to PHI/PII data, including logging of events and user dialogs explaining access. Our solution produces an immutable audit log in sufficient detail (e.g., access date and time, user identification, machine or IP identification, event actions/activity identification and chronology) for PII/PHI data related events in compliance with Office of National Coordinator for Health Information Technology's ACA Section 1561 Recommendations, Recommendation 5.3 for Privacy and Security.

FirstRx features a complete audit trail functionality and includes specific time and user stamps for each record update. Users can audit and/or look up claim history by a variety of parameters, in solo or combination, including by:

- Enrollee
- Provider
- Prescriber
- Date of service
- Paid Status
- Denied Status
- Original ICN
- Adjustment ICN (partial and full adjustments)
- Adjustment Date
- Adjustment Reason Code.

- **The Contractor shall provide access to information in machine-readable format within forty-eight (48) hours of requests for information less than six (6) years old and within seventy-two (72) hours of requests for information greater than six (6) years old.**

MMA will provide access to information in machine-readable format within 48 hours of requests for information less than six years old and within 72 hours of requests for information greater than six years old. MMA's system is able to identify data that has been archived and provide a means to restore the archived data. The process to retrieve archived data will execute within predictable times.

- **If an audit or administrative, civil, or criminal investigation or prosecution is in progress or unresolved, information shall be kept in electronic form until all tasks or proceedings are completed.**

If an audit or administrative, civil, or criminal investigation or prosecution is in progress or unresolved, MMA will keep information in electronic form until all tasks or proceedings are completed.

- **Under no circumstances shall the Contractor destroy or dispose of any such records, even after the expiration of the retention periods provided above, without the express prior written permission of LDH.**

MMA will not destroy or dispose of any such records, even after the expiration of the retention periods provided above, without the express prior written permission of LDH. MMA's system provides the ability to inactivate records rather than purge or perform a physical delete of the record in the database as required by audit and data retention rules.

8.3.7 Information Security and Access Management (RFP 2.1.9.7)

MMA will meet all Information Security and Access Management requirements as described in RFP Section 2.1.9.7.

The Contractor's system shall:

- **Employ an access management function that restricts access to varying hierarchical levels of system functionality and information. The access management function shall:**
  - **Establish unique access identification per Contractor employee.**
  - **Restrict access to information on a "least privilege" basis, such as users permitted inquiry privileges only shall not be permitted to modify information.**
  - **Restrict access to specific system functions and information based on an individual user profile, including inquiry only capabilities; global access to all functions shall be restricted to specified staff jointly agreed to by LDH and the Contractor.**
  - **Restrict unsuccessful attempts to access system functions to three (3), with a system function that automatically prevents further access attempts and records these occurrences.**

MMA employs an access management function that restricts access to varying hierarchical levels of system functionality and information. Our solution provides the capability to permit or restrict access to sensitive documents, generated forms, and other content based on a user's assigned security roles.

MMA's Okta UI solution delivers access to MMA's pre-existing, proprietary pharmacy platform for customer services that are hosted within MMA's Information Technology (IT) environment.

The Okta UI landing page is accessed through integrated and reliable single sign-on functionality. MMA's SSO capability includes a full-featured federation engine and ensures seamless access for authorized users. We use industry-standard SSO best practices, including SAML 2.0, and expect to support federation with an external identity Provider for access to MMA systems.

We will support the external provisioning of the State's accounts through this standard process of SAML token exchange using a federated model.

MMA's access management function establishes unique access identification per MMA employee. We restrict access to information on a "least privilege" basis, such as users permitted inquiry privileges only will not be permitted to modify information.

We restrict access to specific system functions and information based on an individual user profile, including inquiry only capabilities; global access to all functions will be restricted to specified staff jointly agreed to by LDH and MMA. MMA restricts unsuccessful attempts to access system functions to three, with a system function that automatically prevents further access attempts and records these occurrences.

- **Make system information available to LDH, its designees, and other State and Federal agencies to evaluate, through inspections or other means, the quality, appropriateness and timeliness of services performed.**

MMA complies with access requirements for inspection purposes. We will make system information available to LDH, its designees, and other State and Federal agencies to evaluate, through inspections or other means, the quality, appropriateness, and timeliness of services performed.

- **Contain controls to maintain information integrity. These controls shall be in place at all appropriate points of processing. The controls shall be tested in periodic and spot audits following a methodology to be developed by the Contractor and LDH.**

MMA's solution includes controls to maintain information integrity. These controls are in place at all appropriate points of processing. The controls will be tested in periodic and spot audits following a methodology to be developed by MMA and LDH.

MMA fully understands the critical importance of maintaining reliable information and system integrity, providing security over private information, protecting data accuracy and consistency, preserving an accurate record of all changes made to our systems, and monitoring access to the system.

We facilitate walkthroughs for large Requirements Analysis Document (RAD) to ensure accuracy and quality. We will gather comments from LDH and update all RADs to ensure all requirements and specifications are documented properly.

MMA conducts Application Programming Interface (API)/Integration Test Automation to validate the middle tier of applications. This testing serves to validate the functionality, reliability, performance, and security of the programming interfaces.

The MMA Implementation Management Services (IMS) Test Team performs interface testing with LDH and other contractors to validate the accuracy of file layouts, data content, and successful file transmission to and from MMA. This testing ensures the interfaces are ready for integration and end-to-end testing.

MMA builds into all of our processes the procedures, steps, and safeguards to ensure reliability, consistency, and accuracy at all points of our systems and services, and we have the ability and experience to easily expand should Louisiana add a new trading partner.

- **Ensure that audit trails are incorporated into all Systems to allow information on source data files and documents to be traced through the processing stages to the point where the information is finally recorded. The audit trails shall:**
  - **Contain a unique log-on or terminal ID, the date, and time of any create/modify/delete action and, if applicable, the ID of the system job that effected the action.**
  - **Have the date and identification "stamp" displayed on any online inquiry.**
  - **Have the ability to trace data from the final place of recording back to its source data file and/or document.**
  - **Be supported by listings, transaction reports, update reports, transaction logs, or error logs.**
  - **Facilitate auditing of individual records as well as batch audits.**

MMA ensures that audit trails are incorporated into all systems to allow information on source data files and documents to be traced through the processing stages to the point where the information is finally recorded. All data captured in our claims system are stored with an audit trail which is helpful for reporting, rebate, and claims adjustment purposes. This system keeps an audit trail of Enrollee history with date/time stamps on historical records along with an active/inactive indicator for use when processing claims. Our audit trails include all of the following functionality:

- Contain a unique log-on or terminal ID, the date, and time of any create/modify/delete action and, if applicable, the ID of the system job that effected the action
- Have the date and identification "stamp" displayed on any online inquiry
- Have the ability to trace data from the final place of recording back to its source data file and/or document

- Be supported by listings, transaction reports, update reports, transaction logs, or error logs
- Facilitate auditing of individual records as well as batch audits.

- **Have inherent functionality that prevents the alteration of finalized records.**

MMA's systems have inherent functionality that prevents the alteration of finalized records. MMA's solution is protected against unauthorized access to computer resources and data in order to reduce erroneous or fraudulent activities and protect the privacy rights of individuals against unauthorized disclosure of confidential information. For example, an adjudicated claim cannot be edited. It must be reversed and reprocessed.

- **Provide for the physical safeguarding of its data processing facilities and the systems and information housed therein. The Contractor shall provide LDH with access to data facilities upon request. The physical security provisions shall be in effect for the life of the Contract.**

MMA provides for the physical safeguarding of its data processing facilities and the systems and information housed therein. We will provide LDH with access to data facilities upon request. The physical security provisions will be in effect for the life of the Contract. Our solution maintains reasonable and appropriate administrative, technical, and physical safeguards for protecting ePHI in accordance with the HIPAA Security Rule on a control by control basis as defined by the NIST Cybersecurity Framework and NIST SP 800-53. MMA's Security Plan is based on the template NIST SP 800-1818 Guide for Developing Security Plans for Federal Information System and is specific to applications. This form is not a substitute for entity-wide compliance documents including separate documentation of common controls. The plan will include all technical, physical, and administrative safeguards to enhance physical security, personnel security, and information systems security. The plan will demonstrate MMA's compliance with the HIPAA Standards for Privacy, Electronic Transactions and Security.

- **Restrict perimeter access to equipment sites, processing areas, and storage areas through a card key or other comparable system, as well as provide accountability control to record access attempts, including attempts of unauthorized access.**

MMA follows industry standards in restricting perimeter access to equipment sites, processing areas, and storage areas through a card key or other comparable system, as well as providing accountability control to record access attempts, including attempts of unauthorized access.

- **Include physical security features designed to safeguard processor sites through required provision of fire retardant capabilities, as well as smoke and electrical alarms, monitored by security personnel.**

The Security Plan will provide a basis for governance of the privacy and security of the project components provided under the Louisiana Medicaid pharmacy program. The plan will outline perimeter protection, segregated operations, business and administrative architectures, and any extra protective measures necessary for Internet facing systems. This includes ensuring the appropriate placement of firewalls, intrusion detection services, securing and monitoring the network infrastructure, as well as other physical and technical security.

- **Put in place procedures, measures and technical security to prohibit unauthorized access to the regions of the data communications network inside of the Contractor's span of control. This includes, but is not limited to, any Provider or Enrollee service applications that are directly accessible over the Internet, which shall be appropriately isolated to ensure appropriate access.**

MMA has established, in place procedures, measures and technical security to prohibit unauthorized access to the regions of the data communications network inside of MMA's span of control. This includes, but is not limited to, any Provider or Enrollee service applications that are directly accessible over the Internet, which will be appropriately isolated to ensure appropriate access. MMA will

immediately terminate and investigate all unauthorized and/excessive sensitive data reads/writes via application or directly to the database (as preapproved by the State and programmed by MMA).

- **Ensure that remote access users of its systems can only access said systems through two-factor user authentication and via methods such as Virtual Private Network (VPN), which must be prior approved by LDH in writing as part of Readiness Review.**

MMA ensures that remote access users of its systems can only access said systems through two-factor user authentication and via methods such as Virtual Private Network (VPN), which must be approved by LDH in writing as part of Readiness Review.

As shown in *Figure 8.3-6: Okta UI Multi-factor Authentication Screens*, secure multi-factor authentication is used to ensure that only authorized users can access the landing page.

Once the authorized user has successfully logged in to the Okta UI landing page, users will be able to select the widget for the system they wish to access as shown in *Figure 8.3-7, Okta UI Landing Page with Sample Widgets*.

- **Comply with recognized industry standards governing security of State and Federal automated data processing systems and information processing. At a minimum, the Contractor shall conduct a security risk assessment and communicate the results in an Information Security Plan provided to LDH or its designee during Readiness Review. The risk assessment shall also be made available to appropriate Federal agencies.**

MMA complies with recognized industry standards governing security of State and Federal automated data processing systems and information processing. At a minimum, we will conduct a security risk assessment and communicate the results in an Information Security Plan provided to LDH or its designee during Readiness Review. The risk assessment will also be made available to appropriate Federal agencies. In the following paragraphs, MMA describes our risk assessment strategy.

We are in full compliance with all privacy and security aspects protecting data confidentiality, including those defined by the HIPAA Security Rule, the HITECH Act, and the Sarbanes-Oxley Act of 2002 (SOX). MMA has built in processes in place and complies with all HIPAA Privacy and Security Standards Subpart C of 45 CFR Parts 164, as well as 160 and 162. We adhere to the controls and guidelines of NIST SP 800-61 series. We are also compliant with Federal Information Security Management Act (FISMA) Moderate requirements. Our compliance with federal requirements is proven by our successful track record in implementing federally certified PBM systems.

MMA recognizes the importance of providing assurance to its partners on the integrity of transactions and operational processing with a financial impact, as well as the security of the processing and storage of its data. ***Annual SOC2 and SOX audits are conducted to assess the effectiveness of the controls in place and to develop and deploy control improvement plans, when appropriate and necessary.*** MMA will provide LDH with an annual reporting from an external auditor on the effectiveness of internal controls. We affirm that we will provide this reporting at system go live, and annually thereafter.

MMA's external auditors complete an annual SSAE 18 SOC 1 report over our claims processing functions, demonstrating the accuracy and integrity of claims processing and the effectiveness of those controls. To attest to our data security and privacy, vendor management, risk management, and corporate governance, MMA performs an AICPA AT-C 205 SOC 2, Type 2report for our customers. Similar to a SOC1, an independent auditor

reports on management's description of a service organization's system and the suitability of the design and operating effectiveness of controls.

HITRUST certification is completed annually, and a copy of the assessment can be provided. The HITRUST Alliance HITRUST CSF is a certifiable framework that provides organizations with a comprehensive, flexible, and efficient approach to regulatory compliance and risk management. Both HITRUST CSF and SOC 2 controls leverage security controls of the NIST-800-53-Rev framework. MMA has HITRUST certification and SOC 2 Security Audits over the MMA external facing websites. Additionally, our website has been accredited by the Verified Internet Pharmacy Practice Sites (VIPPS) program in every state.

Our risk assessment is documented by the Corporate Compliance/Privacy Department via a Risk Assessment for Breach Determination Form to demonstrate why any particular unauthorized use or disclosure is or is not also a breach. If the Risk Assessment determines that a breach has occurred, LDH will be notified of the breach without unreasonable delay within the mutually agreed upon schedule identified during requirements review and validation, and in no case later than 60 calendar days after discovery. The MMA Louisiana Account Management Team will notify LDH of any instances of a PHI breach. MMA will meet any Louisiana-specific requirements pertaining to breaches of personal information.

- **Ensure appropriate protections of shared Personally Identifiable Information ("PII"), in accordance with 45 CFR §155.260.**

MMA ensures appropriate protections of shared Personally Identifiable Information ("PII"), in accordance with 45 CFR §155.260. MMA meets all state and federal privacy and security policy, including NIST SP 800-61.

Our IT Security Department maintains corporate-level policies, such as Unauthorized Uses and Disclosures of Protected Health Information, that outline our processes for security incident reporting. IT Security identifies, tracks, and remediates security incidents.

MMA understands its responsibility to protect LDH's sensitive information from breaches or other risks. We will report any PHI/PII/SSI breaches of unsecured information as required by 45 CFR 164.410. MMA will report breaches in data access as outlined by LDH. The LDH-specific requirements will be determined, documented, and agreed to during the requirements validation and design sessions with authorized LDH staff.

Magellan's Compliance/Privacy Department maintains corporate-level policies, such as Unauthorized Uses and Disclosures of Protected Health Information, that manage all aspects of privacy from an operations standpoint to help facilitate this responsibility.

- **Ensure that its system is operated in compliance with the CMS' latest version of the Minimum Acceptable Risk Standards for Exchanges (MARS-E) Document Suite, currently MARS-E version 2.0.**

MMA ensures that its system is operated in compliance with the CMS' latest version of the Minimum Acceptable Risk Standards for Exchanges (MARS-E) Document Suite, currently MARS-E version 2.0.

We have passed multiple external MARS-E audits, as well as obtained our HITRUST certification. MMA performs internal controls and internal audit independently assess our systems and processes according to SOX as well as Statement on Standards for Attestation Engagements 18 (SSAE 18) Service Organizations Controls 1 (SOC 1) report requirements to demonstrate MMA's effectiveness of controls and safeguards in place. We provide a SOC 1, Type 2 report (which contains the requirements of a SOC 1,Type 1 report within it) which provides coverage for a 12 month cycle

- **Multi-factor authentication is a CMS requirement for all remote users, privileged accounts, and non-privileged accounts. In this context, "remote user" refers to staff accessing the network from offsite, normally with a client VPN with the ability to access CMS, specifically Medicaid data.**

MMA acknowledges that multi-factor authentication is a CMS requirement for all remote users, privileged accounts, and non-privileged accounts. As described and illustrated earlier in this proposal section, MMA provides remote user access for authorized staff accessing the network from offsite, normally with a client VPN with the ability to access CMS, specifically Medicaid data.

- **A site-to-site tunnel is an extension of LDH's network. For contractors that are utilizing a VPN site-to-site tunnel and also have remote users who access CMS data, the contractor is responsible for providing and enforcing multi-factor authentication. Contractors that do not utilize a VPN site-to-site tunnel will be charged for dual authentication licensing and hardware tokens as necessary. Costs associated with the purchase and any replacement of lost hardware tokens will be charged to the Contractor.**

Magellan currently utilizes a VPN site-to-site tunnel. MMA agrees that we are responsible for providing and enforcing appropriate multi-factor authentication as described.

8.3.8 Drug Claims Submission to the MCOs (RFP 2.1.9.8)

MMA will meet all Drug Claims Submission to the MCOs requirements as described in RFP Section 2.1.9.8.

To comply with Drug Claims submission requirements, the Contractor shall:

- **Submit a daily file of all Adjudicated Drug Claims to the MCOs which includes individual Drug Claim-level detail information, including but not limited to the total number of metric units, dosage form, strength and package size, and National Drug Code (NDC) of each covered outpatient drug. (Refer to the MCO Systems Companion Guide or the Louisiana Medicaid Management Information Systems (LA MMIS) Batch Pharmacy Encounters Companion Guide for a complete listing of Drug Claim fields requirements).**

MMA will comply with all Drug Claims submission requirements as described in the RFP. We will submit a daily file of all adjudicated Drug Claims to the MCOs which includes individual Drug Claim-level detail information, including but not limited to the total number of metric units, dosage form, strength and package size, and NDC of each covered outpatient drug. MMA has thoroughly reviewed the complete listing of Drug Claim fields requirements provided in the MCO Systems Companion Guide and the Louisiana Medicaid Management Information Systems (LA MMIS) Batch Pharmacy Encounters Companion Guide.

MMA follows a proven quality assurance process that is used successfully throughout our organization and is committed to maintaining the highest levels of quality, including QA signoff of our quality control and balancing procedures to ensure that Drug Claims submission requirements are met.

MMA will perform quality control and balancing procedures within the Drug Claims processing cycles to validate submitter data and process, batch submission and receipt date-stamp, and Julian date. FirstRx will assign unique control numbers and batch sender ID records for encounter claims received, as well as encounter adjustments/re-adjudications. Control processes are in place to ensure batch claim count balancing, as well as the review of any claims that were unable to be loaded for content, format, or other system determined denials during processing.

- **Receive data (e.g., recent diagnosis information) from MCOs necessary to ensure the Contractor's records are complete and up to date, using a data exchange method, schedule, and format agreed to by LDH.**

MMA will receive data such as recent diagnosis information from the five MCOs necessary to ensure that our records are complete and up to date, using a data exchange method, schedule, and format agreed to by LDH.

We will load those data to the target system in the LDH-approved format and according to the LDH schedule. Our solution supports encounter claim loads/pricing, as well as other data such as prior authorizations from the MCOs.

- **Investigate any questionable Drug Claims or encounters.**
- **Support the MCOs with disputed encounter files by allowing the MCO, if needed, to correct, and resubmit any disputed encounters.**

MMA will investigate any questionable Drug Claims or encounters, and we will support the MCOs with disputed encounter files by allowing the MCO, if needed, to correct and resubmit any disputed encounters. We will provide MCOs with all the information they need to review and resubmit a disputed encounter file, if appropriate.

Operationally, MMA tracks that scheduled, incoming encounter files are received when expected, creates a corresponding response file for every incoming encounter claim file (including record-level errors), and follows up on rejected files/records to ensure MMA loads all valid encounter claims into FirstRx.

During encounter claims processing and testing, system-generated messages and/supplemental messaging will be returned to the submitter. Encounter files from all submitting entities will receive an NCPDP D.0 response file containing information on the results of each encounter claim processed. FirstRx uses an Oracle database to store all reference data and claims data. Since the same Oracle instance is used for both claims and reference data storage, the POS adjudication engine will have real-time access to all historical claims and encounter transactions.

- **Send a disputed encounter response file for rebate purposes that includes:**
  - **Corrected and resubmitted encounters as described in the Rebate Section of the MCO Systems Companion Guide, and/or**
  - **A detailed explanation of why the disputed encounters could not be corrected including documentation of all attempts to correct the disputed encounters at an encounter/Drug Claim-level detail, as described in the Rebate Section of the MCO Systems Companion Guide or the Louisiana Medicaid Management Information Systems (LA MMIS) Batch Pharmacy Encounters Companion Guide.**

FirstRx will create and send a response file of corrected and resubmitted encounters for rebate purposes as outlined in the MCO Systems Companion Guide. MMA will provide an LDH-approved response file that includes file-level statistics as well as record-level/claim rejects.

For any encounters that FirstRx rejects, MMA provides the applicable NCPDP reject codes and supplemental messaging. This will be accompanied by a detailed explanation of why the disputed encounters could not be corrected including documentation of all attempts to correct the disputed encounters at an encounter/Drug Claim-level detail, as described in the Rebate Section of the MCO Systems Companion Guide or the Louisiana Medicaid Management Information Systems (LA MMIS) Batch Pharmacy Encounters Companion Guide.

At least quarterly, LDH may review the MCO's pharmacy encounters for rebate purposes and send a file back to the MCO of disputed encounters that were identified through the drug rebate invoicing process.

MMA agrees that at least quarterly, LDH may review the MCO's pharmacy encounters for rebate purposes and send a file back to the MCO of disputed encounters that were identified through the drug rebate invoicing process. To handle LDH's requirements for encounter claims, MMA will support a full range of system functionality and operational processes and procedures, and we maintain records of disputed encounters in our system that may be reviewed by authorized LDH users by viewing MMA's reports.

8.3.9 EDI (Electronic Data Interchange) X-12 Claim Submissions (RFP 2.1.9.9)

MMA will meet all EDI (Electronic Data Interchange) X-12 Claim Submissions requirements as described in RFP Section 2.1.9.9.

The Contractor shall:

- **Ensure that the hardware, software, and infrastructure related to Drug Claim processing meets the requirements of LDH.**
- **Utilize the necessary hardware, software, and infrastructure to manage transactions.**

MMA will ensure that the hardware, software, and infrastructure related to Drug Claim processing meets the requirements of LDH. We will utilize the necessary hardware, software, and infrastructure to manage transactions. MMA provides the resources and system infrastructure to deliver a successful LDH solution based on decades of experience in personalized customer support.

FirstRx will process all electronic pharmacy claims in a HIPAA-compliant format and version. Our claims processing system handles multiple concurrent electronic claims transactions while maintaining required maximum processing times.

MMA supports the use of industry standard data exchange using industry leading tools, including Oracle Fusion, EDIFECS, and Informatica. These tools run on high-performance AIX, Linux, and Windows servers that provide load-balancing, parallel processing, and concurrent file processing of all HIPAA transactions.

Our environment is maintained and upgraded as needed to remain in compliance with all State and federal mandates. The environment is scalable, and its architecture is designed for high performance, allowing additional queues to be deployed as needed to improve performance or to handle additional load. We will be responsible for completing any HIPAA adopted updates to transaction sets to ensure continued compliance with federal and State HIPAA transaction and code set regulations.

- **Encourage Network Providers to submit and receive Drug Claims information through electronic data interchange (EDI) as an alternative to the filing of paper-based Drug Claims.**

MMA will encourage network providers to submit and receive Drug Claims information through electronic data interchange (EDI) as an alternative to the filing of paper-based Drug Claims, including having our Provider/Enrollee Relations Manager outreach to the network provider to assist them in starting to submit via EDI, where practical.

FirstRx can also accept NCPDP D.0 batch claims for high-volume users as an alternative to paper-based claims. FirstRx accepts and sends all electronic data interchange (EDI) formats in the current version and continues to conform to implementation dates set by CMS supporting Original Claims Adjudication (B1),Claims Reversal (B2), and Claims Re-Bill (B3).

- **Facilitate the return of properly formatted responses during any system outage of either a planned or unplanned nature to advise the submitter of the estimated time that the system shall be available to process Drug Claims requests.**

Within our span of control, MMA will work with stakeholders and other resources to facilitate the return of properly formatted responses during any system outage of either a planned or unplanned nature in order to advise the submitter of the estimated time that the system will be available to process claims requests.

In the event of a switch problem, the switch provider will notify the pharmacy providers of the issue, and MMA will coordinate with the switch provider in the event that our real-time monitor shows unusual activity that may indicate a system outage.

If application or server maintenance is required, we will schedule time with the program manager for an outage during this designated timeframe. If no maintenance is planned for a given weekend, the application system will remain available and accessible.

- **Provide implementation and ongoing support of Network Provider interaction with the Drug Claims processing system including, but not limited to:**
  - **Establishing Provider testing procedures acceptable to LDH.**
  - **Developing and delivering Provider training proactively and to address improper submissions.**
  - **Coordinating with switch and software vendors to ensure smooth operation of the Drug Claims processing system.**

MMA will provide implementation and ongoing support of network provider interaction with the Drug Claims processing system including establishing Provider testing procedures acceptable to LDH, developing and delivering Provider training proactively and to address improper submissions. Our Web Portal will feature online access/links to continuously updated Provider manuals, PDL lists, PA clinical criteria, PDL agendas/minutes, training material, Provider bulletins, and other related communications/material.

MMA will coordinate with switch and software vendors to ensure smooth operation of the Drug Claims processing system. Our Implementation Management Services (IMS) team tests and documents all data interfaces, and all switch vendors are required to test their connections in our QA environment and again during soft Go-Live in production prior to official Go-Live time.

- **Provide trading partner testing and trouble resolution assistance at no additional cost to the trading partner or LDH.**

MMA will provide trading partner testing and trouble resolution assistance at no additional cost to the trading partner or LDH. Our Quality Assurance (QA) Team will conduct trading partner testing and trouble resolution assistance with LDH trading partners including the MCOs and the fiscal intermediary. QA Testing verifies the proper execution of all system components, including interfaces with external applications. Tests are performed to verify that the system is functionally and operationally sound. Testing will be performed at no additional cost to the trading partner or LDH.

- **Report and provide testing results information about test transactions to the submitter.**

MMA will conduct thorough testing and provide reports to LDH and the submitter of testing results. MMA's testing methodology is based on widely accepted best practices and quality assurance throughout the secure software development life cycle (SDLC). We corroborate our understanding of all requirements by putting together test scenarios, creating test use cases, performing validation, recording defects, and performing audits. We follow structured procedures and processes for creating test plans and conducting tests. All tests provide traceability back to technical and/or business requirements and use cases. We test early and

frequently to ensure requirement validation for a successful implementation. LDH can be confident that this process, together with our comprehensive test plans, will result in a successful implementation.

- **Provide additional FAQs and other training content related to this business process monthly, or as directed and approved by LDH.**

MMA will provide additional FAQs and other training content related to this business process monthly, or as directed and approved by LDH. Examples would include FAQs inquiring about how to access payments, how to file a multi-ingredient claim properly, how to use partial fills, how to get a PA, etc.

8.3.10 Mandatory Generic Substitution (RFP 2.1.9.10)

MMA will meet all Mandatory Generic Substitution requirements as described in RFP Section 2.1.9.10.

There shall be a mandatory generic substitution for all drugs, when a generic is available, unless the brand is justified with applicable dispense as written (DAW) codes, or the brand is preferred on the PDL. Drugs shall be designated as brand or generic by LDH.

MMA's solution will enforce a mandatory generic substitution for all drugs, when a generic is available, unless the brand is justified with applicable dispense as written (DAW) codes, or the brand is preferred on the PDL. Drugs will be designated as brand or generic by LDH.

MMA has the proven ability to establish State-specific adjudication rules customized for each LDH program by category codes, eligibility status, Enrollee attributes (e.g., age, medical condition), drug or drug class (e.g., brand/generic status, drug coverage status, PDL status), Medicare- Medicaid dual eligible status and other criteria specified by LDH. We will incorporate these same capabilities into FirstRx for the Louisiana Medicaid MCO Contract.

The Contractor shall:

- **Prohibit the therapeutic substitution of a prescribed drug without a Prescriber's authorization, except for the use of approved generic drug substitution of brand drugs.**

FirstRx will prohibit the therapeutic substitution of a prescribed drug without a Prescriber's authorization, except for the use of approved generic drug substitution of brand drugs. The Requirements Analysis Document (RAD) that is developed during implementation will document the functional business rules and prior authorization rules that are in place for the benefit plans managed under this contract after they have been discussed, validated, and confirmed with the State.

- **Allow the following DAW codes:**
  - **DAW 0 (No product selection indicated): for generic drugs.**
  - **DAW 1 (Substitution not allowed by Prescriber): allow brand to pay at brand price when the Prescriber indicates brand name is medically necessary.**
  - **DAW 5 (Substitution allowed - brand drug dispensed as a generic): only allow for 340B Providers when the brand is less expensive than the generic.**
  - **DAW 8 (Substitution allowed - generic drug not available in marketplace): allow brand to pay at brand price when generic shortage has been confirmed by LDH.**
  - **DAW 9 (Substitution allowed by Prescriber but the brand is preferred product): allow the brand to pay at the brand price when the brand is preferred, and generic is non-preferred.**

MMA's FirstRx will allow dispense as written (DAW) 0-9 codes as directed by LDH.

8.3.11 340B Drug Pricing Program (RFP 2.1.9.11)

MMA will meet all 340B Drug Pricing Program requirements as described in RFP 2.1.9.11.

In accordance with the State's Addendum #4 answer to Question 68, MMA understands that all the MCOs will follow the 340B policy established by LDH.

The overlap of the 340B Drug Pricing Program and the Medicaid Drug Rebate program creates the possibility of duplicate discounts. States are Federally mandated by 42 USC §1396b(m)(2)(A) to seek drug rebates on managed care Drug Claims, meaning that the potential for duplicate discounts exists for managed care Drug Claims. Louisiana uses the Health Resources and Services Administration's (HRSA) Medicaid Exclusion File (MEF) for both Fee for Service (FFS) and Managed Care Program Drug Claims to prevent duplicate discounts. LDH shall provide a quarterly 340B Provider list to the Contractor for Drug Claims editing.

MMA's solution will support LDH in avoiding the possibility of duplicate discounts caused by the overlap of the 340B Drug Pricing Program and the Medicaid Drug Rebate program. We understand that Louisiana uses the Health Resources and Services Administration's (HRSA) Medicaid Exclusion File (MEF) for both Fee-for-Service and Managed Care Program Drug Claims to prevent duplicate discounts. MMA acknowledges that LDH will provide a quarterly 340B Provider list to MMA for use in Drug Claims editing.

The Contractor shall:

- **Require that Network Providers, who are covered entities, as defined by Section 340B of the Public Health Services Act, utilize the same carve-in or carve-out designation for all Enrollees. If a covered entity appears on the Medicaid Exclusion File, LDH shall exclude that Provider's Drug Claims from rebate invoicing.**

MMA will require that Network Providers, who are covered entities, as defined by Section 340B of the Public Health Services Act, utilize the same carve-in or carve-out designation for all Enrollees. MMA understands that if a covered entity appears on the Medicaid Exclusion File, LDH will exclude that Provider's Drug Claims from rebate invoicing.

MMA uses two mechanisms to exclude 340B claims from rebate invoicing. One methodology uses the HRSA PHS Provider Listing to identify 340B providers. With this method, any claims that are submitted by 340B providers on the HRSA list are excluded from invoicing. This is not the ideal solution, as it could exclude claims submitted by the provider that are not 340B eligible, and rebates would be missed. These providers are loaded into our automated rebate processing system. The listing of excluded providers is updated quarterly. The second mechanism, and more effective process, edits the individual claim to determine if:

- The medication is covered and on the formulary.
- The medication is pulled from 340B stock.
- The pharmacy is a 340B pharmacy provider.
- The claim submitted (POS or encounter) meets the 340B requirements.

This approach only excludes claims if they are truly 340B, so it is the optimal and recommended approach. Providers are required to use the Submission Clarification Code (SCC for POS), and UD modifier (for medical) which identifies these specific claims. If all these conditions are met, the claim is excluded from rebate.

- **Not allow Network Providers to bill the Louisiana Medicaid Program for drugs purchased at 340B pricing.**

MMA will not permit network providers to bill the Louisiana Medicaid Program for drugs purchased at 340B pricing. In accordance with the State's Addendum #4 answer to Question 67, MMA understands that LDH would only allow 340B claims from 340B providers on the LDH identified 340B covered pharmacies list. We acknowledge that LDH does not allow non-Network Providers to bill 340B stock to the Louisiana Medicaid Program.

- **Include billing instructions on how to identify 340B Drug Claims/encounters in their contracts with 340B Network Providers.**

MMA will include billing instructions on how to identify 340B Drug Claims/encounters in their contracts with 340B Network Providers. The incoming Submission Clarification Code (Field 420-DK) of 20 can be used to identify a claim as a 340B claim. Additionally, submitting the Basis of Cost Determination value of 08 – Disproportionate Share Pricing/Public Health Service, can be used to identify 340B net price submitted in the Ingredient Cost field.

- **Establish and maintain Drug Claims processing capability to appropriately identify, process, and pay any Drug Claim for a drug discounted under the 340B drug pricing program.**

MMA has an established Drug Claims processing capability to appropriately identify, process, and pay any Drug Claim for a drug discounted under the 340B drug pricing program. We have been providing 340B program support to eligible entities for the past 15 years.

- **Ensure that Drug Claims paid after applying 340B pricing rules are identified as such, for purposes of withholding the Drug Claim from inclusion in rebate programs, in accordance with the following:**
  - **Carve-In Drug Claims: On 340B Drug Claims, a value of "20" in NCPDP field 420-DK (Submission Clarification Code) and a value of "8" in NCPDP field 423-DN (Basis of Cost Determination) shall be submitted in the Drug Claim segment of a billing transaction. If a Network Provider is on the 340B Provider list from LDH, all Drug Claims shall have a Drug Claim-level indicator, or the Drug Claim shall be denied.**
  - **Professional Services Drug Claims (Physician-Administered Drug Claims): Physician-Administered Drug Claims shall use the UD modifier to identify 340B drugs on outpatient physician-administered Drug Claims.**
  - **Carve-Out Drug Claims: Covered entities who carve out Enrollees shall bill according to guidelines provided in each MCO's Provider manual.**

MMA will ensure that Drug Claims paid after applying 340B pricing rules are identified as such, for purposes of withholding the Drug Claim from inclusion in rebate programs, in accordance with the procedures for handling carve-in Drug Claims, professional services Drug Claims, and carve-out Drug Claims.

When a claim is received with the Submission Clarification Code of 20, alternate pricing algorithms can be used to determine the final claim cost. This can occur with or without the submission of the Basis of Cost Determination Code of 08. In the event a claim includes their 340B Net Cost using the Basis of Cost field, that cost can be used to determine the final price. If the 340B net cost is not submitted, alternate price calculation algorithms could be used to more accurately estimate the 340B price. Alternate price calculations can be used at the direction of LDH.

8.3.12 Hepatitis C Direct-Acting Antivirals (RFP 2.1.9.12)

MMA will meet all Hepatitis C Direct-Acting Antivirals requirements as described in RFP 2.1.9.12.

The Contractor shall program denials of 340B Drug Claims for all Hepatitis C direct acting anti-viral (DAA) agents. The denials shall be based on the 340B Provider list provided by LDH quarterly or Drug Claim level indicators as directed by LDH.

MMA will program denials of 340B Drug Claims for all Hepatitis C direct acting anti-viral (DAA) agents. These denials will be based on the 340B Provider list provided by LDH quarterly or Drug Claim level indicators as directed by LDH.

8.3.13 Utilization Management (RFP 2.1.9.13)

MMA will meet all Utilization Management requirements as described in RFP 2.1.9.13.

The Contractor shall implement, operationalize, and continuously maintain systems and edits to properly administer all utilization management functions including, but not limited to, the following:

MMA will implement, operationalize, and continuously maintain systems and edits to properly administer all utilization management functions including, but not limited to, those listed within RFP Section 2.1.9.13. FirstRx will provide the Louisiana Medicaid pharmacy program with an agile, highly configurable system with ***6,245 Medicaid-tailored claim checks and edits that manage care within the guidelines of Medicaid rules***.

FirstRx allows the flexibility of adjudicating all claims using the same subset of edits/rules, regardless of the mode of submission of the incoming transaction or application of different edits/rules based on the mode of submission. Unless exceptions are configured, all claims submitted via POS, paper, and batch are subject to the same validation and LDH policy edits within the system.

Our formulary management tool (FMT) allows us to establish drug coverage parameters using customized indicators. Working with LDH, your dedicated Clinical Pharmacy Director, Tina Hawkins, PharmD uses this tool to manage and update coverage parameters. As the standard in formulary management, the FMT allows for the efficient management of custom formularies and utilization management edits. We can easily modify PDL attributes and establish auto-tiering rules for new-to-market drugs based on LDH parameters. The FMT allows real-time direct queries of the drug file that return Louisiana-specified details related to coverage, limitations, prior authorization status, etc.

In addition to use during claim adjudication, the table(s) associated with the LDH drug formulary benefit will drive our Web-based Drug Lookup tool as depicted in *Figure 8.3-8, Formulary Management Tool Screenshot.*

In addition, we can configure the claims system to accommodate minimum and/or maximum age values, OTC coverage by benefit plan, nursing home status, gender restrictions, number of refill restrictions, package size, quantity per billing unit, maximum quantity allowed, and other parameters to refine the drug benefit in accordance with the Louisiana PDL.

- **Facilitate requirements analysis documentation meetings and draft a Requirements Analysis Document (RAD) subject to LDH's approval.**

MMA will facilitate requirements analysis documentation meetings and draft a Requirements Analysis Document (RAD) subject to LDH's approval. Our strategy includes a process for identification, requirements analysis, definition, and justification. All changes to MMA systems will be documented, coordinated, and communicated with all stakeholders, in a timely manner using our documented change management process. MMA's requirements confirmation approach includes the following actions: initial requirements definition, research, formal submission for approval, walkthroughs, requirements gathering confirmation, follow-up meetings, and corrections.

- **Accurately administer the pharmacy benefit design, including the PDL, PA, and other utilization edits and audits as defined and periodically updated by LDH.**

MMA will accurately administer the pharmacy benefit design, including the PDL, PA, and other utilization edits and audits as defined and periodically updated by LDH. Our process utilizes state-of-the-art systems that provide and enforce an organized, structured approach to reviewing, prioritizing, and executing requested system changes (e.g., changes to rules, maintenance of benefit plans, etc.).

- **Accommodate changes in POS benefit design, Drug Claim edits and audits, and POS messaging to pharmacies.**

MMA will accommodate changes in POS benefit design, Drug Claim edits and audits, and POS messaging to pharmacies. Our Change Control Process includes resource allocation and review, a proposed schedule and process for the COR, and mitigation strategies for maintaining the integrity of schedules. These proven processes assist us with controlling change and managing customer priorities so that objectives are met, and deliverables and system functionality are executed according to plan.

- **Develop and maintain the Adjudication system to accurately implement the PDL, including supporting edits related to the PDL, sending POS messaging through the online real-time Adjudication system, advising of preferred drug products for Brand preferred over generic products and the PA status.**

As the incumbent Louisiana PDL contractor, MMA is thoroughly familiar with the State's PDL. MMA will develop and maintain our FirstRx adjudication system to accurately implement the LDH PDL, including supporting edits related to the PDL, sending POS messaging through the online real-time adjudication system, advising of preferred drug products for Brand preferred over generic products and the PA status. The MMA formulary management tool (FMT) allows us to flexibly administer drug coverage parameters using customized indicators. The FMT allows Dr. Hawkins to efficiently manage custom formularies and utilization management edits. We can easily modify PDL attributes and establish auto-tiering rules for new-to-market drugs based on LDH parameters.

Through our Code Table Maintenance functionality, we can flexibly add and modify price types for use in claim pricing and disposition as needed. The addition of new price types is accomplished through the FirstRx GUI and does not require application development. Once added, the price types are available for use in the determination of ingredient cost during claims processing. There is no limit to the number of price types that can be used.

- **Submit all Adjudicated Drug Claims to MCO daily. The Contractor shall use the format required by LDH and accommodate changes to encounter data edits within thirty (30) Business Days of receipt or the LDH effective date, whichever is later.**

Using the format required by LDH, MMA will submit all adjudicated Drug Claims to MCO daily. We will accommodate changes to encounter data edits within 30 Business Days of receipt or the LDH effective date, whichever is later.

- **Ensure the ability of the electronic Drug Claims processing system to indicate when a PA is needed, and as directed, perform automated/electronic PA evaluation, which may include electronic step therapy and consideration of ICD-10 code(s) or other medical claims information submitted by the pharmacy during the POS transaction that integrates with electronic prescribing (ePrescribing) or supplied by LDH or a LDH contractor through a file exchange process established with the Contractor.**

FirstRx allows the flexibility to apply edits differently based on the media type, e.g., applying timely filing edits, quantity limitations, copayments, reimbursement logic, prior authorization (PA), or PDL edits based on a specific media type. We have successfully configured FirstRx to accommodate each customer's complex and specific requirements and can accommodate LDH's requirements pricing and response to submitter edits, such as Bill [Primary Health Plan] and [phone number], and BIN/PCN and Beneficiary ID number and group number for the primary health plan.

- **Review edits on an ongoing basis, minimally quarterly, to identify and present opportunities to the MCOs and LDH for consideration that may lessen Provider administrative burden without compromising the administration of PBM Covered Services and corresponding rules.**

MMA will review edits on an ongoing basis, minimally quarterly, to identify and present opportunities to the MCOs and LDH for consideration that may lessen Provider administrative burden without compromising the administration of PBM Covered Services and corresponding rules. Our approach is designed to decrease the administrative burden for prescribers and pharmacy Providers while saving time and expediting the approved medications into the hands of Enrollees who need them.

- **Provide data (e.g., Drug Claims, Pharmacy PA requests) to MCOs, the State, and its representatives necessary to support care management of Enrollees and other Medicaid-related business processes using a data exchange method, schedule, and format agreed to by LDH.**

MMA will provide data such as Drug Claims and pharmacy PA requests to MCOs, the State, and its representatives necessary to support care management of Enrollees and other Medicaid-related business processes using a data exchange method, schedule, and format agreed to by LDH. MMA's solution establishes consistent communication patterns and protocols for data exchange with external systems. Interfaces are developed using common, widely-used transport protocols. MMA supports the use of industry standard data exchange using industry leading tools, including Oracle Fusion, EDIFECS, and Informatica.

MRx Explore uses information sent from external systems in the development of reports. It aggregates information from MMA applications throughout the data warehouse to analyze utilization by demographics and geography on a quarterly and annual basis. This allows authorized LDH and MCO users to analyze patterns and outliers for improved care management and education purposes.

- **Receive data (e.g., recent diagnosis info) from MCOs necessary to ensure the Contractor's records are complete and up to date using a data exchange method, schedule, and format agreed to by LDH.**

MMA will receive data such as recent diagnosis information from MCOs as necessary to ensure that our records are complete and up to date using a data exchange method, schedule, and format agreed to by LDH. MMA is able to compile both medical and pharmacy claims and encounters into a comprehensive Enrollee record.

- **Maintain Enrollee histories for purposes such as performing clinical edits, PA step therapy, ProDUR screening of submitted Drug Claims, and Retro DUR activities.**

MMA will maintain Enrollee histories for purposes such as performing clinical edits, PA step therapy, ProDUR screening of submitted Drug Claims, and Retro DUR activities. Providers are able to sign on to the Web Portal to access Enrollee profile information such as the Enrollee's prescription history, eligibility status, and coverage program. Authorized MCO users will be able to access claims history using the reporting functionality in MRx Explore, as well as viewing claim information in real time using FirstCI. Authorized MCO users will be user provisioned so they can see only those Enrollees who are enrolled in that particular MCO.

MMA's web portals support password-protected, completely secure SSO. For the Provider facing portal(s), we can support an SSO, enabling relevant Providers to migrate from our Louisiana Medicaid Pharmacy Web Portal to the State's Medicaid Portal, and vice versa, without the need to sign in to the second portal. We use industry-standard SSO best practices, including SAML 2.0, and can support federated capabilities with an Identity Provider for access to MMA systems.

- **Ensure all edits and audits are working correctly and are maintained to meet LDH's requirements.**

MMA will ensure that all edits and audits are working correctly and are maintained to meet LDH's requirements. Our approach uses automated electronic review and analysis of claims data using our proprietary audit systems. All submitted paid claims (where an amount paid to the pharmacy is greater than zero), irrespective of how submitted (paper or electronic) are subject to our audit program. We use advanced system edits designed to eliminate incorrectly submitted claims and utilize information gleaned from interactions with pharmacies to improve these edits and foster benefit design recommendations.

- **Ensure POS messaging can be modified quickly and efficiently.**

MMA will ensure that POS messaging can be modified quickly and efficiently. FirstRx supports claim response messaging fields that provide not only the claims status, including denial and rejection error codes, but also allows for customized supplemental messaging as defined and approved by LDH, up to the maximum length of the record. All edits are recorded on the claim record and made available for reporting purposes.

The supplemental messaging capabilities we offer to pharmacies can include custom messaging. Most messages to pharmacies are sent using text. However, if the pharmacy's receiving system can accept longer messages, we can work with LDH to determine message length. ***We have worked with some of our customers to modify the character length for these messages to 3,000 characters, enabling us to give their Providers more detailed information.***

Our claims processing system supports the messaging fields of the NCPDP claim response layout (i.e., the Message field and the repeating Additional Message Information field), and messages can be prioritized. Our claims processing system and pharmacy messaging capabilities are extremely flexible. MMA will work closely with LDH to understand their Louisiana Medicaid MCO specific requirements, such as drug-drug interactions involved with the paid, rejected, or denied claims at the system-assigned or determined severity level or drug-disease contraindications and reference sources.

- **Maintain robust edits, including Morphine Milligram Equivalents (MME) accumulated over time and across Drug Claims and product groupings, and other POS utilization methodologies to drive appropriate utilization of opioids and other controlled substances.**

MMA will maintain robust edits, including Morphine Milligram Equivalents (MME) accumulated over time and across Drug Claims and product groupings, and other POS utilization methodologies to drive appropriate utilization of opioids and other controlled substances. Our highly flexible First Rx POS

processing system will provide LDH the ability to limit the amount of a specified drug or drug classification which LDH will allow for a specified time period across multiple claims.

FirstRx calculates and validates against defined edits and industry standards using submitted claim data including, but not limited to, the following data elements: quantity per day, dosage per day, rolling quantity limitations, age limits, patient, monthly prescription limits, and plan financial obligations, or maximums. Also, FirstRx compares the submitted quantity and the package size of the product to determine if the claim is billed correctly and denies the claim if a resubmission is warranted.

For example, FirstRx supports Morphine Milligram Equivalent (MME) limits for a specified time period across multiple claims edits as directed and approved by LDH. The MME daily limit is calculated using the Opioid Morphine Equivalent Conversion Factors table available from the Centers for Disease Control and Prevention and accumulates all doses of opioids an Enrollee has received to calculate the total daily MME. MMA has recently implemented cumulative MME edits and features for multiple state Medicaid customers, including the following:

- MME-implemented Morphine-Milligram Equivalent (MME) Accumulator
- Standard CDC and customer-configured Equivalency tables available
- Unique Customer Service Center calculator to help Providers (POS and prescribers) anticipate unadjudicated claims impact on MME limit
- Enrollee-specific MME limit tapering, e.g., movement from 300 to 250 MME or 300 to 90 MME with relatively short front-end notice.

Figure 8.3-9: Quantity Limit Screenshot, shows the FirstRx quantity limit functionality.

Figure 8.3-10: Dose Maintenance Screenshot, shows our solution's dose maintenance capability.

- **Conduct a PA program that complies with requirements identified in Section 2.1.10.2 *Prior Authorization*.**

MMA will conduct a PA program that complies with requirements identified in RFP Section 2.1.10.2 Prior Authorization. Our solution provides real-time PA services through our Customer Service Center (CSC) using our PA and call tracking system, as well as ePA. The FirstRx claims system is self-contained and includes its own prior authorization (PA) and ProDUR modules to eliminate the need to communicate with secondary systems during the POS process.

Our FirstTrax contact management system supports CSC, Prior Authorization (PA) request disposition, and clinical notes. FirstTrax is fully integrated with FirstRx for real time bi-directional updates. It provides the capability to make Enrollee lab values available through FirstTrax for use in the PA process. FirstTrax uses a custom-built application programming interface (API) between FirstRx and FirstTrax to allow authorized users creating a PA to generate rules within FirstRx. These rules ensure that the PA is correctly interpreted by the adjudication engine when the claims are submitted by the pharmacy.

- **Accommodate and support an LDH approved and directed Lock-In program to address utilization management issues and to support MCO care coordination activities. The Lock-In program shall allow up to four Prescriber fields and two pharmacy fields.**

MMA will accommodate and support an LDH approved and directed Lock-In program to address utilization management issues and to support MCO care coordination activities. Our LDH-approved Lock-In program will allow up to four Prescriber fields and two pharmacy fields. Our POS system is designed to support clinical efficiency and the configuration of edits and rules based on Enrollee designation, including lock-in, or any other designation as directed by LDH. Enrollee restriction data include date parameters, Provider information, and pharmacy information to support claims processing functions.

Highly flexible, we can establish parameters limiting an Enrollee to a single pharmacy or up to five pharmacies; a single prescriber or up to five prescribers; or set parameters limiting the Enrollee to combination of pharmacy or prescriber lock-ins. Furthermore, at a more granular level, we can lock the Enrollee into the use of specific pharmacies for certain types of drugs only, such as narcotics or specialty pharmacy drugs.

- **Provide the capability to develop and maintain an NDC to HCPCS crosswalk including unit conversions upon implementation by LDH.**

MMA maintains and updates a global NDC to HCPCS conversion file that is used to convert billed HCPCS units on medical claims to rebate eligible drug units. This file is used to validate the presence and combination of NDCs and HCPCS codes on medical claims and encounters that are loaded to the MRx rebate system. This file is used by customers who request to use our global file, and it is updated on a monthly basis.

Monthly, the rebate pharmacist takes the previous month's file as a starting point and add new HCPCS/NDC combinations that are the result of new drugs entering the market, new HCPCS codes being activated, or make any other necessary modifications (i.e., conversion factor changes as the result of a drug's rebatable unit of measure being changed).

The global file is inclusive of only rebate-eligible NDCs (as certified by CMS and designated as such in the DDR), and those NDCs are only included in the global file when the NDC can be associated with a dedicated HCPCS code for which the amount of drug administered can definitively be determined.

Any new NDC that is certified in the DDR is reviewed by the rebate pharmacist for possible inclusion into the global conversion file. If it is determined that a new NDC is one for which there is a dedicated HCPCS code, then that NDC will be paired with its corresponding HCPCS code(s) and included in future monthly conversion files. For any new pairing added to the global conversion file, the rebate pharmacist will also determine and assign a conversion factor that allows for the conversion of billed HCPCS units to rebatable drug units.

Any medical claim file provided by an Enrollee and loaded to our rebate system will be compared to the global conversion file. For all claims for which the billed HCPCS/NDC combination matches a combination on the MMA global file, the corresponding conversion factor will be applied, rebatable drug units will be calculated, and the utilization associated with the claim will be incorporated into the drug rebate invoice.

If a claim has been billed with a HCPCS/NDC combination that does not appear on the MMA global file, then that claim will be excluded from the rebate invoice. MMA reporting allows for the identification of any excluded claim, and the reason why that claim was excluded.

- **Provide the capability to produce an extract file of procedure code drug pricing to be shared and utilized by other stakeholders processing Drug Claims for Provider administered pharmaceuticals upon implementation by LDH.**

MMA will provide the capability to produce an extract file of procedure code drug pricing to be shared and utilized by other stakeholders processing Drug Claims for Provider administered pharmaceuticals upon implementation by LDH.

- **Configure and continuously maintain detailed electronic documentation of its systems and processes to properly administer all aspects of LDH's Drug Claim processing requirements, including, but not limited to the following:**
  - **Capture all data submitted on the form with the Enrollee eligibility group/benefit plan under which the Drug Claim was processed.**
  - **Record with each Drug Claim the Enrollee's enrollment by MCO, as may apply, under which the Drug Claim was processed.**
  - **Capture all Drug Claim submissions, regardless of the disposition of the Drug Claim.**

MMA will configure and continuously maintain detailed electronic documentation of its systems and processes to properly administer all aspects of LDH's Drug Claim processing requirements, including, but not limited to capturing all data submitted on the form with the Enrollee eligibility group/benefit plan under which the Drug Claim was processed, recording with each claim the Enrollee's MCO enrollment on the date of service, and capturing all Drug Claim submissions, regardless of the disposition of the Drug Claim.

FirstRx uses the most effective, active eligibility record at the time of adjudication to determine proper processing for coverage, out-of-pocket, prior authorizations, COB, and all other edits. MMA's system provides the capability to automatically capture and record critical data, including but not limited to address, personal information (e.g., DOB, SSN), current coverage, eligibility and enrollment information.

- **Comply with all State and Federal requirements for reimbursement of Medicaid Prescription Drugs under the Deficit Reduction Act (DRA), ACA, and all other applicable State and Federal laws, regulations, rules, policies, procedures, manuals, and guidance.**

MMA will comply with all State and Federal requirements for reimbursement of Medicaid prescription drugs. MMA maintains compliance with the federal rules and regulations relevant to the Medicaid pharmacy space, including the Deficit Reduction Act (DRA) of 2015, the Affordable Care Act (ACA) of 2010, and all other applicable State and Federal/CMS legislation, regulations, rules, and guidelines. We are well versed in incorporating various price types, such as AAC, NADAC, WAC, MAC, and FUL, into various pricing algorithms to ensure that POS claims are paid according to applicable State and Federal/CMS regulations.

- **Supply a Point-of-Sale (POS) system that is compliant with the most current version of all applicable National Council for Prescription Drug Program (NCPDP) requirements, formats, and standards that are mandated under the Health Insurance Portability and Accountability Act (HIPAA).**

MMA's FirstRx POS system is fully NCPDP v.D.0-and Batch standard version 1.2-compliant. Our staff was directly involved with the development of the NCPDP v.D.0 standard and the next HIPAA-named Telecommunication standard (version F6). MMA maximizes NCPDP participation, with technical, operational, and clinical employees involved who represent all aspects of our business.

MMA currently meets all state and federal privacy and security regulatory requirements for protecting data confidentiality, including those defined by the HIPAA Security Rule and HITECH Act, and all requirements for data and information processing as mandated by 42 CFR 447 for individual and batch claims.

- **Be responsible for all costs and efforts related to completing any NCPDP or HIPAA adopted updates to transaction sets to ensure continued compliance with existing NCPDP or HIPAA transaction and code set regulations.**

MMA will be responsible for all costs and efforts related to completing any NCPDP or HIPAA adopted updates to transaction sets to ensure continued compliance with existing NCPDP or HIPAA transaction and code set regulations.

All MMA's solutions are in full compliance with the HIPAA regulation for transactions and code sets that are relevant to pharmacy claims and associated business processes. As the HIPAA-named standards and their associated code sets are updated, MMA assesses all the changes so that our solutions always remain compliant. Costs and efforts associated with HIPAA transaction and code set regulatory compliance will be solely the responsibility of MMA.

For the NCPDP standards, MMA supports the current, HIPAA-named standards: NCPDP Telecommunication D.0, Batch 1.2, SCRIPT, and Medicaid Subrogation 3.0. MMA also supports other NCPDP standards where possible to exchange data consistently and efficiently with other entities, including the Post Adjudication and PA Transfer standards. To remain abreast of all the activity related to the NCPDP standards and the associated code sets, MMA provides input on and votes for/against every proposed update to transactions and NCPDP code sets (i.e., the External Code List) and is aware of the changes as they are approved in order to update our systems, solutions, and processes accordingly.

Our Corporate Compliance Department is charged with overseeing ongoing compliance with HIPAA regulations. This department is staffed by attorneys, compliance directors, and research analysts who work together to monitor any new developments and coordinate any necessary implementation of updated compliance requirements. Our HIPAA Training Program consists of initial training for all new hires, annual training refreshers for all employees, in-depth training for targeted areas, and remedial training on an as-needed basis. An internal auditing department audits corporate departments and regional offices to ensure appropriate compliance measures and procedures are in place.

- **Provide Drug Claim and eligibility processing services that are compliant with current and future HIPAA-adopted Transactions and Code Sets standards, including, but not limited to:**
  - **International classification of diseases (ICD) codes, most current version.**
  - **Healthcare Common Procedure Coding System (HCPCS) codes.**

MMA's solution fully complies with the current HIPAA Transactions and Code Sets standards that are required to support our customers' claim and eligibility processing needs, and we will continually maintain compliance in the future. FirstRx supports the up-to-date ICD-10 code set and will adjudicate claims according to LDH requirements for which an ICD-10 diagnosis code(s) is submitted on the claim and/or the Enrollee has an ICD-10 code(s) defined in their profile. For drug claims, MMA will support HCPCS codes in the future based on our proposed solution for physician administered drugs under the pharmacy benefit.

- **Work with LDH, Providers, contracted MCOs, and other stakeholders to maintain a Drug Claims processing environment that meets the current and future needs of these stakeholders to comply with HIPAA and any other applicable new and revised rules that may be adopted by CMS and other Federal partners.**

MMA will work with LDH, Providers, contracted MCOs, and other stakeholders to maintain a Drug Claims processing environment that meets the current and future needs of these stakeholders to comply with HIPAA and any other applicable new and revised rules that may be adopted by CMS and other Federal partners. MMA fully complies with all LDH-defined program policy, established reimbursement minimum fee schedules, state and federal statutes and regulations, and HIPAA.

- **Adhere to all State technical requirements unless otherwise instructed or permitted by LDH.**

MMA will adhere to all State technical requirements unless otherwise instructed or permitted by LDH. Our Medicaid Pharmacy Module has been certified 13 times by CMS. In each CMS certification, there were no findings, corrective actions, or follow-up action items required of us. ***CMS has recognized our FirstRx claims processing system as "outstanding."*** Our platform, deployed and in production for Medicaid FFS and MCO customers, is designed to address the dynamic, high-volume demands of the Medicaid program. ***Our flexible and customized pharmacy solution will rapidly accommodate modifications without programming.***

- **Manage Adjudication, which includes receipt, data validations, pricing, and response within expected time parameters.**

MMA will manage adjudication, including receipt, data validations, pricing, and response, within expected time parameters. FirstRx is an online, real-time claims processing system that fully supports all LDH requirements for receiving, validating, and adjudicating claims. Our solution will also meet all State requirements for pricing and notifying the billing pharmacy Providers regarding the dispositions of their submitted claims as described in the following narrative.

FirstRx validates that each incoming claim is submitted in an NCPDP-compliant format and that it meets all applicable NCPDP Telecommunication edits/rules for fields, segments, and code sets. If the claim fails any edit(s), FirstRx returns the appropriate NCPDP reject codes on the claim response. FirstRx supports claim response messaging fields that provide not only the claims status, including denial and rejection error codes, but also allows for customized supplemental messaging as defined and approved by LDH, up to the maximum length of the record. All edits are recorded on the claim record and made available for reporting purposes.

- **Date and time stamp all paid Drug Claims when the Drug Claim was Adjudicated for audit purposes.**

As shown in *Figure 8.3-11*, MMA's solution will date and time stamp all paid Drug Claims when the Drug Claim was adjudicated for audit purposes. FirstRx fully supports all applicable State and federal policies with regard to verification of Enrollee eligibility and editing for pharmacy claims. The system features a complete audit trail functionality and includes specific time and user stamps for each record update. The FirstRx system will stamp each claim with the Enrollee eligibility group/benefit plan under which the claim was processed. All claims entering the FirstRx system are parsed to individual data fields and stored in data tables based on NCPDP claim standards. These data are maintained as required by contractual agreements.

- **Track and report on the specific Adjudication rule in effect by date of service (DOS) and date of payment, and the date the rule was changed, added, or deleted.**

MMA's solution will track and report on the specific adjudication rule in effect by date of service and date of payment, and the date the rule was changed, added, or deleted. Records are never physically deleted from FirstRx, creating, and preserving a perpetual record of all iterative changes to a product record.

- **Adjudicate all Drug Claims, maintaining documentation for all Drug Claims administration, including, but not limited to, all materials being keyed or scanned and uploaded so that an official record is stored and retrievable in electronic format.**

FirstRx will adjudicate all claims, and MMA will maintain all supporting documentation in a retrievable electronic format, according to LDH guidelines. MMA provides a mailroom supporting receipt of manual claims, Provider communication distribution, incoming mail from Providers and customers, and other documentation submitted to MMA regarding the Louisiana Medicaid pharmacy program. Our established Provider Operations Department is staffed with qualified employees and state-of-the-art systems that support paper claims processing to ensure that both HIPAA and Louisiana-specific standards are upheld.

Supporting documentation received via fax for PA requests will be imaged and associated with the Enrollee's contact detail record in FirstTrax. This solution allows the documentation to be stored and connected to the Enrollee's profile via our FirstTrax contact management system.

- **Provide tools that support visibility to and management of the configuration of pricing rules, validations performed, and other required edits.**

MMA provides tools that support visibility to and management of the configuration of pricing rules, validations performed, and other required edits. Full audit trails of these configuration and record update timestamps and load job identifiers are present in the database and visible in the FirstRx graphical user interface (GUI), where they can be reviewed.

- **Comply with State and Federal requirements associated with the proper use of transaction standards in data exchanges with all stakeholders.**

MMA will comply with State and Federal requirements associated with the proper use of transaction standards in data exchanges with all stakeholders. FirstRx will process all electronic pharmacy claims in a HIPAA-compliant format and version. Our claims processing system handles multiple concurrent electronic claims transactions while maintaining required maximum processing times. MMA supports the use of industry standard data exchange using industry leading tools, including Oracle Fusion, EDIFECS, and Informatica. These tools run on high-performance AIX, Linux, and Windows servers that provide load-balancing, parallel processing, and concurrent file processing of all HIPAA transactions.

- **Perform and maintain high-quality records associated with any adjustments to prior Adjudication, should they be required.**

MMA will perform and maintain high-quality records associated with any adjustments to prior adjudication, should they be required. MMA can perform mass and individual financial adjustments within the claims adjudication system, with prior approval from and as directed by LDH.

MMA processes adjustments for recovery in accordance with NCPDP B2 (reversal) and B3 (resubmission) transactions in FirstRx and adjusts the claim to the proper paid amount. Reversal transactions will contain a unique claim identification number, as well as link to the unique claim number of the original claim which was reversed. The claim identification number is sent in the claim file.

Our reconciliation process incorporates matching claim reversals and adjustments to originally paid claims so that adjustments are included in the claims file to prevent an imbalance in the claims process. FirstRx enables end-to-end claim tracking from receipt of first new day claim, through adjustments and final payment. FirstRx also tracks denied claims. As shown in *Figure 8.3-12*, users can audit and/or look up claim history records by Adjustment ICN (partial and full adjustments).

- **Adjudicate and report on all Drug Claims and Network Provider payments in accordance with LDH-defined program policy, established reimbursement minimum fee schedules, State and Federal statutes and regulations, and HIPAA.**

MMA's Louisiana Medicaid MCO solution will adjudicate and report on all Drug Claims and Network Provider payments in accordance with LDH-defined program policy, established reimbursement minimum fee schedules, State and Federal statutes and regulations, and HIPAA. All claim and network provider payment transaction information will be stored in our system and will be available for review and reporting using our MRx Explore reporting tool, as described in proposal *Section 8.13, Reporting and Quality Assurance*.

- **Establish Adjudication rules customized for each LDH program by category codes, eligibility status, Enrollee attributes (e.g., age, medical condition), drug or drug class (e.g., brand/generic status, drug coverage status, PDL status), Medicare-Medicaid dual eligible status and other criteria specified by LDH.**

MMA has the ability to establish Louisiana-specific adjudication rules customized for each LDH program by category codes, eligibility status, Enrollee attributes (e.g., age, medical condition), drug or drug class (e.g., brand/generic status, drug coverage status, PDL status), Medicare-Medicaid dual eligible status and other criteria specified by LDH. ***More than 98% of all program changes are configurable in FirstRx*** and do not require any programming or coding effort.

- **Utilize pricing rules and algorithms as directed by LDH.**

MMA will use pricing rules and algorithms as directed by LDH. Our staff configures and maintains ingredient cost, dispense fee, and Enrollee cost sharing edits for all our Medicaid state agency customers through a user interface. On-line user configuration of pricing algorithms eliminates the need to involve application development or other system resources to support LDH's current or future reimbursement methodologies allowing for quicker turnaround and deployment.

- **Maintain on the Drug Claim record for each paid Drug Claim what methodology (e.g., MAC, National Average Drug Acquisition Cost (NADAC), submitted U&C Charge) was used to determine final payment amount.**

MMA maintains compliance with the federal rules and regulations relevant to the Medicaid pharmacy space, including the Deficit Reduction Act (DRA) of 2015, the Affordable Care Act (ACA) of 2010, and all other applicable state and federal/CMS legislation, regulations, rules, and guidelines. We are well versed in incorporating various price types, such as AAC, NADAC, WAC, MAC, and FUL, into various pricing

algorithms to ensure that POS claims are paid according to applicable state and federal/CMS regulations.

- **Have the ability to accept Drug Claims and process where the U&C Charge equals $0.00.**

FirstRx will accept and process Drug Claims with a usual and customary (U&C) charge equal to $0.00.

- **Create mass adjustment events in response to retroactive changes in data used for Drug Claim processing (e.g., product pricing, Professional Dispensing Fee rates, policy, eligibility determination) at the direction of LDH.**

MMA's solution is able to create mass adjustment events in response to retroactive changes in data used for Drug Claim processing (e.g., product pricing, Professional Dispensing Fee rates, policy, eligibility determination) at the direction of LDH. MMA will perform mass and individual financial adjustments within the claims adjudication system as directed by the State.

FirstRx allows multiple claims to be adjusted at once. Using the FirstRx Mass Claims Adjustment functionality, the claims engine provides the ability to automatically process mass adjustments that do not require the user to intervene on a claim-by-claim basis. We can perform mass adjustments to paid claim histories as required and directed by LDH and its Medicaid MCOs. We can automatically process hundreds of thousands of adjustments at one time so that users are not required to intervene on a claim-by-claim basis. Authorized users search for a subset of claims based on specified parameters.

Claims returned through the mass adjustment tool are available for review and selection prior to executing the resubmission or adjustment. Authorized users can select the adjustment as an actual or as a faux adjustment. A faux adjustment allows users to review the outcome of adjudication prior to an actual adjustment. When claims are adjusted, payments to the Enrollee or pharmacy can be impacted. The rework system offers a range of processing options for both pharmacy and Enrollee rework. Users can select predefined rules along with options based on their specific requirements. As shown in *Figure 8.3-13, Mass Adjustment Query*, authorized users are able to identify multiple Enrollees, Providers and/or prescription numbers to set up an adjustment.

- **Produce the requested mass adjustment report or data set containing all Drug Claims to be adjusted and the potential payment/recoupment amount both at a Drug Claim and summary level. All mass adjustments shall be approved by LDH before being performed in a production environment.**

MMA's solution will produce the requested mass adjustment report or data set containing all Drug Claims to be adjusted and the potential payment/recoupment amount both at a Drug Claim and summary level. MMA can submit a mass claim adjustment job as a trial job in the FirstRx Restore Environment. This allows us to model mass adjustment events and review results such as affected claim count, net financial impact, supplemental encounter files generated, etc., before executing the actual mass adjustment in the production environment. MMA will initiate mass adjustments in the production environment only after receipt of approval from LDH.

- **Collaborate with LDH to identify the parameters necessary to select Drug Claims for a mass adjustment.**

We will collaborate with LDH to identify the parameters necessary for a mass adjustment. The mass adjustment functionality drills down to claims within a specified adjudication time period, or other search criteria, such as service date, adjudication date, and authorization number. In addition, the system allows claims to be identified for multiple Beneficiaries, Providers, and/or prescription numbers. Claim transactions processed using this feature will be stored in FirstRx and will be available for review and reporting.

- **Enter mass adjustment parameters when directed by LDH and assign a unique tracking number to all Drug Claim adjustments.**

MMA will enter mass adjustment parameters when directed by LDH and assign a unique tracking number to all Drug Claim adjustments. As shown in *Figure 8.3-14*, the Mass Adjusted indicator box is checked to identify claims processed using the mass adjustment process to perform recovery.

- **Release mass adjustment for payment and recoupments within one (1) Business Day of receiving approval from LDH.**

MMA will release mass adjustment for payment and recoupments within one business day of receiving approval from LDH. Once claims are reworked through the system, they are sent through either an Enrollee or pharmacy financial cycle. The Enrollee financial cycle will either pay the Enrollee for monies owed or create a file to be sent to the customer for collection processing. The pharmacy adjustments will be sent though a regular financial cycle to be included with current POS claims.

- **Transfer one hundred percent (100%) of its recoupments the appropriate MCO.**

MMA will transfer 100% of its recoupments to the appropriate MCO. Our solution supports an established recoupment and reimbursement functionality that has proven effective when other prescription coverage has been identified.

8.3.14 POS Adjudication (RFP 2.1.9.14)

MMA will meet all POS Adjudication requirements as described in RFP 2.1.9.14.

The Contractor shall ensure the POS system meets the following Adjudication requirements.

All edits deployed for POS claims adjudication, including reimbursement methodology, can be configured based on program, category code, Enrollee age, drug or drug class, Medicare-Medicaid dual eligibility, Enrollee residence in a nursing facility, and all other program specifications according to the criteria and date specifications of LDH.

8.3.14.1 Enrollee Eligibility (RFP 2.1.9.14.1)

The system shall:

- **Validate Enrollee eligibility via a HIPAA standard eligibility request transaction, such as the X12N 270/271 transaction set, or as directed by LDH.**

MMA provides the capability for real-time eligibility verification and claims processing at the point of sale. Per industry standard, we accept and respond to the NCPDP E1 transaction for eligibility verification. MMA uses and is compliant with ANSI X12N, Version 5010 with the Addenda. We have implemented Oracle Fusion and EDIFECS software products (Xengine and Transaction Management) version 7.0.3 (Build 7834) for message exchange, message validation, and message translation between software applications, computing platforms, and communications protocols. We support X12 2702/71 transactions for e-Prescribing. We will use Xengine to validate the messages are X12-compliant and then parse the X12 into individual elements for mapping information to our host systems for processing. This product suite includes the templates for the HIPAA standard transactions.

- **Integrate the eligibility file daily.**

Our solution will integrate the daily eligibility file from the Enrollment Broker containing other insurance indicator codes along with scope and term of coverage, and FirstRx uses this information to ensure accurate claim adjudication, including coordination of benefits. Our eligibility updates do not overwrite the previous information, which is date stamped and preserved for the audit trail in perpetuity.

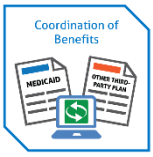
- **Impose pharmacy benefits restrictions that apply to a given Enrollee, living arrangements or place of service (e.g., ambulatory versus long-term care settings), or program enrollment.**

MMA's solution will impose pharmacy benefits restrictions that apply to a given Enrollee, living arrangements or place of service (e.g., ambulatory versus long-term care settings), or program enrollment. FirstRx will calculate Enrollee-specific copayments in accordance with LDH specifications and program policy. The flexibility of the system allows the business user to establish copayments based on the different pharmacy programs, drug levels (e.g., generic/brand classification), Enrollee age (e.g., over 21), eligibility attributes (e.g., long term care), or the claim data elements (e.g., submission clarification code). MMA will report copay, coinsurance, and deductible information to LDH as required.

- **Verify that all Enrollees for whom Drug Claims are submitted qualify to receive pharmacy benefits through LDH's outpatient pharmacy program. This verification shall substantiate that the Enrollee:**
  - **Was enrolled in the Louisiana Medicaid Program and the MCO on the DOS for the PBM Covered Service.**
  - **Is entitled to receive the requested PBM Covered Service.**
  - **Does not have any other benefit design or individual restrictions or conditions that would preclude or affect payment.**
  - **Has been assessed for other insurance coverage, and LDH's TPL rules and requirements are met during Adjudication.**

FirstRx verifies that the Enrollee is eligible and not otherwise restricted and is entitled to receive pharmacy services through LDH's outpatient pharmacy program on the date of service for the pharmacy benefit requested. FirstRx uses current and historical Enrollee eligibility data stored in the enrollment file to support eligibility verification and claims processing for all LDH's pharmacy programs. FirstRx validates effective and termination coverage dates stored in the database to determine if the Enrollee is on file (enrolled in the Medicaid program and with the MCO) and eligible on the date of service to receive pharmacy benefits.

The claim will deny when the Enrollee fails to meet program eligibility requirements or is ineligible to receive a service. When a claim is denied due to the lack of coverage or not eligible to receive the services billed, the denial response provides the NCPDP-compliant error code indicating ineligible, preventing payment. FirstRx uses the active eligibility record at the time of adjudication to determine proper processing for coverage, out-of-pocket, prior authorizations, COB, and all other edits.



The TPL/COB functionality allows LDH to eliminate unnecessary payments to submitters when other insurance has been identified, ensuring that the State is the payer of last resort. FirstRx edits all pharmacy claims for the presence of TPL, using the data on the enrollment file and applies all Other Payer edits as allowed under the NCPDP Standard, as well as editing for any voluntary information submitted that is not yet available on the enrollment files. For a detailed discussion of our TPL/COB capabilities, please refer to proposal *Section 8.3.17, Third Party Liability.*

8.3.14.2 Covered Drugs (RFP 2.1.9.14.2)

The Contractor shall:

- **Utilize a system that verifies that the NDC is valid, and the drug is eligible for payment under LDH's pharmacy program and eligible for Medicaid drug rebates, unless otherwise directed by LDH.**

In accordance with the State's Addendum #4 answer to Question 69, MMA understands that all MCOs are required to cover all the same NDCs and HCPCS codes. FirstRx is configured to exceed the needs of our Medicaid customers. Drug coverage will be configured to identify that NDCs are valid and eligible for payment under LDH policy.

FirstRx is also configured to ensure compliance with all state and federal requirements for rebate programs in claims processing. Rebate eligibility is maintained in the POS Drug File, so that NDCs that are not eligible for rebate can be identified and denied as not-covered at the point of sale. *Figures 8.3-15* and *8.3-16* show the First Databank rebate indicator and the CMS rebate indicator in FirstRx.

- **Properly identify all Specialty Drugs by HCPCS, NDC, or alternative drug classification code and coordinate with other Drug Claims processing stakeholders to assure that these Drug Claims are appropriately routed for processing.**

MMA will properly identify all Specialty Drugs by HCPCS, NDC, or alternative drug classification code and coordinate with other Drug Claims processing stakeholders to assure that these Drug Claims are appropriately routed for processing.

- **Allow for the capability for maximum dollar thresholds to be set for a specific group or groups of drugs, using any level of drug classification including, but not limited to, full or partial NDC matching, generic product identifiers, or high-level therapeutic class.**

FirstRx is configured to apply the calculated dollar amount limits as defined by customer. If the calculated claim cost is greater than the defined limit, FirstRx denies the claim with NCPDP Reject Code 78 (Cost Exceeds Maximum). MMA also can suggest additional high-dollar edits based on claim reporting/auditing and our Medicaid experience in order to identify possible billing errors and/or clinical adherence. In addition, during claims audit review, we have the ability to use high-dollar claims as a review parameter.

- **Comply with the maximum dollar thresholds as established by LDH prior to operational start date. ~~go-live.~~**

In accordance with the State's Addendum #4, Revision #8, MMA will comply with the maximum dollar thresholds as established by LDH prior to the operational start date.

- **Provide flexibility so that the maximum dollar threshold for single drug Drug Claims and Drug Claims for multi-ingredient compounds could be different, can be overridden, and that certain drugs (defined by any standard criteria) can be excluded from a threshold.**

FirstRx can be configured so that the maximum dollar threshold for single drug Drug Claims and Drug Claims for multi-ingredient compounds could be different, can be overridden, and that certain drugs (defined by any standard criteria) can be excluded from a threshold. MMA is able to load overrides directly into FirstRx, which has the capability to override all edits (age, gender, dose, quantity, diagnosis, etc.) including clinical edits in one entry process.

8.3.14.3 Prescriber Enrollment (RFP 2.1.9.14.3)

In accordance with the State's Addendum #4 answer to Question 70, MMA understands that LDH or its designee will provide the State provider enrollment information (all providers enrolled with the State) to MMA, and each MCO will provide its provider enrollment information.

The Contractor shall:

- **Validate that the Prescriber is currently enrolled with LDH to provide services under the Louisiana Medicaid Program.**

FirstRx validates Prescriber information early in the adjudication process. The system is capable of maintaining an exclusive panel for Prescribers. MMA will receive the prescriber files from LDH and the MCOs to create this panel. Claims adjudication makes use of the Prescriber information that is in effect the moment a claim enters the system to check reference data elements and applicable rules to use for claims processing.

The claim will deny if the Prescriber fails to meet the eligibility requirement or the record has been terminated, suspended, or is not on file to support compliance with LDH policy. If the submitted information does not pass the validation and verification checks, NCPDP reject messages are returned to the submitter with additional messaging identifying issue details to help facilitate expedited resolution.

- **Validate that the Prescriber has a current agreement with the MCO to provide services under the Louisiana Medicaid Program to the MCO's Enrollees.**

FirstRx integrates detail contained in the LexisNexis Prescriber File with that supplied by LDH and the MCOs to verify that a Prescriber is eligible on the date of service. A Prescriber may be excluded for failure to meet eligibility requirements on data validation check. MMA will update the list of sanctioned/excluded Prescribers in real time at the direction of LDH.

- **Ensure the Prescriber is eligible to prescribe medications in accordance with the business requirements provided to the Contractor by LDH.**

FirstRx will be configured to ensure that the Prescriber is eligible to prescribe medications in accordance with the business requirements provided to MMA by LDH. The FirstRx claims adjudication engine will edit claims based on specific characteristics of dispensing Provider or prescribing practitioner and/or the therapeutic class of the drug, as directed by LDH.

FirstRx flexibility provides the ability to construct unique benefit structures or edits based upon characteristics including, but not limited to, drug code (NDC, GSN), drug class, prescriber type (psychiatrist), taxonomy code, and/or the Enrollee's health condition to support LDH plan requirements. For example, when determining whether a Therapeutic Duplication alert for a particular drug or drug class should "reject" or "message," LDH may wish to return a message with a paid response for narcotic claims in cases where the prescriber is an oncologist and reject for other specialties.

- **Deny Drug Claims from Prescribers whose license to practice has been restricted or revoked by the responsible licensing board or other regulatory agencies of authority (e.g., Drug Enforcement Agency).**

If the State has removed the Prescriber from eligibility, the eligibility check will fail, and the claim will deny. If the NCPDP record has been terminated, suspended, or deleted, the Prescriber is deemed ineligible, and the claim denied.

MMA will receive, store, and process the required Prescriber data elements from all LDH-approved Prescriber licensing board files utilizing the frequency defined for each file. MMA will load into FirstRx Prescriber data from the following sources: the Louisiana State Board of Medical Examiners, the State Board of Nursing, the State Board of Dentistry, and the State Board of Optometry Examiners, and any other licensing board or other regulatory agency as directed by LDH.

The critical Prescriber data from these files will be used during adjudication and for downstream processes to ensure that Prescribers are in good standing with their respective licensing board, are actively licensed, and are Medicaid enrolled.

- **Update the list of sanctioned/excluded Providers in real-time.**

MMA will update the list of sanctioned/excluded Prescribers in real-time at the direction of LDH.

- **Deny any Drug Claims from Prescribers who are excluded or suspended from the Medicare, Medicaid, or CHIP programs for FWA or otherwise included on the Department of Health and Human Services Office of Inspector General exclusions list, or employ someone on this list.**

FirstRx will deny any Drug Claims from Prescribers who are excluded or suspended from the Medicare, Medicaid, or CHIP programs for FWA or otherwise included on the Department of Health and Human Services Office of Inspector General exclusions list, or who employ someone on this list. In addition, if the State has removed the Provider from eligibility, the eligibility check will fail, and the claim will be denied.

- **Deny any Drug Claim from a Prescriber that is on payment suspension and/or withhold under the authority of LDH or its authorized agent(s).**

Our system's Prescriber Panel will be configured to deny any Drug Claim from a Prescriber who is on payment suspension and/or withhold under the authority of LDH or its authorized agent(s). A Provider

may be excluded for failure to meet eligibility requirements on data validation check. MMA will update the list of sanctioned/excluded Providers in real-time at the direction of LDH.

- **Edit Drug Claims based on specific characteristics of the Prescriber by specialty and/or therapeutic class of the prescribed drug(s), as directed by LDH.**

The FirstRx claims adjudication engine will edit claims based on specific characteristics of the Prescriber and/or the therapeutic class of the drug, as directed by LDH. FirstRx flexibility provides the ability to construct unique benefit structures or edits based upon characteristics including, but not limited to, drug code (NDC, GSN), drug class, prescriber type (psychiatrist), taxonomy code, and/or the Enrollee's health condition to support LDH plan requirements. For example, when determining whether a Therapeutic Duplication alert for a particular drug or drug class should "reject" or "message," LDH may wish to return a message with a paid response for narcotic claims in cases where the prescriber is an oncologist and reject for other specialties.

- **Limit Drug Claim approval for selected products, classes, or specific LDH programs to authorized Prescribers (e.g., use DEA Active Controlled Substance Registrant's File for controlled substance prescribing authorization, limit certain dosage forms of buprenorphine to Prescribers with an X-DEA number).**

FirstRx will be configured to limit Drug Claim approval for selected products, classes, or specific LDH programs to authorized Prescribers (e.g., use DEA Active Controlled Substance Registrant's File for controlled substance prescribing authorization, limit certain dosage forms of buprenorphine to Prescribers with an X-DEA number).

8.3.14.4 Pharmacy Enrollment (RFP 2.1.9.14.4)

The Contractor shall:

- **Validate that the Provider is currently enrolled with LDH to provide services under the Louisiana Medicaid Program.**

FirstRx validates Provider eligibility during adjudication, including whether the provider is currently enrolled with LDH to provide Louisiana Medicaid services. MMA understands that LDH will furnish the file that contains all Medicaid-enrolled pharmacies to MMA for use in our pharmacy verification process. FirstRx ensures that pharmacy providers are eligible prior to processing pharmacy transactions based on the claim's date of service relative to the effective and termination dates on file. Claims that deny will contain the appropriate NCPDP reject message identifying the denial reason, as well as any customized supplemental messaging approved by the State.

- **Validate that the Provider has a current Provider Agreement with the Contractor.**

FirstRx will be configured to validate that the pharmacy provider has a current Provider Agreement with MMA. Providers will not be added to the LDH network unless they have a current Provider Agreement with MMA and will result in rejected claims.

- **Validate that the Provider is currently registered with the MCO.**

FirstRx will be configured to validate that the Provider is currently registered with the MCO. MMA understands that each MCO will furnish the file that contains the pharmacies that are currently registered with that MCO to MMA for use in our pharmacy verification process.

- **Validate that the Provider is in good standing with the Louisiana Board of Pharmacy and meets the requirements set forth the Pharmacy and Prescriber Network section of this RFP.**

MMA will validate that Providers are in good standing with the Louisiana Board of Pharmacy, meet the RFP requirements, and are Medicaid enrolled.

- **Deny Drug Claims for controlled drugs from Providers whose license to practice has been restricted or revoked by the responsible licensing board or other regulatory agencies of authority (e.g., Drug Enforcement Agency).**

MMA will receive, store, and process the required Pharmacy Provider data elements from all LDH-approved responsible licensing board files utilizing the frequency defined for each file. MMA will load into FirstRx Pharmacy Provider data from the following sources: the Louisiana State Board of Pharmacy, the Drug Enforcement Agency, and any other licensing board or other regulatory agency of authority as directed by LDH. If the Provider is ineligible, the FirstRx eligibility check will fail, and the claim will deny.

- **Update the list of sanctioned/excluded Providers in real-time.**

MMA will update the list of sanctioned/excluded Providers in real-time at the direction of LDH.

- **Deny any Drug Claims from Providers who are excluded or suspended from the Medicare, Medicaid, or CHIP programs for FWA or otherwise included on the Department of Health and Human Services Office of Inspector General exclusions list, or employ someone on this list.**

FirstRx will deny any Drug Claims from Providers who are excluded or suspended from the Medicare, Medicaid, or CHIP programs for FWA or otherwise included on the Department of Health and Human Services Office of Inspector General exclusions list, or who employ someone on this list. In addition, if the State has removed the Provider from eligibility, the eligibility check will fail, and the claim will deny.

- **Deny any Drug Claim from a Provider that is on payment suspension and/or withhold under the authority of LDH or its authorized agent(s).**

Our system's provider panel will be configured to deny any Drug Claim from a Pharmacy Provider who is on payment suspension and/or withhold under the authority of LDH or its authorized agent(s). A Provider may be excluded for failure to meet eligibility requirements on data validation check. MMA will update the list of sanctioned/excluded Providers in real-time at the direction of LDH.

- **Determine if the Provider was eligible to perform the services requested and/or was eligible to receive reimbursement for the billed service on the DOS based on the Adjudication rules.**

FirstRx validates Provider eligibility for the date of service of the claim during adjudication, including the pharmacy National Provider Identifier (NPI) for electronic submission of claims.

- **Deny payment for services rendered by an ineligible Provider in accordance with State and Federal laws, rules, regulations, policies, procedures, manuals, and guidance.**

FirstRx will deny payment for services rendered by an ineligible Provider in accordance with State and Federal laws, rules, regulations, policies, procedures, manuals, and guidance.

- **Edit Drug Claims based on specific characteristics of the Provider by specialty and/or therapeutic class of the prescribed drug(s), as directed by LDH.**

The FirstRx claims adjudication engine will edit claims based on specific characteristics of the dispensing Provider and/or the therapeutic class of the drug, as directed by LDH. For example, the system can be configured to bypass PA for a given class of drug based on specialty as identified by taxonomy code, such as oncology, but to require PA for that class of drugs for other specialties.

- **Limit Drug Claim approval for selected products, classes, or specific LDH programs to authorized Network Providers (e.g., use DEA Active Controlled Substance Registrant's File for controlled substance prescribing authorization, limit certain dosage forms of buprenorphine to Prescribers with an X-DEA number).**

Our solution will be configured to limit Drug Claim approval for selected products, classes, or specific LDH programs to authorized Network Providers (e.g., use DEA Active Controlled Substance Registrant's File for controlled substance prescribing authorization, limit certain dosage forms of buprenorphine to Prescribers with an X-DEA number).

8.3.15 POS Drug Claims System Requirements (RFP 2.1.9.15)

MMA will meet all POS Drug Claims System Requirements as described in RFP Section 2.1.9.15.

The Contractor shall:

- **Conduct online POS operations twenty-four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year no less than ninety-nine and nine-tenths percent (99.9%) of the time, except for scheduled downtime pre-approved by LDH.**

MMA will meet the requirement to support online POS operations 24/7/365, 99.9% of the time, with the exception of MMA-scheduled downtime that has been pre-approved by LDH.

Our Pharmacy Systems processing, and its supporting databases run 24/7/365 unless stopped for planned maintenance activities. For planning purposes, MMA retains the use of a four-hour maintenance window beginning at 11:00 pm on Saturday and continuing through 3:00 am Eastern Time (ET) on Sunday. The system generally would be available during that entire time, but we require four hours for scheduling.

If the full scheduled maintenance window is not needed, we use a much more abbreviated time frame, sometimes as short as 15 minutes, to recycle the adjudication engines. If application or server maintenance is required, we will schedule time with the program manager for an outage during this designated timeframe. If no maintenance is planned for a given weekend, the application system will remain available and accessible.

MMA will work with stakeholders and other resources to facilitate the return of properly formatted responses during any system outage of either a planned or unplanned nature in order to advise the submitter of the estimated time that the system will be available to process claims requests.

- **Notify the MCOs and LDH in advance regarding scheduled downtime occurrences.**

MMA's IT Manager will notify the MCOs and LDH when scheduled downtime will occur.

- **Measure and report system up-time monthly.**

MMA's IT Manager will measure and report system up-time monthly.

- **Notify LDH and the MCOs of performance issues impacting POS Adjudication within thirty (30) minutes of the Contractor's knowledge of system problems.**

MMA understands that claim adjudication is the most critical component of the PBM services that are contracted. MMA will notify LDH and MCO staff within 30 minutes of our knowledge of any system performance issue that affects claims adjudication. MMA's Incident Notification and Resolution Plan will document our processes and procedures to document, triage, and resolve technical and operational incidents.

Our IT Production Assurance Department notifies the IT Manager through a Priority 1 (P1) Notification. The P1 Notification provides the Date and Time Reported, problem description, business impact, who reported the incident, Status broken out by date, time, and status update.

The P1 Notification is sent every time there is a status change until the incident is resolved. This notification goes to the IT Manager, who in turn is responsible for notifying LDH and the MCOs based on contractual service level agreements.

- **Edit Drug Claims to ensure compliance with all Louisiana regulations, including but not limited to, quantity limits, age limits, day supply, without exception.**

The highly flexible and fully integrated prospective drug utilization review (ProDUR) functionality of our First Rx POS processing system will provide LDH the ability to limit the amount of a specified drug or drug classification which LDH will allow for a specified time period across multiple claims.

FirstRx calculates and validates against defined edits and industry standards using submitted claim data including, but not limited to, the following data elements: quantity per day, dosage per day, rolling quantity limitations, age limits, patient, monthly prescription limits, and plan financial obligations, or maximums. Also, FirstRx compares the submitted quantity and the package size of the product to determine if the claim is billed correctly and denies the claim if a resubmission is warranted.

- **Validate that the quantity of product is consistent with drug-specific therapeutic efficacy limitations, including any day supply limitations and frequency limitations.**

FirstRx will be configured to validate that the quantity of product is consistent with drug-specific therapeutic efficacy limitations, including any day supply limitations and frequency limitations.

- **Include accumulation edits to prevent the continuously early filling of prescriptions.**

The flexible nature of FirstRx DUR editing capabilities allows LDH to define accumulation edits to prevent early refills as required.

- **Automatically inform the Network Provider if the current Drug Claim is an exact or possible duplicate and deny that Drug Claim as appropriate (Duplicate Drug Claims).**

FirstRx is able to evaluate, identify, deny, and report possible duplicate claims to safeguard against duplicate payments. FirstRx applies the standard NCPDP Duplicate Disposition check. Based on State direction, we can also apply additional duplicate/suspect duplicate checks. For example, FirstRx flags and reports to the Providers duplicates such as acute care and pharmacy Providers billing separately for a drug for the same Enrollee.

MMA uses appropriate Provider, Enrollee, and encounter and FFS claims history data to ensure appropriate duplicate editing. In the event a duplicate claim or suspected duplicate claim is returned from the evaluation, distinct messaging details the type of duplication encountered. We report duplicate claim responses to the Provider through our distinctive messaging capabilities; submitting Providers are afforded the opportunity to review the duplicate claim responses, reverses, and resubmit, if appropriate.

- **Edit Drug Claims to identify Dual Eligible Enrollees and deny Drug Claims covered by Medicare.**

FirstRx includes edits that identify dual eligible Enrollees. MMA's solution will deny claims covered by Medicare, Medicare Managed Care Plans, and Medicare Part D claims and return appropriate messaging to the submitter.

- **Maintain indicators to identify Medicare Part B drugs and properly apply Medicare Part B payment before Medicaid payment for those dually enrolled.**

FirstRx maintains indicators to identify Medicare Part B drugs and to properly apply Medicare Part B payment before Medicaid payment for those dually enrolled. After deducting the primary payer's amount from the claim, our system compares the Medicaid-allowed amount to the submitted claim cost and pays the lesser amount. Our system is configured to sum all values present for primary, secondary, or tertiary payers and deducts this value from the final claim payment ***in order to obtain maximum cost avoidance and reimbursement for Enrollees covered by third parties.***

- **Deny payment for products covered by Medicare Part D when the enrolled individual has any Medicare coverage.**

FirstRx will deny payment for products covered by Medicare Part D when the enrolled individual has any Medicare coverage. Messages indicating dual or duplicate coverage with commercial insurance programs or Medicare Part D coverage will be returned to the submitter if they are not fully cost-avoided on the inbound claim in accordance with the NCPDP standard.

- **Accommodate the processing of NDC-coded Drug Claims from Durable Medical Equipment (DME) Providers for State preferred diabetic supplies.**

FirstRx can process and adjudicate NDC-coded claims from DME Providers for State-preferred diabetic supplies as point-of-sale pharmacy claims, as directed by LDH.

- **Adhere to and enforce the LDH-preferred diabetic supplies list.**

FirstRx will be configured to enforce the LDH preferred diabetic supplies list.

- **Ensure the processing and Adjudication of Drug Claims for over-the-counter products and non-pharmaceuticals (e.g., DME, diabetic supplies, enteral products) as point-of-sale Drug Claims, as directed by LDH.**

FirstRx will be configured to process and adjudicate Drug Claims for over-the-counter products and non-pharmaceuticals (e.g., DME, diabetic supplies, enteral products) as point-of-sale Drug Claims, as directed by LDH.

- **Provide the ability to identify, at a Drug Claim level, the benefit plan under which the Drug Claim was processed (e.g., Medicaid, Dual Eligible, Hospice).**

MMA provides a look-up function using our FirstCI tool for authorized LDH and MCO staff to view claim level detail, including the benefit plan used to process the claim (e.g., Medicaid, Dual Eligible, Hospice).

Authorized users are provided read-only access through FirstCI, which provides searchable history of claims based on flexible parameters, including drug NDC, claim ID, Beneficiary ID, Provider ID, and dates of service, among others, which are visible in FirstCI for authorized user review. Authorized users can also run a report in MRx Explore showing these data points.

- **Provide NCPDP standard messages in addition to customized response messaging as specified by LDH for its current or future programs including, but not limited to:**
  - **Bill [Primary Health Plan] and [phone number] and BIN/PCN, Enrollee ID number and group number for Primary, identifying each MCO separately.**
  - **Bill Medicare Part B.**
  - **Bill Medicare Part D [plan name] and [phone number] and BIN/PCN, Enrollee ID number and group number for Medicare D.**
  - **Program has no pharmacy benefit.**
  - **Bill as Medical Supply.**
  - **PA required or PA expired on [date].**
  - **Drug not covered – included in long-term care/hospice per diem rate.**
  - **Prescriber not authorized, pharmacy not authorized, Prescriber/NDC not authorized, or pharmacy/NDC not authorized.**

FirstRx will provide NCPDP standard messages in addition to customized response messaging as specified by LDH for its current or future programs including, but not limited to Bill [Primary Health Plan], identifying each MCO separately, Bill Medicare Part B, Bill Medicare Part D, Program has no pharmacy benefit, Bill as Medical Supply, PA required or PA expired on [date], Drug not covered, Prescriber not authorized, pharmacy not authorized, Prescriber/NDC not authorized, or pharmacy/NDC not authorized.

If the claim fails any edit(s), FirstRx returns the appropriate NCPDP reject codes on the claim response. FirstRx supports claim response messaging fields that provide not only the claims status, including denial and rejection error codes, but also allows for customized supplemental messaging as defined and approved by LDH, up to the maximum length of the record. All edits are recorded on the claim record and made available for reporting purposes.

The supplemental messaging capabilities we offer to pharmacies can include custom messaging. Most messages to pharmacies are sent using text. However, if the pharmacy's receiving system can accept longer messages, we can work with LDH to determine message length. ***We have worked with some of our customers to modify the character length for these messages to 3,000 characters, enabling us to give their Providers more detailed information.***

Our claims processing system supports the messaging fields of the NCPDP claim response layout (i.e., the Message field and the repeating Additional Message Information field), and messages can be prioritized. Our claims processing system and pharmacy messaging capabilities are extremely flexible. MMA will work closely with LDH to understand their Louisiana Medicaid MCO specific requirements, such as drug-drug interactions involved with the paid, rejected, or denied claims at the system-assigned or determined severity level or drug-disease contraindications and reference sources.

Our messaging capabilities give submitting Providers NCPDP-compliant messages, including all the information they need to review and resubmit a denied claim, if appropriate.

- **Provide functionality to apply different reimbursement logic or benefit coverage as specified by LDH including:**
  - **Ingredient Cost, Professional Dispensing Fee, and Provider Fee payments based on Provider for compounded drugs, 340B drugs, Specialty Drugs, Local or Non-Local Pharmacy, and other criteria as determined by LDH. Professional Dispensing Fees are applied to Drug Claims fully and solely in**

accordance with LDH rules and policies and are reimbursed only to Provider types entitled to receive Professional Dispensing Fees.

- **Based on program, category code or other program specifications, Enrollee age, drug or drug class, Medicare-Medicaid dual eligibility, Enrollees residing in a nursing facility, and other criteria as determined by LDH.**

MMA's solution will provide functionality to apply different reimbursement logic or benefit coverage as specified by LDH including Ingredient Cost, Professional Dispensing Fee in accordance with LDH rules and policies, and Provider Fee payments based on Provider for compounded drugs, 340B drugs, Specialty Drugs, Local or Non-Local Pharmacy, and other criteria as determined by LDH.

FirstRx will also be configured to apply reimbursement logic or benefit coverage based on program, category code or other program specifications, Enrollee age, drug or drug class, Medicare-Medicaid dual eligibility, Enrollees residing in a nursing facility, and other criteria as determined by LDH.

Through our Code Table Maintenance functionality, we can flexibly add and modify price types for use in claim pricing and disposition as needed. The addition of new price types is accomplished through the FirstRx GUI and does not require application development. Once added, the price types are available for use in the determination of ingredient cost during claims processing. There is no limit to the number of price types that can be used.

MMA staff will configure and maintain ingredient cost, dispense fee, and Enrollee cost sharing edits for all our Medicaid state agency customers through a user interface. On-line user configuration of pricing algorithms eliminates the need to involve application development or other system resources to support LDH's current or future reimbursement methodologies allowing for quicker turnaround and deployment.

8.3.16 Drug Claim Edits (RFP 2.1.9.16)

MMA will meet all Drug Claim Edits requirements as described in RFP Section 2.1.9.16.

The Contractor shall:

- **Support a hierarchy/priority when applying edits, based on LDH-defined business rules (e.g., Provider, business area, State, Federal policy).**

LDH can define any number of groups and plans within groups, adding or deleting benefits within the rules engine as program policy and procedures change over time. Individual benefit plans can be assigned to one or more groups which facilitates the application of consistent rule sets to multiple groups where customers use groups to define, manage, and report on various populations that utilize an identical benefit.

As shown in *Figure 8.3-17*, MMA's solution will support a hierarchy/priority when applying edits, based on LDH-defined business rules (e.g., Provider, business area, State, Federal policy). FirstRx will be configured to support the LDH-approved hierarchy for claims processing. MMA provides the flexibility to adjudicate primary, secondary, and tertiary pharmacy claims consistent with LDH's coverage and reimbursement policies.

The typical design for a state Medicaid program involves one customer with multiple groups. Individual benefit plans can be assigned to one or more groups which facilitate the application of consistent rule sets to multiple groups where customers use groups to define, manage, and report on various populations that utilize an identical benefit. FirstRx is not limited in any way to the number of benefit plans that a customer can configure for their Enrollee populations.

- **Maintain documentation for all edits that includes, but is not limited to, the history, origin, and modifications and provide at LDH's request.**

MMA's staff will maintain documentation for all edits that includes, but is not limited to, the history, origin, and modifications and provide at LDH's request. FirstRx will adjudicate all claims, and MMA will maintain all supporting documentation in a retrievable electronic format, according to LDH guidelines. Supporting documentation received via fax for PA requests will be imaged and associated with the Enrollee's contact detail record in FirstTrax. This solution allows the documentation to be stored and connected to the Enrollee's profile via our FirstTrax contact management system.

- **Develop and maintain a current list of all edits and identify those edits that require PA and provide to LDH quarterly.**

MMA will develop and maintain a current list of all edits and identify those edits that require PA and provide to LDH quarterly. The Requirements Analysis Document (RAD) that is developed during implementation will document the functional business rules and prior authorization rules that are in place for the benefit plans managed under this contract after they have been discussed, validated, and confirmed with the State. The RAD is a living document that is maintained in the document repository over the life of the contract by MMA staff, and it can be provided to the State upon request.

- **Establish the ability and supporting processes to override any edit that causes a Drug Claim to deny, when directed to do so by LDH.**

FirstRx provides the ability for single and repeating overrides of any edit as directed by LDH, including for specified categories of service, Enrollee populations, and Provider groups. We will create an operational process to review usage of the override and take action or escalate findings for audit or action by an appropriate State agency as directed.

Once the transaction is submitted, the Provider will receive the appropriate NCPDP claim response in real time. MMA will send a detailed denial message so that the Provider may correct the error and resubmit. Alternatively, the Provider may call the Help Desk for assistance or request an override (if the situation allows).

- **Provide testing (non-production environment where mass adjustment events can be modeled based upon actual Drug Claim experience) for any modifications to edits and review the results with LDH prior to implementation (e.g., affected Drug Claim count, net financial impact, supplemental encounter files generated).**

MMA can submit a mass claim adjustment job as a trial job in the non-production (testing) FirstRx Restore Environment. This allows an authorized user to model mass adjustment events and review results such as affected claim count, net financial impact, supplemental encounter files generated, etc., before executing the actual mass adjustment in the production environment.

- **Conduct and complete testing to confirm accuracy of those changes and receive approval from each MCO prior to implementing any configuration change in the production environment.**

MMA will conduct and complete testing to confirm accuracy of those changes and receive approval from each MCO prior to implementing any configuration change in the production environment. Claims returned through the mass adjustment tool are available for review and selection prior to executing the resubmission or adjustment. Our staff can select the adjustment as an actual or as a faux adjustment. A faux adjustment allows users to review the outcome of adjudication prior to an actual adjustment. When claims are adjusted, payments to the Enrollee or pharmacy can be impacted. The rework system offers a range of processing options for both pharmacy and Enrollee rework. Users can select predefined

rules along with options based on their specific requirements. MMA will initiate mass adjustments in the production environment only after receipt of approval from LDH and each MCO.

- **Maintain Drug Claim edits that enforce LDH-specified conditions to be met for Drug Claims payment.**

MMA will maintain claim edits in FirstRx that enforce State-specific conditions to be met for claims payment in accordance with Louisiana Medicaid Program rules. These edits are defined during implementation and configured in FirstRx. They will be applied and maintained throughout the contract by MMA staff so as to remain consistent with evolving LDH requirements, regulatory changes, and innovations in ProDUR, following our defined Change Control Process.

- **Maintain, on the Drug Claim record, the edits that were triggered by the Drug Claim and the disposition of each edit on the Drug Claim.**

MMA's solution maintains, on the Drug Claim record, the edits that were triggered by the Drug Claim and the disposition of each edit on the Drug Claim. All edits are recorded on the claim record and made available for reporting purposes. FirstRx validates that each incoming claim is submitted in an NCPDP-compliant format and that it meets all applicable NCPDP Telecommunication edits/rules for fields, segments, and code sets. If the claim fails any edit(s), FirstRx returns the appropriate NCPDP reject codes on the claim response.

- **Maintain edits, PA programs, override codes and business processes to support "emergency supply" provisions for covered outpatient drugs in compliance with Federal requirements and as directed and approved by LDH.**

MMA will maintain edits, PA programs, override codes and business processes to support "emergency supply" provisions for covered outpatient drugs in compliance with Federal requirements and as directed and approved by LDH. As directed by LDH, for instances when a prior authorization is needed and Enrollees require a supply of medication, we are able to dispense a 72-hour emergency supply by having the Provider use a "3" in the Submission Clarification Code field, thereby complying with NCPDP.

- **Ensure that the prescription has not expired, and the number of valid refills has not been exceeded (Prescription Validity).**

FirstRx edits for valid prescription date and available refill. It will not process a claim with an expired prescription or if the number of valid refills has been exceeded and will return an NCPDP-compliant message to the submitting pharmacy Provider indicating that a new prescription is required.

- **Provide the ability to apply an Internal Control Number (ICN) to each Drug Claim and its supporting documentation, regardless of submission format, to track Drug Claims, conduct research, perform reconciliations, and for audit purposes.**

Each POS, batch, and paper claim, as well as any supporting documentation that enters the system is assigned a unique ICN. The ICN is the master index for all claim-related activity, including adjudication, tracking, reversal transactions, quantity and financial accumulations, research, reconciliation, all claim-related extracts, and audit purposes.

- **Ensure the system can add, change, or remove Adjudication processing rules to accommodate State and Federal required changes to the pharmacy program within thirty (30) Calendar Days, unless otherwise approved.**

MMA has the ability to establish Louisiana-specific adjudication rules customized for each LDH program by category codes, eligibility status, Enrollee attributes (e.g., age, medical condition), drug or drug class (e.g., brand/generic status, drug coverage status, PDL status), Medicare- Medicaid dual eligible status and other criteria specified by LDH. More than 98% of all program changes are configurable in FirstRx and do not require any programming or coding effort. This feature allows us to add, change, or remove processing rules within 30 calendar days to accommodate State and Federal requirements.

- **Identify and deny Drug Claims that contain invalid prescribing Provider numbers including where the National Provider Identifier (NPI) or prescribing Provider number is missing or is invalid.**

FirstRx provides real-time access to Provider eligibility, including the pharmacy and prescriber National Provider Identifier (NPI) and authorization IDs for electronic submission of claims. The claim will deny if the Provider or prescriber fails to meet the eligibility requirement or the record has been terminated, suspended, or is not on file to support compliance with LDH policy.

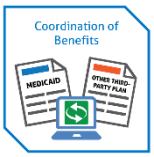
- **Identify any TPL and ensure that the Louisiana Medicaid Program is the payer of last resort.**

MMA provides and maintains in FirstRx NCPDP-compliant cost avoidance and TPL edits to ensure that it coordinates benefits so that Louisiana Medicaid is always the payer of last resort.

- **Develop and maintain NCPDP-compliant cost avoidance and TPL edits that conform to applicable Federal and State laws, rules, regulations, policies, procedures, and manuals and the State Plan to ensure that the Louisiana Medicaid Program is the payer of last resort.**

MMA will develop and maintain NCPDP-compliant cost avoidance and TPL edits that conform to applicable Federal and State laws, rules, regulations, policies, procedures, and manuals and the State Plan to ensure that the Louisiana Medicaid Program is the payer of last resort. The TPL/COB functionality in FirstRx is highly configurable and allows LDH to eliminate unnecessary payments to submitters when other insurance has been identified, ensuring that the State is the payer of last resort.

- **Always follow NCPDP guidance to utilize the Other Payer Amount Paid (OPAP) methodology for Government Programs Coordination of Benefits (COB).**



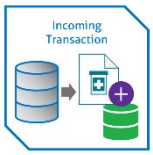
MMA will always follow NCPDP guidance to utilize the Other Payer Amount Paid methodology for Government Programs Coordination of Benefits (COB). FirstRx edits all pharmacy claims for the presence of TPL, using the data on the enrollment file and applies all Other Payer edits as allowed under the NCPDP Standard, as well as editing for any voluntary information submitted that is not yet available on the enrollment files.

- **Integrate the eligibility file containing other insurance indicator codes along with scope and term of coverage daily.**

Our solution will integrate the daily eligibility file from the Enrollment Broker containing other insurance indicator codes along with scope and term of coverage, and FirstRx will use this information to ensure accurate claim adjudication. FirstRx supports real-time coordination of benefits utilizing the NCPDP v.D.0 COB segment and data elements. If an Enrollee has verified other insurance coverage, the claim will deny NCPDP 41 - Submit Bill to Other Processor or Primary Payer, when the incoming claim does not contain the COB segment or if the data submitted on the incoming claim are not all-inclusive of the information existing on the enrollment record.

- **Validate Drug Claims to determine whether there is a liable third party (or parties) that shall be billed prior to billing LDH including, but not limited to:**
  - **Utilizing LDH eligibility and supplemental TPL data, Contractor's TPL resources, and any other available sources of TPL data to ensure that all prior payment opportunities are utilized.**
  - **Correctly coordinating benefits and processing Drug Claims where multiple third parties are liable before and/or after the MCO.**
  - **Denying payment until the Drug Claim has been Adjudicated by the other potentially liable payer(s) or the Network Provider submits a valid override.**
  - **Obtaining maximum cost avoidance and reimbursement for Enrollees covered by third parties.**

MMA receives TPL information on the 834 eligibility file provided by the Enrollment Broker, as well as voluntarily provided information on the submitted claim itself. MMA provides and maintains in FirstRx NCPDP-compliant cost avoidance and TPL edits to ensure that it coordinates benefits so that Louisiana Medicaid is always the payer of last resort. FirstRx fully supports all applicable State and federal policies with regard to verification of Enrollee eligibility and editing for pharmacy claims.



FirstRx edits TPL claims to adhere to the cost avoidance adjudication rules specified in federal and State regulations. Denials are issued in real time when the incoming claim does not contain the COB segment or if the incoming claims data do not match or include all the information on the enrollment record. If a third party exists, the claim will be rejected with an appropriate message instructing the Provider to bill the primary carrier, including such information as carrier code, carrier name, BIN, and policy number. This process minimizes pay and chase and maximizes real-time cost avoidance of pharmacy claims.

- **Edit for quantity and Morphine Milligram Equivalent (MME) limits for a specified time across multiple Drug Claims.**

MMA will maintain robust edits, including Morphine Milligram Equivalents (MME) accumulated over time and across Drug Claims and product groupings, and other POS utilization methodologies to drive appropriate utilization of opioids and other controlled substances. Our highly flexible First Rx POS processing system will provide LDH the ability to limit the amount of a specified drug or drug classification which LDH will allow for a specified time period across multiple claims.

- **Allow a maximum amount of acetaminophen per day across multiple acetaminophen-containing drugs per day(s)/month/year and other accumulation edits as directed by LDH.**

FirstRx supports limits for a specified time period across multiple claims edits as directed and approved by LDH. This approach can be used to allow a maximum amount of any specified substance to be limited. For example, MMA has implemented editing that allows a maximum of 4,000 mg of acetaminophen (APAP) accumulated across all APAP-containing products, maximum of 675 mg of Ajovy® (fremanezumab) across all dosage forms, and maximum of two per day of Oxycontin® (oxycodone ER).

- **Edit for products requiring submission of specific diagnosis codes at POS. Diagnosis codes may be pharmacy-submitted on the Drug Claim or derived historical Drug Claims (Diagnosis-Specific Requirements).**

FirstRx edits using pharmacy and medical claims data, including specific diagnosis codes, and prior claims present in the Enrollee's history profile. Requirements can be bypassed as determined by LDH for certain medications when specific medical conditions exist. Prescribers are encouraged to include the applicable diagnosis code on written prescriptions for inclusion on the electronic pharmacy claim. The claim is then submitted by the pharmacy including the appropriate Diagnosis Code.

MMA can configure FirstRx so that claims can automatically pay without the need for a prior authorization or claims can deny if a specific diagnosis is seen in medical claims history or submitted on the claim by the pharmacist. For example, if a diagnosis of COVID-19 is seen in medical claims history or

is submitted on the claim, MMA could deny a claim for ivermectin and require a clinical prior authorization. If a diagnosis of sickle cell disease is seen in medical claims history or submitted on the claim, MMA could allow opioid therapy without prior authorization. For those claims with insufficient information available to automatically adjudicate a PA determination, a PA request will need to be initiated via contact with our Pharmacy Customer Service Center or through our ePA solution.

In *Figure 8.3-18: AutoPA—Incoming Claim for Second Generation Cephalosporin Antibiotics,* we provide an example of one of our AutoPA rules that uses PDL requirements, age edits, and diagnosis codes on the incoming claim or in the Enrollee's history when an incoming claim for a second generation cephalosporin antibiotic is presented.

- **Support NCPDP multi-ingredient compound functionality to process compounded Drug Claims and implement policy and procedures with LDH approval.**

FirstRx processes multi-ingredient compound claims per the NCPDP vD.0 standard for compound processing, and our processing will fully comply with current LDH policy and procedures. Using this method, the Provider enters all compound components and associated quantities and costs. The system evaluates each ingredient separately, performing appropriate edit checks and pricing. In some cases, ingredients that are not covered by the program may be included in the claim. The FirstRx system will recognize a Submission Clarification Code value = 8 that alerts the system to process the non-covered ingredient but not reimburse the Provider for that ingredient, which ensures a full accounting of all ingredients in the Enrollee's health profile, while guaranteeing that the system will not pay for non-covered products.

- **Manually review and approve or deny within twenty-four (24) hours one hundred percent (100%) of multi-ingredient compounded Drug Claims that exceed the established dollar limit threshold to validate the medical necessity of the compound, commercial availability, and other clinical criteria approved by LDH.**

MMA will manually review and approve or deny within 24 hours 100% of multi-ingredient compounded Drug Claims that exceed the established dollar limit threshold to validate the medical necessity of the compound, commercial availability, and other clinical criteria approved by LDH. Our solution will support the secure communication of customized questions based on the patient and medication being requested, such as medical necessity, prior treatment, clinical indications, and total cost of therapy.

- **Adjudicate and reimburse Drug Claims for compounded drugs at ingredient level detail. A compound policy shall be developed in accordance with LDH guidance.**

MMA will develop a compound policy in accordance with LDH guidance. FirstRx processes multi-ingredient compound claims per the NCPDP vD.0 standard for compound processing, and our processing will fully comply with current LDH policy and procedures. Using this method, the Provider enters all compound components and associated quantities and costs. The system evaluates each ingredient separately, performing appropriate edit checks and pricing. In some cases, ingredients that are not covered by the program may be included in the claim. The FirstRx system will recognize a Submission Clarification Code value = 8 that alerts the system to process the non-covered ingredient but not reimburse the Provider for that ingredient, which ensures a full accounting of all ingredients in the Enrollee's health profile, while guaranteeing that the system will not pay for non-covered products.

- **Calculate and notify LDH of any retroactive rate, program changes, or retroactive changes in Enrollee eligibility that requires Drug Claim adjustments.**

MMA will calculate and notify LDH of any retroactive rate, program changes, or retroactive changes in Enrollee eligibility that requires Drug Claim adjustments. Our solution can create Drug Claim adjustment events in response to retroactive changes in data used for claim processing (e.g., product pricing, dispensing fee rates, policy, eligibility determination) at the direction of LDH.

- **Apply a predetermined set, or sets, of parameters that may reverse or amend incorrect transactions which paid incorrectly, or denied incorrectly, and repay them correctly.**

MMA's solution can apply a predetermined set, or sets, of parameters that may reverse or amend incorrect transactions which paid incorrectly, or denied incorrectly, and repay them correctly. We will collaborate with LDH to identify the parameters necessary for a mass adjustment. The mass adjustment functionality drills down to claims within a specified adjudication period, or other search criteria, such as service date, adjudication date, and authorization number. In addition, the system allows claims to be identified for multiple Enrollees, Providers, and/or prescription numbers. Claim transactions processed using this feature will be stored in FirstRx and will be available for review and reporting.

- **Adjust or void incorrect Drug Claims payments in accordance with the MCO Manual.**

MMA will adjust or void incorrect Drug Claims payments in accordance with the MCO Manual. A Claims Reversal (B2) transaction is used to cancel a claim that was previously processed. To submit a reversal, a pharmacy must void a claim that has received a PAID status and select the REVERSAL (Void) option in its computer system.

- **Notify LDH and the MCO(s) of all Drug Claims that have been erroneously processed within one (1) Business Day of discovery and immediately initiate appropriate action to correct the errors (e.g., adjustments, recoveries).**

MMA understands and accepts our responsibility to notify LDH and the MCO(s) of any claims processed in error within one business day of discovery. MMA's Compliance Officer will initiate appropriate action to correct all identified errors via use of the functionality afforded within FirstRx to mass adjust claims or via our established financial recovery process, and we will immediately take steps to correct the inherent issue that caused the processing error.

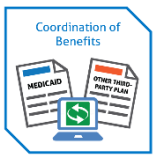
- **Reprocess Drug Claims when the Contractor, a Subcontractor, a Network Provider, an MCO, LDH or its designee discovers errors that occurred when a Drug Claim was Adjudicated. The Contractor shall make corrections and reprocess the Drug Claim within five (5) Business Days of discovery or notification, or if circumstances exist that prevent the Contractor from meeting this time frame, by a specified date subject to LDH written approval. The Contractor shall pay Network Providers interest at twelve percent (12%) per annum, calculated daily for the full period in which a payable Drug Claim remains unpaid beyond either the five (5) Business Day Drug Claims reprocessing deadline or the specified deadline approved by LDH in writing, whichever is later. The Contractor shall automatically recycle all impacted Drug Claims for all Network Providers and shall not require the Network Provider to resubmit the impacted Drug Claims.**

MMA agrees.

8.3.17 Third Party Liability (RFP 2.1.9.17)

MMA will meet all Third Party Liability requirements as described in RFP Section 2.1.9.17.

Pursuant to Federal and State law, the Louisiana Medicaid Program is intended to be the payer of last resort. This means all other liable third parties must meet their legal obligation to pay Drug Claims before the Contractor pays for the care of an Enrollee.



MMA has provided third party liability (TPL) and coordination of benefits (COB) to our state government customers for more than 31 years, starting in 1987, and we currently perform TPL and COB for 19 state government customers. The TPL/COB functionality in FirstRx is highly configurable and allows LDH to eliminate unnecessary payments to submitters when other insurance has been identified, ensuring that the State is the payer of last resort. FirstRx also performs COB when the Provider submits TPL information, even in those cases where we do not have TPL records on file for that Enrollee. FirstRx edits all pharmacy claims for the presence of TPL, using the data on the enrollment file and applies all Other Payer edits as allowed under the NCPDP Standard, as well as editing for any voluntary information submitted that is not yet available on the enrollment files.

The flexibility of our solution allows LDH to customize its cost avoidance solution to meet the needs of each individual program. The system edits incoming claims based on the available, validated TPL information on file and the configuration requirements by enabling the varied cost avoidance options available in FirstRx and following an approved hierarchy ensuring each claim has assessed for other insurance coverage, and LDH's TPL rules and requirements are met during the claims adjudication process.

FirstRx fully supports all applicable State and federal policies with regard to verification of Enrollee eligibility and editing for pharmacy claims. The FirstRx system will stamp each claim with the Enrollee eligibility group/benefit plan under which the claim was processed. All claims entering the FirstRx system are parsed to individual data fields and stored in data tables based on NCPDP claim standards. These data are maintained as required by contractual agreements.

FirstRx uses information received from the claims adjudication process. *Figure 8.3-19, Sample Adjudicated Claims Window with COB Information*, shows the COB information supplied on the incoming claim and viewable in GUI.

Figure 8.3-20, Sample Cost Avoidance Window, displays fields related to the Cost Avoidance portion of the claim. Our system is configured to sum all values present for primary, secondary, or tertiary payers and deducts this value from the final claim payment.

The Contractor shall:

- **Coordinate benefits in accordance with 42 CFR Part 433, Subpart D and La. R.S. 46:460.71, so that costs for services otherwise payable by the Contractor are cost avoided or recovered from a liable third party. The two methods used are cost avoidance and post-payment recovery. The Contractor shall use these methods in accordance with Federal and State laws, regulations, rules, policies, procedures, and manuals, and the State Plan.**

MMA's solution will coordinate benefits in accordance with 42 CFR Part 433, Subpart D and La. R.S. 46:460.71, so that costs for services otherwise payable by MMA are cost avoided or recovered from a liable third party. The two methods used are cost avoidance and post-payment recovery. MMA will use these methods in accordance with Federal and State laws, regulations, rules, policies, procedures, and manuals, and the State Plan.

MMA identifies any liable third party and ensures that Medicaid is the appropriate payer of last resort. MMA receives TPL information on the LDH-provided or MMIS-provided 834 eligibility files, as well as information on the submitted claim itself. MMA provides and maintains in FirstRx NCPDP-compliant cost avoidance and TPL edits to ensure that it coordinates benefits so that Louisiana Medicaid is always the payer of last resort. FirstRx fully supports all applicable State and federal policies with regard to verification of Enrollee eligibility and editing for pharmacy claims.

FirstRx edits TPL claims to adhere to the cost avoidance adjudication rules specified in federal and State regulations. Denials are issued in real time when the incoming claim does not contain the COB segment or if the incoming claims data does not match or include all the information on the enrollment record. If a third party exists, the claim will be rejected with an appropriate message instructing the Provider to bill the primary carrier, including such information as carrier code, carrier name, BIN, and policy number. This process minimizes pay and chase and maximizes real-time cost avoidance of pharmacy claims.

- **Receive, process, and update all records included in TPL Master Resource File sent daily by LDH or its designee within one (1) Business Day of receipt.**

MMA will receive, process, and update all records included in the TPL Master Resource File sent daily by LDH or its designee within one business day of receipt. MMA receives TPL information on the LDH-provided or designee-provided daily TPL Master Resource File, as well as information on the submitted claim itself. We will establish all transfers needed to update our records daily based on the information provided on the TPL Master Resource File. Our solution will integrate the daily eligibility file from LDH containing other insurance indicator codes along with scope and term of coverage, and FirstRx will use this information to ensure accurate claim adjudication.

- **Reconcile its system with TPL reconciliation file sent weekly by LDH or its designee within one (1) Business Day of receipt.**

MMA will reconcile our system with the TPL reconciliation file sent weekly by LDH or its designee within one business day of receipt.

- **Verify and update its system within four (4) Business Hours of receipt of an update request, if an Enrollee is unable to access PBM Covered Services until the update is made. This includes updates on coverage, including removal of coverage that existed prior to the Enrollee's linkage to the MCO that impacts Adjudication or Enrollee access to PBM Covered Services.**

MMA will verify and update its system within four business hours of receipt of an update request if an Enrollee is unable to access PBM Covered Services until the update is made. This includes updates on coverage, including removal of coverage that existed prior to the Enrollee's linkage to the MCO that impacts Adjudication or Enrollee access to PBM Covered Services.

In addition, if criteria at POS are not met, or if additional information is needed, the dispensing pharmacy is notified that a manual prior authorization is required. At this point, the prescriber can submit a manual prior authorization request through fax, mail, or telephone. For instances when a prior authorization is needed and Enrollees require a supply of medication, we can dispense a 72-hour emergency supply.

- **If there is no record of TPL, the Contractor shall Adjudicate the Drug Claim.**

If there is no record of TPL, and if there is no voluntary COB segment provided, MMA will adjudicate the Drug Claim as directed by LDH policy. The flexibility of our solution allows LDH to customize its cost avoidance solution to meet the needs of each individual program. If there is voluntary COB submitted on the Drug Claim, then MMA will subtract the amount from the final payment to the provider. The system edits incoming claims based on the available, validated TPL information on file and the configuration requirements by enabling the varied cost avoidance options available in FirstRx and following an approved hierarchy ensuring each claim has assessed for other insurance coverage, and LDH's TPL rules and requirements are met during the claims adjudication process.

8.3.17.1 Cost Avoidance and Pay and Chase (RFP 2.1.9.17.1)

The Contractor shall:

- **Cost-avoid a Drug Claim if it establishes the probable existence of TPL at the time the Drug Claim is filed, except for "pay and chase" Drug Claims identified in the MCO Manual.**

MMA's solution will cost avoid a Drug Claim if it establishes the probable existence of TPL at the time the Drug Claim is filed, except for "pay and chase" Drug Claims identified in the MCO Manual. FirstRx edits TPL claims to adhere to the cost avoidance adjudication rules specified in federal and State regulations.

Denials are issued in real time when the incoming claim does not contain the COB segment or if the incoming claims data does not match or include all the information on the enrollment record. If a third party exists, the claim will be rejected with an appropriate message instructing the Provider to bill the primary carrier, including such information as carrier code, carrier name, BIN, and policy number. ***This process minimizes pay and chase and maximizes real-time cost avoidance of pharmacy claims.***

If LDH desires enhanced capabilities to support COB/TPL, MMA has this capability as described in proposal *Section 9.0: Innovative Concepts And Value-Added Services*.

- **"Pay and chase" the full amount allowed under its payment schedule for the Drug Claim and then seek reimbursement from the liable third party. The Contractor shall, within sixty (60) Calendar Days after the end of the calendar month in which the payment was made (or within sixty (60) Calendar Days after the end of the calendar month the Contractor learns of the existence of TPL), pursue recovery from the liable third party to the extent of any legal liability.**

When required by LDH policy, MMA will determine for which Drug Claims to "pay and chase" the full amount allowed under its payment schedule for the Drug Claim and then seek reimbursement from the liable third party. MMA will, within 60 calendar days after the end of the calendar month in which the payment was made (or within 60 calendar days after the end of the calendar month that MMA learns of the existence of TPL), pursue recovery from the liable third party to the extent of any legal liability.

FirstRx supports both full-cost-avoidance functionality associated with Enrollee-other-payer coverage, as well as pay-and-chase functionality. The flexibility of the adjudication system allows plan configuration of products or Enrollees designated as pay-and-chase to bypass standard third-party eligibility requirements, pay the claim, and report the claim for follow-up activities per LDH guidelines.

For the pay and chase Drug Claims, any identified other health information (OHI) discovered in this process is further validated by an ANSI X12 270/271 to the primary payors' PBM. The information we are using to determine coverage is validated and does not lead to false positives and potential access issues. Our pay and chase solution checks the comprehensive nationwide database, allowing us to deliver accurate, and actionable information.

- **"Wait and see" on Drug Claims for a service that is provided to an individual on whose behalf child support enforcement is being carried out by the State Title IV-D agency. "Wait and see" is defined as payment of a Drug Claim only after documentation is submitted to the Contractor demonstrating that one hundred (100) Calendar Days have elapsed since the Network Provider billed the responsible third party and the Network Provider has not received payment for such services.**

As directed by LDH policy, MMA will wait and see on Drug Claims for a service that is provided to an individual on whose behalf child support enforcement is being carried out by the State Title IV-D agency. MMA acknowledges that "wait and see" is defined as payment of a Drug Claim only after documentation is submitted to MMA demonstrating that 100 calendar days have elapsed since the network provider billed the responsible third party and the network provider has not received payment for such services.

8.3.17.2 Post-Payment Recoveries (RFP 2.1.9.17.2)

If TPL is identified after a Drug Claim has been Adjudicated, the Contractor shall:

- **Initiate recovery of reimbursement within sixty (60) Calendar Days after the end of the calendar month in which the TPL is identified.**
- **Not perform post-payment recovery for TPL from Providers for Drug Claims with dates of service (DOS) older than ten (10) months, except when the liable third party is traditional Medicare, Tricare, or CHAMPUS.**
- **Recover from the Provider if the liable third party is traditional Medicare, Tricare or CHAMPUS, and more than ten (10) months have passed since the DOS.**
- **Allow Providers sixty (60) Calendar Days from the date stamp of the recovery letter to refute the recovery with a one-time thirty (30) Calendar Day extension at the Provider's request.**
- **Refer pay and chase Drug Claims directly to the liable third parties.**
- **Refer Point of Sale (POS) Drug Claims directly to the carrier.**

MMA works continuously to identify outliers for further review, corrective action, analytics, or recovery/recoupment activity. Our solution supports an established recoupment and reimbursement functionality that has proven effective when other prescription coverage has been identified.

If TPL is identified after a Drug Claim has been adjudicated, MMA will initiate recovery of reimbursement within 60 calendar days after the end of the calendar month in which the TPL is identified. We will not perform post-payment recovery for TPL from providers for Drug Claims with dates of service older than 10 months, except when the liable third party is traditional Medicare, Tricare, or CHAMPUS.

MMA will pursue recoveries from the provider if the liable third party is traditional Medicare, Tricare or CHAMPUS, and more than 10 months have passed since the DOS. We will allow providers 60 calendar days from the date stamp of the recovery letter to refute the recovery with a one-time 30 calendar day

extension at the provider's request. MMA will refer pay and chase Drug Claims directly to the liable third parties, and we will refer POS Drug Claims directly to the carrier.

FirstRx and FirstFinancial have the flexibility to allow claims to be fully or partially recouped as more clean claims funnel through the check write process. MMA will transfer 100% of our Drug Claims recoupments to the appropriate MCO.

- **Initiate an automatic recoupment at the expiration of the sixty (60) Calendar Day time period if an extension request is not received from the Network Provider and at the expiration of the ninety (90) Calendar Day time period if an extension is requested by the Network Provider if the Network Provider has not remitted the payment to the Contractor.**

MMA will initiate an automatic recoupment at the expiration of the 60-calendar day period of time if an extension request is not received from the network provider and at the expiration of the 90-calendar day time period if an extension is requested by the network provider if the network provider has not remitted the payment to MMA.

- **Identify and track potential TPL recoveries. The system shall produce reports indicating open receivables, closed receivables, amounts collected, amounts written off, and amounts avoided. These reports shall be made available to LDH upon request.**

MMA will identify and track potential TPL recoveries. The system will produce reports indicating open receivables, closed receivables, amounts collected, amounts written off, and amounts avoided. These reports will be made available to LDH upon request.

- **Identify the existence of potential TPL to pay for PBM Covered Services through the use of trauma code edits in accordance with 42 CFR §433.138(e).**
- **Seek reimbursement in accident/trauma related cases when Drug Claims in the aggregate equal or exceed five hundred dollars ($500.00) as required by the State Plan and Federal Medicaid guidelines and may seek reimbursement when Drug Claims in the aggregate are less than five hundred dollars ($500.00). Failure to seek reimbursement may result in Monetary Penalties as specified in Attachment G, Table of Monetary Penalties.**

Our solution will be configured to identify the existence of potential TPL to pay for PBM Covered Services through the use of trauma code edits in accordance with 42 CFR §433.138(e). As required by the State Plan and Federal Medicaid guidelines, MMA will seek reimbursement in accident/trauma related cases when Drug Claims in the aggregate equal or exceed $500.00 and may seek reimbursement when Drug Claims in the aggregate are less than $500.00. We acknowledge that failure to seek reimbursement may result in monetary penalties as specified in RFP Attachment G.

- **Notify LDH when subpoenas duces tecum are received and report the resulting recoveries to LDH.**

MMA will notify LDH when subpoenas duces tecum are received and will report the resulting recoveries to LDH.

- ~~**The amount of any recoveries collected by the Contractor outside of the Drug Claims processing system shall be treated by the Contractor as offsets to medical expenses for the purposes of reporting.**~~

This requirement was deleted by Addendum #4, Revision #16.

- **Obtain written approval from LDH prior to accepting a TPL settlement on accident/trauma-related Drug Claims equal to or greater than twenty-five thousand dollars ($25,000.00).**

MMA will obtain written approval from LDH prior to accepting a TPL settlement on accident/trauma-related Drug Claims equal to or greater than $25,000.00.

- **Upon receipt of a subpoena duces tecum, the Contractor shall produce documents responsive to said subpoena by the date of return indicated therein (or shall contact the party who caused issuance of the subpoena, in order to request additional time to respond) if the production is authorized under La. R.S.**

13:3715.1. Upon receipt of a request for records not sent via subpoena, the Contractor shall release PHI or a response explaining why PHI cannot be released to the individual or entity making the request, within fifteen (15) Calendar Days of receipt of the request and a written authorization, as set forth in La. R.S. 40:1165.1(A)(2)(c). The Contractor is solely responsible for any sanctions and costs imposed by a court of competent jurisdiction for failure to comply with the requirements of La. R.S. 40:1165.1(A)(2)(c) or for failure to respond Timely to a subpoena duces tecum. Additionally, LDH may impose sanctions against the Contractor for failure to properly or Timely respond to requests for PHI.

Upon receipt of a subpoena duces tecum, MMA agrees to produce documents responsive to said subpoena by the date of return indicated therein (or will contact the party who caused issuance of the subpoena, in order to request additional time to respond) if the production is authorized under La. R.S. 13:3715.1.

Upon receipt of a request for records not sent via subpoena, MMA will release PHI or a response explaining why PHI cannot be released to the individual or entity making the request, within 15 calendar days of receipt of the request and a written authorization, as set forth in La. R.S. 40:1165.1(A)(2)(c). We acknowledge that MMA is solely responsible for any sanctions and costs imposed by a court of competent jurisdiction for failure to comply with the requirements of La. R.S. 40:1165.1(A)(2)(c) or for failure to respond timely to a subpoena duces tecum. Additionally, MMA acknowledges that LDH may impose sanctions against MMA for failure to properly or timely respond to requests for PHI.

- **All records requests received by the Contractor shall be investigated by the Contractor (or its vendor) for possible TPL recoveries, resulting in issuance of a lien statement (or notice of lack thereof) to the requesting party, as provided for in La. R.S. 46:446.**

MMA's solution will be configured to investigate all records requests that we receive for possible TPL recoveries, resulting in issuance of a lien statement (or notice of lack thereof) to the requesting party, as provided for in La. R.S. 46:446.

- **When the Contractor has actual knowledge that an insurer or other risk bearing entity of an Enrollee has filed for bankruptcy and the Network Provider files a Drug Claim for reimbursement with the Contractor with dates of service prior to the date the insurer or other risk bearing entity filed bankruptcy, the Contractor shall reimburse the Network Provider with the Louisiana Medicaid Program as the primary insurer only if the Enrollee was enrolled with the Contractor at the time the service was provided and the Network Provider has not been paid. The Contractor shall seek reimbursement as a creditor in the bankruptcy proceeding or from a liable third party. If the Network Provider files a Drug Claim for reimbursement with the Contractor with dates of service after the date the insurer or other risk bearing entity filed for Chapter 11 bankruptcy, the insurer or other risk bearing entity shall continue to be the primary insurer. If the Network Provider files a Drug Claim for reimbursement with the Contractor with dates of service after the date the insurer or other risk bearing entity filed for Chapter 7 bankruptcy, the Louisiana Medicaid Program shall be the primary insurer.**

When MMA has actual knowledge that an insurer or other risk bearing entity of an Enrollee has filed for bankruptcy and the network provider files a Drug Claim for reimbursement with MMA with dates of service prior to the date the insurer or other risk bearing entity filed bankruptcy, MMA will reimburse the network provider with the Louisiana Medicaid Program as the primary insurer only if the Enrollee was enrolled with MMA at the time the service was provided and the network provider has not been paid.

MMA will seek reimbursement as a creditor in the bankruptcy proceeding or from a liable third party. If the network provider files a Drug Claim for reimbursement with MMA with dates of service after the date the insurer or other risk bearing entity filed for Chapter 11 bankruptcy, the insurer or other risk bearing entity will continue to be the primary insurer. If the network provider files a Drug Claim for reimbursement with MMA with dates of service after the date the insurer or other risk bearing entity filed for Chapter 7 bankruptcy, the Louisiana Medicaid Program will be the primary insurer.

- **Transfer one hundred percent (100%) of its TPL recoveries to the appropriate MCO.**

MMA will transfer 100% of our TPL recoveries to the appropriate MCO.

- **Void encounters for Drug Claims for which the full Louisiana Medicaid Program paid amount is being recouped. For recoupments for which the full Louisiana Medicaid Program paid amount is not being recouped, the Contractor shall submit adjusted encounters for the Drug Claims.**

MMA's solution will be configured to void encounters for Drug Claims for which the full Louisiana Medicaid Program paid amount is being recouped. For recoupments for which the full Louisiana Medicaid Program paid amount is not being recouped, MMA will submit adjusted encounters for the Drug Claims.

- **Provide TPL information to the MCO in a format and medium described in the MCO Manual and shall cooperate in any manner necessary, as requested by the MCO, with the MCO and/or its designee.**

MMA will provide TPL information to the MCO in a format and medium described in the MCO Manual, and we will cooperate in any manner necessary, as requested by the MCO, with the MCO and/or its designee.

8.3.17.3 LDH Right to Conduct Identification and Pursuit of TPL (RFP 2.1.9.17.3)

LDH may invoke the Contractor's right to pursue TPL recoveries if the Contractor fails to recover reimbursement from the liable third party to the limit of legal liability within three hundred sixty-five (365) Calendar Days from date(s) of service of the Drug Claim(s).

If the MCO determines that the Contractor is not actively engaged in cost avoidance activities, the Contractor may be subject to Monetary Penalties as set forth in Attachment V, *Table of Monetary Penalties*.

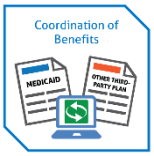
MMA acknowledges that LDH may invoke MMA's right to pursue TPL recoveries if MMA fails to recover reimbursement from the liable third party to the limit of legal liability within three hundred sixty-five (365) Calendar Days from date(s) of service of the Drug Claim(s).

If the MCO determines that MMA is not actively engaged in cost avoidance activities, we acknowledge that MMA may be subject to Monetary Penalties as set forth in Attachment V.

8.3.17.4 Coordination of Benefits (RFP 2.1.9.17.4)

The Contractor shall:

- **Report all available TPL information to billing Network Providers when another payer is primary including, but not limited to:**
  - **The payer's Bank Identification Number (BIN), Processor Control Number (PCN), and Group Number, as available.**
  - **The Cardholder Identification number assigned by the payer.**
  - **Other available payer names, identifiers, and phone numbers, as message space allows.**



MMA will report all available TPL information to billing network providers when another payer is primary including, but not limited to the payer's Bank Identification Number (BIN), Processor Control Number (PCN), and Group Number, as available, the Cardholder Identification number assigned by the payer, and other available payer names, identifiers, and phone numbers, as message space allows.

FirstRx supports claim response messaging fields that provide not only the claims status, including denial and rejection error codes identifying the denial reason, but also allows for customized supplemental messaging as defined and approved by LDH, up to the maximum length of the record.

- **Provide the ability for single and repeating overrides of TPL data, regardless of source, if the Network Provider has acted in good faith and the primary payer does not exist or has expired.**

FirstRx provides the ability for single and repeating overrides of TPL data as directed by LDH, including for specified categories of service, Enrollee populations, and Provider groups.

When a claim is determined to be deficient, the primary insurance renders an NCPDP ECL compliant denial. The pharmacy can resubmit the claim with the required data needed to adjudicate the claim within the timely filing period. Once the transaction is submitted, the Provider will receive the appropriate NCPDP claim response in real time. MMA will send a detailed denial message so that the Provider may correct the error and resubmit.

The provider can utilize the LDH-approved NCPDP-compliant Other Coverage Code (OCC) indicators OCC 1, 3, and 4 as shown in the following table when resubmitting the claim after the initial TPL denial, to provide their attestation that the override request is being submitted in good faith, according to LDH policy. Alternatively, the Provider may call the Help Desk for assistance or request an override (if the situation allows).

Other Coverage Code – NCPDP Field #308-CS	When to Use	Submission Requirements/Responses
1 – No Other Coverage	OCC 1 is allowed; this code can be used when the pharmacy cannot determine the valid TPL identity.	Additional fields in the NCPDP COB segment should not be submitted with this OCC. Verify TPL information provided. When the OCC=1 is used the claim will reject for NCPDP EC 13 M/I Other Coverage Code.
3 – Other Coverage Exists, Claim Not Covered	OCC 3 is used when the Enrollee has TPL, but the particular drug is not covered by the specific plan.	Requires submission of: ▪ Other Payer Date (443-E8) ▪ Other Payer Reject Code (472-6E) Claims submitted without required COB fields will reject with NCPDP code 13 or other specific reject codes. A valid reject code must be submitted on the claim. See Acceptable NCPDP Reject Codes.
4 – Other Coverage Exists, payment not collected	OCC 4 is used when an Enrollee's TPL is active, but there is no payment collected from the primary insurer (i.e., the Enrollee has not met their primary payer's deductible obligation OR the total cost of the claim is less than the patient's TPL co-pay requirement and the primary insurance plan made no payment).	Paid claim; also requires submission of: ▪ Other Payer Amount Paid (431-DV) that = $0; ▪ Other Payer Amount Paid Qualifier (342-HC); ▪ Other Payer-Patient Responsibility Amount Qualifier (351-NP); POS claims will reject with NCPDP EC 536 OP Pat Responsibility Amt Qualifier Value Not Supported when submitted with Other Payer-Pat Responsibility Amt Qualifier is not equal to 06-Patient Pay Amount and Other Coverage Code equals 2-Other Cov; Payment Collected and Other Payer Reject Code was not submitted. Other Payer-Patient Responsibility Amount Submitted (352-NQ) this is > $0; Other Payer Date (443-E8) that is valid

- **Conduct post-payment review of the utilization of any TPL overrides to ensure appropriate use and identify potential overuse of overrides.**

We will create an operational process to review potential overuse of TPL overrides and act or escalate findings for audit or action by an appropriate State agency if required. This post-payment review will be carried out by our under the direction of the MMA Program Integrity Unit.

- **If TPL is involved, the Contractor, as the secondary payer, may not deny the Drug Claim for a high dollar amount billed for Drug Claims less than one thousand five hundred dollars ($1,500).**

If TPL is involved, MMA, as the secondary payer, will not deny the Drug Claim for a high dollar amount billed for Drug Claims less than $1,500.

- **If the primary payer pays $0.00 or denies the Drug Claim, then the Drug Claims shall be treated as a straight Louisiana Medicaid Program Drug Claim, with all applicable edits applied.**
  - **Taxes on the primary Drug Claim shall be subtracted before calculating the MAC.**
  - **The pricing calculation is ingredient cost (quantity * price per unit) + Professional Dispensing Fee – TPL amount paid – copayment = payment.**
  - **If the U&C Charge is less than the MAC, then the calculation is U&C Charge – TPL amount paid – copayment = payment.**

If the primary payer pays $0.00 or denies a Drug Claim, then MMA will treat that Drug Claims as a straight Louisiana Medicaid Program Drug Claim, with all applicable edits applied. FirstRx will subtract taxes on the primary Drug Claim before calculating the MAC. Our solution will be configured to use the LDH-approved pricing calculation, which is ingredient cost (quantity * price per unit) + Professional Dispensing Fee – TPL amount paid – copayment = payment. If the U&C Charge is less than the MAC, then FirstRx will apply the following calculation: U&C Charge – TPL amount paid – copayment = payment.

- **If the primary payer pays more than $0.00, the Contractor shall:**
  - **Electronically bypass PA requirements and Point of Sale edits that would not be necessary as the secondary payer. Safety edits shall still apply.**
  - **Not reimburse the Provider Fee.**
  - **Process TPL Drug Claims with the same PCN and BIN number as primary Drug Claims.**
  - **Adjudicate primary and coordinated benefit Drug Claims for LDH's current programs and any future programs consistent with LDH's coverage and reimbursement policies and procedures.**

Table 1: Scenario: Outpatient Drug Claim

Amount Billed	TPL Paid Amount	MAC	Patient Responsibility Amount from Primary	Medicaid Pharmacy Co-Pay	Medicaid Payment
38.55	28.55	31.36	10.00 (Copay)	0.50	2.31
613.00	60.00	40.73	553.00 (Ded)	0.00	0.00
177.97	5.22	14.39	172.75 (Ded)	0.50	8.67

If the event that a primary payer pays more than $0.00, MMA's solution will be configured to electronically bypass PA requirements and Point-of-Sale edits that would not be necessary as the secondary payer. Safety edits will still apply. MMA will not reimburse the Provider Fee in this case. FirstRx will process TPL Drug Claims with the same PCN and BIN number as primary Drug Claims. MMA's solution will be configured to adjudicate primary and coordinated benefit Drug Claims for LDH's current

programs and any future programs consistent with LDH's coverage and reimbursement policies and procedures.

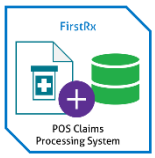
8.3.18 Paper Drug Claims (RFP 2.1.9.18)

MMA will meet all Paper Drug Claims requirements as described in RFP Section 2.1.9.18.

The Contractor shall provide the ability to process Drug Claims electronically as well as by batch electronic media and paper Drug Claims submitted directly for processing. Paper Drug Claims include, but are not limited to, those submitted for retroactively eligible Enrollees. Paper Drug Claims shall be HIPAA compliant and submitted on the NCPDP Universal Claim Form Version D.0, or most current version.

The Contractor shall:

- **Utilize NCPDP Telecommunication and Batch Standards, including, but not limited to, the B1, B2, and B3 transactions.**



MMA will provide a pharmacy claims processing system that is NCPDP/HIPAA-compliant. We will be responsible for all costs and efforts related to completing any HIPAA adopted updates to transaction sets to ensure continued compliance with existing federal and state HIPAA transaction and code set regulations.

HIPAA-adopted Transactions and Code Sets standards: MMA ensures that our applications are in full compliance with the HIPAA Transactions and Code Sets regulation, and we have taken a leadership position within the industry by working to establish the accepted code sets for the national standard-setting groups. In meeting the challenge of complying with the Transaction and Code Sets requirements, we have completed the development of an Electronic Data Interchange (EDI) strategy. We have implemented EDIFEC's software products (XEngine and Transaction Management) version 8.5.1.7 for message exchange between software applications, computing platforms, and communications protocols. MMA uses XEngine to validate that the messages are X12-compliant and then parses the X12 into individual elements for mapping information to our host systems for processing. This product suite includes the templates for the HIPAA standard transactions.

NCPDP Telecommunication and Batch Standards: MMA's system is fully HIPAA- and NCPDP v.D.0-and Batch standard version 1.2-compliant. Our staff was directly involved with the shaping and development of the NCPDP v.D.0 standard and the next HIPAA-named Telecommunication standard (version F6 or a newer version). MMA maximizes participation at NCPDP with technical, operational, and clinical employees, who represent all aspects of our business. MMA currently meets all state and federal privacy and security regulatory requirements for protecting data confidentiality, including those defined by the HIPAA Security Rule and HITECH Act, and all requirements for data and information processing as mandated by 42 CFR 447 for individual and batch claims. FirstRx accepts and sends all electronic data interchange (EDI) formats in the current version and continues to conform to implementation dates set by CMS supporting:

- **Original Claims Adjudication (B1)** – This transaction captures and processes the claim and returns the dollar amount allowed under the program's reimbursement formula. The B1 transaction is the prevalent transaction used by pharmacies.
- **Claims Reversal (B2)** – This transaction is used by a pharmacy to cancel a claim that was previously processed. To submit a reversal, a pharmacy must void a claim that has received a PAID status and select the REVERSAL (Void) option in its computer system.
- **Claims Re-Bill (B3)** – This transaction is used by the pharmacy to adjust and resubmit a claim that has received a PAID status.
- **Eligibility Verification (E1)** – This format may be used to determine recipient's eligibility status on the date of service.

- **Adjudicate one hundred percent (100%) of Network Provider-initiated paper Drug Claim adjustment requests within fourteen (14) Calendar Days of receipt.**

MMA will adjudicate 100% of Network Provider-initiated paper Drug Claim adjustment requests within 14 calendar days of receipt. Paper claims will be accepted on NCPDP Universal Claim Forms (UCF) as directed by LDH. A separate post office box will be set up for the Louisiana Medicaid Program pharmacy benefit program. Collected mail will be delivered to our secure mailroom in Glen Allen, Virginia, specifically for this contract. Mailroom staff will route correspondence to the appropriate department. MMA will leverage current staff to support this function. We will use existing quality procedures in our mailroom to ensure proper handling of incoming claims and other correspondence.

Our trained staff follows established procedures for claims receipt and control, security, and confidentiality. One clerk reviews, sorts, and slots the mail to the correct distribution area. Another clerk performs quality review to ensure the mail is in the appropriate distribution queue. Any questionable mail is routed to the supervisor for final determination or alternate handling.

- **Process paper Drug Claims for the term of the contract and for a period of twelve (12) months after the contract term date, if requested by LDH.**

MMA will process paper Drug Claims throughout the entire term of the Louisiana PBM Medicaid MCO Contract and for a period of 12 months after the contract term, if requested by LDH.

- **Create electronic imaged copies of all paper Drug Claims and attachments within one (1) Business Day of receipt.**

All paper claims will be imaged along with any attachments/documentation submitted within one business day of receipt. All paper claims and attachments are imaged and stored. As part of the scanning process, a unique internal control number is applied to each claim.

- **Make imaged copies of paper Drug Claims available for LDH review through access to the Drug Claims processing system or other online portal supplied by the Contractor.**

MMA will provide LDH with copies of paper Drug Claims for review through access to our Enterprise Content Management (ECM) system. Our ECM strategy supports the collection, managing, and publishing of information in any form or medium. MMA maintains an ECM repository of materials for each customer, and we provide ECM services to all of our current customers.

We tailor our approach to providing ECM services to meet customer-specific guidelines, as well as State and Federal regulations. MMA's document repository has controlled access, and access to system resources is controlled based on the specific user's security setup. MMA will work with LDH to determine mutually agreed-upon retention schedules. Our standard process is to retain all documentation electronically unless a specific request for hard copy archive is received.

- **Utilize quality and validation procedures to ensure accuracy of the information obtained from paper Drug Claims submitted and validate data entry before it is Adjudicated.**

MMA will use our established quality and validation procedures to ensure all paper claims are submitted and conform to the NCPDP telecommunications format standard D.0. We will validate data entry for each claim entered manually from industry-standard paper claim forms before the claim is adjudicated. The system ensures that the transaction data are consistent with the NCPDP field and valid code values.

- **Return Drug Claims with invalid or incomplete information to the submitting Provider along with a cover letter template approved by LDH explaining the reason why the Drug Claim(s) is being returned within one (1) Business Day of receipt of the Drug Claim(s) that cannot be processed.**

Within one business day of receipt of a claim that cannot be processed, MMA will return the claim with invalid/incomplete information to the submitting provider. A letter created using the template created

during the implementation and approved by LDH will accompany the claim and detail the missing information.

- **Provide efficient handling of paper records when electronic processes are not able to accommodate unique Drug Claims.**

MMA will use our established quality and validation procedures to ensure efficient handling of all paper claims and records when electronic processes are not able to accommodate unique Drug Claims.

When electronic processes cannot accommodate a Drug Claim, it is manually entered into FirstRx. MMA contracts with Iron Mountain to provide secure, off-site storage for recovery media and materials, including paper records.

- **Process an adjusted Drug Claim accurately through all edits, audits and pricing logic applied to an initial drug Claim.**

MMA processes an adjusted Drug Claim accurately using FirstRx, our POS claims processing system. FirstRx is effective-date driven regardless of the submission date. We will process an adjusted Drug Claim accurately through all edits, audits, and pricing logic applied based on the rules that are effective on the claim date of service. We communicate Drug Claim processing errors to LDH within 24 business hours of discovery and impact.

The adjustment is provided as two transactions, the reversal of the original claim and the new replacement transaction on the MCO's Claims File and Billing file, and on the Pharmacy Provider's Remit File based on the edits, audits, and pricing logic that was in-place at the date of service.

- **Validate each required data element of the Drug Claim record for valid values, correct format, and completeness.**

FirstRx maintains data integrity through the strict enforcement of NCPDP Standards for valid values, correct format, and completeness. The system validates each required data element of the claim record to ensure transaction data are consistent with the NCPDP field and valid code values. The Louisiana Medicaid Payer Specification Sheet identifies the NCPDP fields, mandatory and situational, required for claim submission.

FirstRx is configured to ensure required data are submitted on claims/encounters through the enforcement of NCPDP field standards. The Louisiana Medicaid Payer Specification Sheet is provided to all pharmacy providers and denotes which D.0 fields the plan requires for adjudication of pharmacy claim transactions.

- **Provide the capability of identifying unique Drug Claims and tracking them throughout their lifecycle and through any number of reversals and resubmissions.**

FirstRx assigns a unique identification number (ICN) for every claim that enters the system, regardless of the mode of submission. The ICN is the master index for all claim-related activity, including adjudication, reversal transaction, quantity and financial accumulations, and all claim-related extracts.

MMA processes adjustments for recovery in accordance with NCPDP B2 (reversal) and B3 (resubmission) transactions in FirstRx and adjusts the claim to the proper paid amount. Reversal transactions will contain a unique claim identification number, as well as link to the unique claim number of the original claim which was reversed.

The claim identification number is sent in the claim file. When the claim is reversed or adjusted, that adjustment will be included in the claims file to prevent an imbalance in the claims process. FirstRx enables end-to-end claim tracking from receipt of first new day claim, through adjustments and final payment.

8.3.19 Drug Claim Audit Logs (RFP 2.1.9.19)

MMA will meet all Drug Claim Audit Logs requirements as described in RFP 2.1.9.19.

The Contractor shall:

- **Provide automated system audit trails to document, identify, and track chronological records and transactions throughout its system(s), including all actions (e.g. additions, deletions, and changes to drug data maintenance, business rules, system configuration, user access, etc.).**

MMA will provide automated system audit trails to document, identify, and track chronological records and transactions throughout its system(s), including all actions (e.g. additions, deletions, and changes to drug data maintenance, business rules, system configuration, user access, etc.).

As a part of the claim record, all business rules applied to the claim are retained in FirstRx for training and reporting purposes. Additionally, for every addition, update, modification, or logical deletion of a business rule, the record is saved with the system user ID of the user, the current date and time, and a unique sequential rule identifier.

To preserve a full audit trail for every claim, adjudication rules are not physically deleted from FirstRx. They are modified to be marked as terminated or inactivated by being logically deleted. When an existing record is modified, a new record is created from the contents of the original record. This new record is then assigned another sequence number with a full audit history.

- **Capture data to include user information, date, time, and other audit log data as appropriate.**

Our solution captures data to include user information, date, time, and other audit log data as appropriate. MMA's solution collects sufficient detail to produce an immutable audit log (e.g., access date and time, user identification, machine or IP identification, event actions/activity identification and chronology) for PII/PHI data related events in compliance with Office of National Coordinator for Health Information Technology's ACA Section 1561 Recommendations, Recommendation 5.3 for Privacy and Security.

Audit Trails and Logs

We maintain extensive audit trails and logs through stacking of timestamps (not physically deleted). Computer systems handling sensitive information also securely log all events that are significant and relevant to security. Examples of such events include password guessing attempts, attempts to use privileges that have not been authorized, and attempts to modify or disable logging. The audit trail event records include enough detail information to establish what event occurred and who (or what) caused it. The event record specifies:

- Type of event
- When the event occurred (time and day)
- User ID associated with the event
- Program or command used to initiate the event.

All audit/management trails are backed up regularly and stored in a secure location. Audit trails are used for the following:

- Individual Accountability
- Reconstruction of Events
- Intrusion Detection
- Problem Identification.

Claims Tracking

MMA also ensures that for each claim record an audit log records each stage of processing, the date of each stage of claim processing, and any error codes posted. The claim audit trails will be retained in the application database and be retrievable through the application user access points.

Our FirstRx system contains audit trail functionality that allows an authorized user to easily track the life cycle of claims and encounter data, including but not limited to the original submission and all adjustments. FirstRx also contains audit trail functionality that will maintain a history of actions performed by interfaces.

FirstRx maintains historical information of all data code sets, replacements code sets, and modifications to records. Modified records are time stamped with the date and time of change, as well as the user ID and/or load job identifier. Changes are clearly visible in the user interface for user review. For files that are loaded to FirstRx, a load report is available for review and analysis to ensure that records have been added or updated in a timely manner. All records are dated as either effective, terminated, or logically deleted. Records might be past-dated/contain an effective date in the future.

User-Friendly Audit Trails

Our audit trails are easy-to-use, read, and understand. Each changed record is stamped with the username of the person and/or load job identifier in the database making the change, along with the date and time of the change. These are visible in the user interface. Audit trails may require specific codes that help an authorized user to decipher how a field was updated. For example, a field that is updatable by either the system or an authorized user may have code "01" for an LDH data feed change and/or a code of "02" for an internal user. If a code of "02" is present, the audit trail will also indicate the PBM system's authorized user ID.

If an authorized user is allowed to enter comments regarding the change, MMA guidelines require the use of common language that does not include jargon, abbreviations, or internal acronyms. Fields that typically allow for comments include those accessible by CSC and PA staff. Operations managers regularly review internal comments and provide feedback, as needed.

- **Produce robust audit trails and audit logs of all applications and engineering activities (including inquiry transactions) on the production systems.**

MMA's solution produces robust audit trails and audit logs of all applications and engineering activities (including inquiry transactions) on the production systems. Our solution provides the capability for auditing user (application and administration operations) access to PHI/PII data, including logging of events and user dialogs explaining access.

- **Retain audit logs and make them available to LDH in accordance with the LDH Records Management policy.**

MMA will retain audit logs and make them available to LDH in accordance with the LDH Records Management policy. Our solution produces sortable audit logs on-demand.

- **Establish policies, procedures, and practices to ensure there is appropriate internal monitoring of the audit logs and the established process produces documentation to evidence the monitoring effort.**

MMA has established policies, procedures, and practices to ensure there is appropriate internal monitoring of the audit logs and the established process produces documentation to evidence the monitoring effort. MMA's solution regularly reviews records of information system activity, such as audit logs, access reports, and security incident tracking reports.

- **Capture and maintain audit logs containing message types (e.g., security messages, incoming and outgoing requests and responses, internal processing messages, error messages).**

MMA will capture and maintain audit logs containing message types (e.g., security messages, incoming and outgoing requests and responses, internal processing messages, error messages). Our solution provides automated technical security controls that meet or exceed (in capability and in usage) those specified by the NIST SP 800-53 Rev. 4 High Control Baseline. The specific families of controls identified by this requirement are:

- Access Control (AC)
- Audit and Accountability (AU)
- Identification and Authentication (IA)
- System and Communications Protection (SC).

The system's implementation of these security controls will incorporate the guidance described by the relevant publications of the NIST and the SANS (SysAdmin, Audit, Network, Security) Institute.

- **Archive log messages per State records retention policies.**

MMA will archive log messages per State records retention policies. Our system supports data retention policies in accordance with records management retention rules and regulations.

8.3.20 Systems Documentation (RFP 2.1.9.20)

MMA will meet all Systems Documentation requirements as described in RFP 2.1.9.20.

The Contractor shall:

- **Develop and maintain written systems process and procedure manuals and other documentation that document and describe all manual and automated system procedures for its information management processes and information systems, in accordance with State standards.**

MMA will develop and maintain written systems process and procedure manuals and other documentation that document and describe all manual and automated system procedures for our information management processes and systems supporting the Louisiana Medicaid Managed Care Program, in accordance with State standards. In support of providing consistent and current documentation for end-users of the pharmacy solution, MMA will maintain comprehensive pharmacy end-user documentation and literature for internal program operations, as well as for external Louisiana Medicaid Managed Care Program stakeholders.

MMA will create all end-user documentation materials in accordance with LDH requirements and standards. Our documentation is provided online in Adobe PDF to allow for quick search and find capabilities and context-sensitive help. Once created and approved during requirements review and validation sessions conducted at the onset of implementation, the MMA updates and maintains documentation to evolving LDH requirements. All Louisiana Medicaid Managed Care Program information will be available on the MMA shared document repository, as well as on the provider Louisiana MCO PBM Web Portal.

Our project documentation, reference documentation on system operations and requirements, and user documentation will be written in plain English. ***Our approach to documentation maintenance supports our goal of standardized, published, and maintained information that is easily accessible and promotes the best understanding of the tools and services provided to LDH.*** User manuals, job aids, and tutorials are provided to our customers and designed to be used in conjunction with instructor-led training or as stand-alone job supports. All documentation contains step-by-step instructions on

accessing and using screens, reading reports, and performing ad hoc report development. All end-user documentation is written in a logical, procedural format that aligns with business transformation documents and allows for ease of understanding.

MMA will ensure that we capture and maintain accurate operational and business process flows of all Louisiana MCO PBM Project pharmacy processes. Leveraging our content management system and shared document repository, MMA maintains relevant program operations materials such as end user documentation including operations procedures and manuals, testing and training materials, a complete Data Dictionary, and other key program materials. All end-user documentation will be created and maintained to meet LDH's requirements.

- **Develop, prepare, print, maintain, produce, and distribute to LDH, or its designee(s), and the MCOs distinct systems design and management manuals, user manuals, and quick reference guides, and any updates.**

MMA will develop, prepare, print, maintain, produce, and distribute to LDH, its designee(s), and the MCOs, distinct systems design and management manuals, user manuals, and quick reference guides, as well as any updates to both LDH and the MCOs. We follow established processes and procedures in the management of physical and virtual documents for each project throughout the life of the contract. ***Our document management system provides a unified general content management solution that supports versioning capabilities and appropriate change control.*** The document library is easily configurable and organizes documentation so that it is easy to find. The library is also supported by full text search capability for text-based documents, enabling document consumers to quickly and easily locate the information they need to find. Using the manuals as a testing tool ensure that the end users will be able to follow the steps in the manuals to achieve their desired results in day-to-day operations. Once the documents have been finalized, we upload them to the Louisiana MCO PBM Project shared document repository. MMA also has the ability to mail a hard copy, if requested.

- **Ensure that abbreviations and acronyms are defined and consistent throughout the manuals and quick reference guides.**

MMA provides an abbreviation and acronyms list at the end of all documentation such as operation manuals and procedures, quick reference guides, training guides, and companion guides. We provide templates for all MMA documentation to LDH for review and approval during requirements review and validation sessions.

- **Ensure the systems user manuals contain information about, and instruction for, using applicable systems functions and accessing applicable system data.**

MMA will ensure that Louisiana Medicaid Managed Care Program systems user manuals contain information about, and instruction for, using applicable systems functions and accessing applicable system data. ***Our approach to documentation maintenance supports our goal of standardized, published, and maintained information that is easily accessible and promotes the best understanding of the tools and services provided to LDH and Louisiana Medicaid Managed Care Program stakeholders.*** User guides, user manuals, job aids, and tutorials are provided to LDH and designed to be used in conjunction with web-based training and as stand-alone job support. All documentation contains step-by-step instructions on accessing and using screens, reading reports, and performing ad hoc report development. All end-user documentation is written in a logical, procedural format which aligns with business transformation documents and allows for ease of understanding.

- **Provide descriptions of error messages for all field edits, including the necessary steps to correct such errors.**

MMA maintains relevant program operations materials such as end-user documentation including operations procedures and manuals, testing and training materials, a complete Data Dictionary, and

other key program materials. These materials, particularly the operations manuals, will provide field edit description of error messages.

- **Ensure when a system change is subject to LDH prior written approval, the Contractor will submit any necessary revision(s) to the appropriate manuals before implementing said systems changes.**

Our system documentation will be kept up-to-date to reflect changes to configuration due to technical implementation details, change requests, or any other factors that cause deviation from the original design. When a system change is subject to LDH prior written approval, MMA will submit any necessary revision(s) to the appropriate manuals before implementing the systems changes.

- **Ensure all manuals and quick reference guides are available in printed form and online.**

MMA will ensure that all manuals and quick reference guides are available in printed form and online. We will post documentation to the Louisiana MCO PBM Web Portal so they can be accessed easily and downloaded for printing. Our documentation is provided online in Adobe pdf to allow for quick search and find capabilities and context-sensitive help.

- **Update the electronic version of the manuals and quick reference guides immediately, and update printed versions within ten (10) Business Days of the update taking effect.**

MMA will update the electronic version of the manuals and quick reference guides immediately, and update printed versions within 10 Business Days of the update taking effect. We will conduct an internal documentation review process that validates all revisions have been correctly made to the documentation in accordance with LDH-specific approved criteria and standards, as well as industry professional standards.

- **Provide authorized users access to current and historical manuals and quick reference guides.**

MMA will provide authorized users access to current and historical manuals and quick reference guides. We make all material available and easy for authorized internal program stakeholders and LDH support teams to access. All documents reside in our shared document repository and are also accessed via the Louisiana MCO PBM Web Portal through an intuitive and user-friendly interface. These capabilities are made available through a web-browser interface that does not require any custom installation of software or tools. The only requirement of the end-user workstation is the use of a standard web browser and an Internet connection.

- **Identify all revisions and maintain history with change date of all revisions to manuals and quick reference guides. Make such revision history available to LDH, or its designee, and the MCOs upon request.**

MMA's established content management processes include identifying all revisions and maintaining history with change dates of all revisions to manuals and quick reference guides. We will make documentation revision history available to LDH, specified LDH designees, and the MCOs upon request.

Our established documentation QA processes are designed to create and maintain a full audit trail for all end user documentation. When any revision to our LDH-approved documentation needs to be made, the person who made the revision is required to follow our established QA process, including the following steps: change the revision number, date the revision, update the revision history, and publish the revised documentation to the shared document repository and, if necessary, to the Louisiana MCO PBM Web Portal.

MMA ensures that we provide revision history for all user documentation updates. When any revision to our LDH-approved documentation is made, the person who made the revision changes the revision number, the date the revision was made, updates the revision history, and makes the revision available should LDH elect to review.

- **Provide and maintain electronic documentation that details the pricing structure and associated functionality provided by the system.**

MMA maintains and will provide electronic documentation that details the pricing structure and associated functionality provided by FirstRx in accordance with RFP requirements. In partnership with LDH during implementation, MMA will develop and maintain the Requirements Analysis Document (RAD). The RAD will document the business rules for all edits managed under the Louisiana PBM Services for Medicaid MCOs Contract after they have been discussed, validated, and confirmed with LDH. MMA staff will create, modify, and maintain the RAD throughout the life of the Louisiana MCO PBM Project on a shared document repository. MMA will provide the RAD to LDH upon request.

All required documentation must be submitted to LDH or its designee for review and approval as part of Readiness Review.

MMA will submit all required documentation to LDH or its designee for review and approval as part of Readiness Review. We will collaborate with LDH and appropriate stakeholders during requirements review meetings to capture all requirements for end-user documentation. These workshop validation sessions include presentation and discussion of MMA artifacts, template verification, and core MMA system functionality.

The presentation of these materials and the feedback received from participating LDH staff permits our Implementation Team to gain knowledge of the user sophistication and understanding of the MMA solution. This user feedback allows MMA training staff to refine our training programs and user documentation to focus on any areas of concern that LDH, MCO, and other stakeholder staff may have as they adjust to the new pharmacy benefit system.

Our testing approach for all types of testing activities requires that all end user documentation stays aligned with changes in requirements or anticipated test outcomes. MMA maintains requirements traceability among the technical design documents, their business requirements, and their related requirements analysis documents. We archive these artifacts in our shared documents repository that authorized LDH staff can easily access. MMA provides LDH with visibility to all Louisiana MCO PBM Project documentation throughout the life of the contract.

The Contractor shall provide a Systems Refresh Plan to LDH or its designee for review and approval as part of Readiness Review and sixty (60) Calendar Days prior to implementation of revisions. The Systems Refresh Plan shall outline how systems within the Contractor's span of control shall be systematically assessed to determine the need to modify, upgrade, and/or replace application software, operating hardware and software, telecommunications capabilities, information management policies and procedures, and/or systems management policies and procedures in response to changes in business requirements, technology obsolescence, staff turnover and other relevant factors. The systems refresh plan shall also indicate how the Contractor shall ensure that the version and/or release level of all of its systems components (application software, operating hardware, and operating software) are always formally supported by the original equipment manufacturer (OEM), software development firm (SDF), or a third party authorized by the OEM and/or SDF to support the systems component.

As part of our part of Readiness Review process, MMA will provide LDH, or its authorized designee, a Systems Refresh Plan for review and approval. The Systems Refresh Plan will be submitted 60 Calendar Days prior to implementation of revisions.

Components of our Systems Refresh Plan will detail how systems within MMA's span of control will be systematically assessed to determine the need to modify, upgrade, and/or replace application software, operating hardware and software, telecommunications capabilities, information management policies and procedures, and/or systems management policies and procedures in response to changes in business requirements, technology obsolescence, staff turnover and other relevant factors.

In addition, our Systems Refresh Plan will describe MMA's established processes to ensure that the version and/or release level of all of our systems components (e.g., application software, operating hardware, and operating software) are formally supported by the original equipment manufacturer (OEM), software development firm (SDF), or a third party authorized by the OEM and/or SDF to support the systems component.

8.3.21 Defect Management (RFP 2.1.21)

MMA will meet all Defect Management requirements as described in RFP Section 2.1.9.21.

The Contractor is responsible for resolving Defects and related issues according to the severity, impact, and priority classification specified herein. LDH and the MCOs shall not be liable for the cost of any change order related to resolving Defects and related issues.

MMA will be responsible for resolving Defects and related issues according to the severity, impact, and priority classification specified herein. We agree that LDH and the MCOs will not be liable for the cost of any change order related to resolving Defects and related issues.

MMA has a proven and well-established methodology for reporting, tracking, and managing system defects, as we have shown in our tenure as the Louisiana PDL contractor. If defects are identified, defects are logged and tracked using the JIRA Defect Management Tool.

MMA provides initial solutions to identified flaws auto generated after each scan and provides them to all Service Owners. Our quality assurance (QA) personnel manage the evaluation of security patches, service packs.

Hotfixes are handled with regression testing. We perform testing in development and QA in an effort to check effectiveness and detect any negative impact the change may have on business operations. We collect flaw remediation and vulnerability metrics and store them in the Tenable Security Center centralized repositories.

We develop a formal patch waiver document and disseminate it to a service owner if a patch cannot be applied within the normal patch cycle. All of these processes are documented in the Information Technology Security Policy and included as part of our defect management approach.

MMA implements security relevant software and firmware updates using the requirements in our Patch and Vulnerability Management Policy. These remediation efforts are part of the management process and are approved by the Change Advisory Board prior to deployment/implementation. As part of our established process, MMA provides standard testing reports, which include the following:

- Assigned Test Case number
- Functional area
- Test Case/Scenario name
- Test Case steps/conditions
- Expected results
- Pass/Fail status
- Traceability/references to the contract requirements tested.

In addition, defect reporting is provided to communicate pertinent information around any associated defects and remediation results. As defects are identified during testing, they are logged and tracked using our defect tracking tool. All reports will be shared with LDH via the communication method as stipulated per the Contract.

8.3.21.1 Severity (RFP 2.1.21.1)

The following are severity classifications:

- **Critical: A failure or significant degradation of service affects all users where there is no alternative or workaround, and it causes significant negative impact to security, business operations and/or financial implications.**
- **High: A failure or degradation of service causing moderate disruption to business with negative security or financial implications where there is no alternative or workaround.**
- **Medium: A degradation of service causing partial or limited functionality, without a failure. Issue has a possible workaround.**
- **Low: A non-substantial defect, incident, or issue that does not present an interruption in service and has limited to no business impact.**

MMA will adhere to the LDH severity classifications for defects in our approach to resolving defects as well as in our reporting, with the classifications defined as follows:

- **Critical:** A failure or significant degradation of service affects all users where there is no alternative or workaround, and it causes significant negative impact to security, business operations and/or financial implications.
- **High:** A failure or degradation of service causing moderate disruption to business with negative security or financial implications where there is no alternative or workaround.
- **Medium:** A degradation of service causing partial or limited functionality, without a failure. Issue has a possible workaround.
- **Low:** A non-substantial defect, incident, or issue that does not present an interruption in service and has limited to no business impact.

8.3.21.2 Impact (RFP 2.1.21.2)

The following are impact classifications:

- **Complete: Affects all users.**
- **Widespread: Affects a majority of all users.**
- **Localized: Affects less than half of all users.**
- **Isolated: Affects a small number of users.**

MMA acknowledges and agrees to the following impact classifications as defined by LDH:

- Complete: Affects all users.
- Widespread: Affects a majority of all users.
- Localized: Affects less than half of all users.
- Isolated: Affects a small number of users.

8.3.21.3 Priority (RFP 2.1.9.21.3)

An initial Priority should be assigned for user-reported problems to ensure that the most serious problems are addressed first. The following are priority classifications:

- **Critical Priority: Multi-component or critical functionality outages. Serious disruption to State business where there is no alternative or workaround. Severe security impact, significant impact to business operations, and/or negative financial implications to the State.**
- **High Priority: Single component or single critical functionality outage. Moderate disruption to State business where there is no alternative or workaround. Negative security and/or financial implications to the State.**
- **Medium Priority: Partial or limited functionality of the system or a component causing a negative operational impact for the State or delay to daily State business processes. Issue has a possible workaround.**
- **Low Priority: Affects a small number of users with limited to no business implications to the State. Problem concerning minor items with no negative Impact to system functionality or State business processes.**

Priority	Performance Expectation	Response	Updates to State
Critical Priority	Resolution or plan for resolution: Within one hour of a critical priority production issue being reported, Contractor initiates a conference call/meeting to determine a Rapid Action Plan (RAP).	24x7 Response until incident is downgraded or resolved.	Every 1 hour or as requested by State.
High Priority	Resolution or plan for resolution: Within four hours of a high priority production issue being reported, Contractor initiates a conference call/meeting to determine a Rapid Action Plan (RAP).	Hourly monitoring until incident is downgraded or resolved.	Every 4 hours or as requested by State.
Medium Priority	Resolution or plan for resolution: Plan for resolution will be defined between the Contractor and State.	As requested by State, with a minimum of daily monitoring.	As requested by State.
Low Priority	Resolution or plan for resolution: Plan for resolution will be defined between the Contractor and LDH.	As requested by State.	As requested by State.

MMA will assign initial priority classifications for user-reported problems to ensure that the most serious problems are addressed first, according to the LDH-defined critical, high, medium, and low priority classification definitions.

MMA defines timelines by criticality rating, and they are stated within the policy for fixing identified flaws. We outline a risk scoring formula in the policy to more accurately measure risk to specific systems or host systems. We will adhere to the LDH-defined response timelines by criticality as stated in this requirement.

8.4 Covered Drug List (CDL)/Preferred Drug List (Single PDL) (RFP 2.1.10)

Covered Drug List (CDL) / Preferred Drug List (Single PDL): Describe in detail how the Proposer will operationalize and maintain compliance with the Single PDL and prior authorization requirements

In accordance with 42 CFR §438.3, the Contractor shall maintain a Covered Drug List (CDL) which includes all outpatient drugs for which the manufacturer has entered into a Federal rebate agreement and meet the standards in Section 1927 of the Social Security Act.

MMA will leverage our 37 years of experience providing formulary management services to support Louisiana's Single Preferred Drug List (PDL) and Covered Drug List (CDL) We will utilize best practices to operationalize and maintain compliance with the Single PDL and prior authorization (PA) requirements. This includes receiving a weekly file of new National Drug Codes (NDCs) that enter the market and developing business rules in collaboration with LDH to ensure our clinical team understands exactly how each NDC will be covered based on LDH's Single PDL and CDL. Formularies are loaded to the FirstRx system for use in claims adjudication, and all changes to either the Single PDL or the CDL are reflected in the system. MMA understands that programmatic and formulary changes can have profound implications to LDH Enrollees who may already have other significant barriers to care.

Formulary Management Tool

We provide drug benefit management services and can configure drug coverage parameters through our innovative Formulary Management Tool (FMT) in FirstRx, which provides the ability to configure drug coverage parameters through the use of customized indicators. FMT assists in managing clinical, operational, and Single PDL and CDL drug benefit configurations and is fully embedded within the FirstRx POS claims system. ***Our solution is a highly flexible and dynamic claims engine backed by clinical intelligence allowing for maximum flexibility in benefit design and complex AutoPA capabilities.***

The primary advantage of FMT functionality is that it allows the user to easily decipher which products are covered and allows for quick turnaround on changes. The FMT offers an infinite choice of options to LDH to define business rules and apply claims edits. As part of our standard design, the following parameters allow the assignment of multi-byte values for configuration edits/audits:

- Coverage
- Prior Authorization
- LDH-specific Drug Class
- Minimum Quantity
- Maximum Quantity
- Refill
- Limitation
- Co-pay
- Medicare
- Formulary Indicator.

MMA incorporates drug information from First Databank (FDB), which can be used to create formulary-specific rules from therapeutic class down to the NDC level. The MMA FMT enables the establishment of drug coverage parameters through the use of customized indicators, allowing for complete customization of LDH-defined criteria of edits (e.g., formulary, quantity limits, age limits, brand/generic). At the drug level, the system may be configured to edit based on quantity limits, brand-generic status, dose per day, or a multitude of other drug-specific limitations to support threshold boundary PA.

Our highly configurable formulary management functionality allows for these parameters to be configured within the system, thereby eliminating the need for multiple formulary files in each of the programs. Customization of drug product coverage and pricing can be established at all hierarchy levels. If specific products are identified for alternate or manual pricing intervention or review (e.g., compound processing), claims for those products can be processed in an automated manner or denied pending further review. Assignment of indicators to a particular product or tier of products through FMT provides additional means of reporting for intervention, manual review, and analysis of processed claims. With FMT, changing a drug from preferred on the PDL (i.e., FMT indicator of PDL) to non-preferred (i.e., FMT indicator of NPD) or preferred with PA (i.e., FMT indicator of PPA), for example, can be performed with just a few clicks. As a result, these changes occur almost instantly in FirstRx. ***The ability to quickly change LDH's formulary indicators, which enables configuration around those indicators, is beneficial for LDH and the Enrollees the Louisiana Medicaid Managed Care Program serves.***

Drug Reference Data

MMA contracts with drug data vendors for drug reference data and loads the required drug attributes to the formulary management drug module in the FirstRx system, as necessary, to support adjudication of Louisiana Medicaid Managed Care Program pharmacy claims. We currently process claims in FirstRx using the clinical data contained in the FDB MedKnowledge drug database. MMA receives weekly updates from FDB that include additions, modifications, pricing, and deletions to the drug file, as well as related drug clinical parameters and the Medi-Span Master Drug Data Base as a source for average wholesale pricing (AWP) data. The application or load of FDB files to the adjudication engine is logged at each individual NDC. A record update timestamp and load job identifier are present in the database and visible in the FirstRx graphical user interface (GUI) for user review.

Clinical Support

As a benefit to our customers, MMA's Drug Policy Development (DPD) Committee continually monitors new drug approvals, changes in drug indications, and labeling changes to existing products. The DPD also monitors newly published clinical trials and treatment guidelines, market availability, and other sources of drug information. Our Clinical Team reviews the weekly pharmacy drug file and provides information to our customers in our weekly Clinical Update. This update provides information regarding any new drugs in the file, new generics, and new indications for existing agents. From this information, our Clinical Pharmacy Director, Tina Hawkins, PharmD, can make recommendations to LDH for products for clinical edits, quantity limits, and revision of clinical criteria, in addition to the PDL clinical recommendations we make as the current LDH PDL contractor. Additionally, Dr. Hawkins will receive and review the weekly report that indicates coding applied to new NDCs through our automated FMT. During this review, she will confirm that automated coding parameters have been applied correctly to new agents in accordance with LDH specifications.

Our clinical pharmacists have in-depth formulary management experience and are extremely knowledgeable in navigating clinical guidelines and best practices for pharmacotherapy to provide the highest level of support to Enrollees and participating Providers. Our pharmacists are available to discuss drug therapy, side effects or adverse drug reactions, or other drug or therapy-related questions. We will advise and provide clinical support as needed to Enrollees, LDH staff, MCOs, and Network Providers. MMA can enhance program quality improvement efforts through clinical consultation, giving LDH insight into current guidelines for formulary management and helping to ensure Enrollees receive the best possible therapy. We will actively participate in researching clinical issues regarding the formulary, treatment regimens, providing documentation to be posted on the Louisiana MCO PBM Web

Portal, and preparing recommendations for LDH. We will present formulary recommendations featuring best clinical practices and evidence-based medicine. MMA will operationalize and maintain compliance with the Single PDL and prior authorization (PA) requirements by leveraging our clinical expertise and innovative formulary designs.

In addition, the MMA clinical team's surveillance process monitors new clinical guidelines and anticipated Food and Drug Administration (FDA), decisions, including ongoing FDA communications and warnings, expected advisory panel meetings, and prescription drug user fee act announcements. ***This allows us to anticipate the impact of the new drug and determine coverage before the formal announcement of FDA decisions.*** Urgent or emergent FDA decisions are reviewed internally by our DPD Committee which evaluates significance and potential impact of those announcements. This Committee issues new or revised clinical criteria or recommendations and creates documents supporting FDA decisions (for example, new drug updates and position statements). We employ rapid communication on emergent therapeutic issues to alert Prescribers and customers about significant patient-safety related issues (e.g., drug withdrawals, black box warnings, and Class I recalls).

Stakeholder Communication

MMA is responsible for communicating changes, such as formulary changes, to keep Providers apprised and informed as detailed below.

Web Portal: MMA will provide a Louisiana MCO PBM Web Portal to communicate significant events, such as the addition or deletion of formulary medications, changes in protocol, and program announcements to network pharmacies. We will develop, maintain, and distribute a pharmacy procedure and billing manual, along with payer sheets to Providers via our Louisiana MCO PBM Web Portal. The manual and payer sheets include instructions on how to submit claims, define plan specifics, and provide PA details and reimbursement information. Our Louisiana MCO PBM Web Portal will be updated on a regular basis.

Point-of-Sale Messaging: We also communicate with pharmacy Providers via messaging through FirstRx at the POS, including soft edits, hard edits, therapeutic duplication edits, and free-form messaging. Our free-form messaging affords pharmacists the ability to resolve issues at the POS. For example, our messaging to pharmacists at the POS will provide a contact telephone number for the Provider to call for adjudication assistance if the Enrollee is missing their ID card.

As required by LDH, MMA will maintain, in accordance with 42 CFR §438.3, a Louisiana MCO PBM CDL which includes all outpatient drugs for which the manufacturer has entered into a Federal rebate agreement and meet the standards in Section 1927 of the Social Security Act which details regulations for the payment of outpatient drugs.

Leveraging our experience as the incumbent contractor for Louisiana's PDL and supplemental drug rebate program, where we provide the State's single Medicaid PDL, LDH will benefit from a more streamlined Medicaid pharmacy solution and realize several efficiencies. The application of the PDL will be more consistent across LDH's five MCO partners, translating into higher supplemental rebate yields. LDH Single PDL changes will be directly updated in MMA's POS system, without the need for a third-party interface or crosswalk, resulting in current drug lists being reflected in the POS system more quickly. MMA's inherent understanding of Louisiana's Single PDL program goals will enable us to configure it more accurately in our PBM systems, eliminating errors. Ultimately, these synergies will create more alignment and integration that will generate cost-savings on both the PDL and PBM sides of Louisiana's Medicaid program, as well as improve continuity of care for Louisiana Medicaid Managed Care Program Enrollees. In the following narrative, we present our approach to meeting and/or exceeding all requirements in RFP Section 2.10.

The Contractor shall:

- **Include all drugs deemed medically necessary for Enrollees under the age of twenty-one (21).**
- **Exclude only those drugs or drug categories permitted for exclusion under 42 USC §1396r-8(d), with exceptions listed in the State Plan.**
- **Cover, at a minimum, all vaccines and administration covered by FFS.**
- **Be updated at least weekly using a national drug database Medicaid rebate module.**

For the Louisiana Medicaid CDL, MMA will include all drugs deemed medically necessary for Enrollees under the age of 21, exclude only those drugs or drug categories permitted for exclusion under 42 USC §1396r-8(d), with exceptions listed in the State Plan, and cover, at a minimum, all vaccines and administration covered by FFS. We will ensure that updates occur at least weekly using FDB, which provides rebate status.

Using FirstRx, our highly configurable and flexible business rules-based application, MMA will ensure all LDH-specific business rules are implemented through configuration. Our rules-based pharmacy solution provides both unparalleled flexibility and configurability in establishing and modifying edits and rules through on-line functions by an authorized business user.

FirstRx provides LDH with an agile, highly configurable system with more than 6,245 Medicaid-tailored claim checks and edits that manage care within the confines of Medicaid rules. FirstRx provides fully integrated capabilities for claims processing including rules and limit application, prospective drug utilization review (ProDUR), pharmacy prior authorization (PA), and Third-Party Liability (TPL)/coordination of benefits (COB) and cost avoidance. FirstRx will be configured to apply all of LDH's claims adjudication business logic, including COB, patient benefit evaluation and accumulations, Enrollee copays and deductibles, clinical and business edits, pricing methodologies, Provider fees, PA, automated PA processing, ProDUR, multi-ingredient compound processing, and lock-in alert messaging to Providers. We will work with LDH to determine the LDH-specific defined business rules desired for the Louisiana Medicaid Managed Care Program.

The Contractor may apply Point of Sale safety and utilization edits that align with FDA indications for any covered drug when approved by LDH.

MMA will apply point-of-sale safety and utilization edits that align with FDA indications for any covered drug when approved by LDH. Edits are maintained in FirstRx that enforce LDH-approved specific conditions to be met for claims payment in accordance with Louisiana Medicaid Managed Care Program rules. Edits are defined during implementation, configured in FirstRx, and maintained throughout the Contract by our POS Programmer following our defined Change Control Process. ***Because of the high flexibility of FirstRx, 98% of edits are made without system development.***

The Contractor shall:

- **Deny payment for any drug that CMS identifies as restricted/non-covered.**

MMA can easily configure our formulary tool in FirstRx to exclude products and deny payment for any drug that CMS identifies as restricted/non-covered in accordance with LDH policy.

- **Deny payment for drugs that the Federal government has identified as less-than-effective under the Drug Efficacy Study Implementation (DESI) program.**

FirstRx is thoroughly customized to exceed the needs of our Medicaid customers. Drug coverage will be configured to identify that drug codes are valid and eligible for payment under LDH policy. FirstRx uses FDB indicators (e.g., DESI) for editing. Drugs identified as being less than effective (DESI) will be excluded from coverage and payment denied.

- **Deny payment for non-preferred products (without an approved PA) and products or product classes not covered by an Enrollee's pharmacy program with specific Provider messaging in the Drug Claim response.**

Through the use of NCPDP error codes, the defined messages associated with those codes, and supplemental messaging in the FirstRx adjudication engine, we supply significant detail and assistance to submitting Providers. For claim submissions that do not meet PA requirements, submitting Providers may be instructed about the product's preferred or non-preferred status, alternate therapies that do not require PA, or valid disease states or diagnoses for authorization approval. All information conveyed through supplemental messaging is at the direction of LDH. FirstRx denies payment for non-preferred products, and products or product classes not covered by an Enrollee's pharmacy program, with Provider messaging in the claim response.

- **Allow exceptions as they are approved by LDH or based on LDH-approved criteria.**

Exceptions are allowed when approved by LDH or based on LDH-approved criteria. Dr. Hawkins will work with LDH staff to obtain approval of exceptions.

- **Provide the ability to look up the PDL status of a drug at a Drug Claim and NDC level in the Drug Claims processing system.**

Authorized LDH users will be provided access to FirstCI, which provides searchable history of claims based on flexible parameters. The user can view online edit criteria, PDL status of a drug at a claim and NDC level, and disposition in accordance with LDH rules. *Figure 8.4-1* shows a sample FirstCI claims search screen.

In addition, our Drug Lookup feature provides search capability at the NDC level, displays the PDL status, if drug requires a PA, if the drug has quantity limits, or any other restrictions. Accessible through the Louisiana MCO PBM Web Portal, this tool allows real-time direct queries of the drug file that return LDH-specified details related to coverage, limitations, PA status, etc. *Figure 8.4-2* provides a sample of our web-based Drug Lookup tool.

- **Edit for required PAs and support bypass/override when allowed by policy, date of dispensing or automated authorization based on pharmacy or medical claims history (e.g., step therapy, grandfathered coverage).**

The FirstRx adjudication engine ensures that all PA requirements are met prior to responding with a paid transaction. For a claim that requires PA, there must be an assigned PA that provides dates of service or units related to the PA, and meets all the criteria for a specific PA. For claim submissions that do not meet PA requirements, submitting Providers may be instructed about the product's preferred or non-preferred status, alternate therapies that do not require PA, or valid disease states or diagnoses for authorization approval.

AutoPA, the automated prior authorization functionality in FirstRx, is also used to grandfather Enrollees who have been on a medication for a specified period of time prior to the implementation of that medication's PA-required status as determined by the Pharmacy and Therapeutics (P&T) Committee. As an example, in support of PDL requirements, a rule is created that looks at the Enrollee profile for the medication history for a specified period, such as the most recent 90 days, for claims for the drugs that had been chosen as prerequisites for the PDL class of the drug claim submitted. If one or more of these indicated products was seen in the Enrollee's history, the claim would bypass this PA requirement and continue processing. AutoPA is also configured to support an Enrollee's history regarding step therapy.

- **Provide a system capable of supplying PA expiration dates in pharmacy messaging.**

FirstRx provides functionality to supply PA expiration dates in pharmacy messaging. Through the use of NCPDP error codes, the defined messages associated with those codes, and supplemental messaging in the FirstRx adjudication engine, we supply significant detail and assistance to submitting Providers through electronic communication. The FirstRx adjudication engine is a highly configurable rules-based application that allows our business leads, such as our Louisiana POS Programmer, to control the system parameters related to messaging (alerts), and those items named in industry standards that are either situational or not mandated to process in a controlled and defined manner. FirstRx has been configured to deliver additional detail in the form of supplemental messages for both the public and private sector to assist the submitting Provider. If claim paid using PA, PA expires or expired on [date]; if the date of service plus days-supply is greater than the existing PA end date, then the end date will be sent back to the pharmacy Provider noting that we will need a new PA for next time.

- **Have the capability to process Drug Claims for the MCOs when they have designated value-added pharmacy products. When drugs (OTC or legend) are being covered as a pharmacy benefit and offered as a value-added benefit, pharmacy encounters shall indicate such in the Character 1: Submission type (Q, F, or V) of the 4-character prefix on the ICN of the Rx encounter.**

While we understand that the MCOs do not have any specific value-added pharmacy benefits under the current MCO contract, MMA's pharmacy solution has the capability to process Drug Claims for the MCOs when they have designated value-added pharmacy products. When drugs (i.e., OTC or legend) are being covered as a pharmacy benefit and offered as a value-added benefit, pharmacy encounters will indicate such in the Character 1: Submission type (Q, F, or V) of the 4-character prefix on the ICN of the Rx encounter.

- **Cover self-administered drugs dispensed by a pharmacy, including Specialty Pharmacies, as a pharmacy benefit exclusively unless otherwise approved by LDH.**

MMA will cover self-administered drugs dispensed by a pharmacy, including Specialty Pharmacies, as a pharmacy benefit exclusively unless otherwise approved by LDH.

- **Cover physician-administered drugs that are not listed on the FFS fee schedule, but for which the manufacturer has signed a Federal rebate agreement, as either a pharmacy benefit or a medical benefit that ensures appropriate access. If the physician administered drug is not on the FFS fee schedule, the Contractor shall make the rebate eligible drugs payable as a pharmacy benefit, and reimbursement shall be set as directed by LDH.**

MMA will cover physician-administered drugs that are not listed on the FFS fee schedule, but for which the manufacturer has signed a Federal rebate agreement, as either a pharmacy benefit or a medical benefit that ensures appropriate access. If the physician-administered drug is not on the FFS fee schedule, MMA will make the rebate eligible drugs payable as a pharmacy benefit, and reimbursement shall be set as directed by LDH.

The medications listed in the U.S. Preventive Services Task Force (USPSTF) A and B Recommendations shall be payable as a pharmacy benefit and exempt from copay; corresponding age limits may be applied.

MMA will configure FirstRx so that the medications listed in the U.S. Preventive Services Task Force (USPSTF) A and B Recommendations are payable as a pharmacy benefit exempt from copay. We will apply corresponding age limits, as appropriate.

8.4.1 Preferred Drug List (RFP 2.1.10.1)

A subset of the Covered Drug List (CDL) shall be the PDL. The PDL is established by LDH and indicates the preferred and non-preferred status of covered drugs. The PDL is available on the LDH website: http://ldh.la.gov/assets/HealthyLa/Pharmacy/PDL.pdf.

The FFS PBM shall provide the Contractor with a weekly file at the National Drug Code (NDC) level reflecting the PDL and any restrictions, as well as any utilization management updates to drugs subject to the PDL. The Contractor shall implement changes within three (3) Business Days of the receipt of the changes, or the effective date of the change, whichever is later unless otherwise approved by LDH.

MMA's objective is to provide a system with robust control procedures that gives a high level of accuracy, completeness, and accountability to LDH. We will capture and process all data from LDH and its approved contractors, including the weekly file at the NDC level reflecting the PDL and any restrictions, as well as any utilization management updates to drugs subject to the PDL, from the FFS PBM. MMA verifies data integrity through several quality checks both technologically and through manual review and analysis. Any data integrity issues found are identified, addressed, and resolved. MMA will implement changes within three Business Days of the receipt of the changes, or the effective date of the change, whichever is later unless otherwise approved by LDH.

To ensure compliance with PDL General Requirements, the Contractor shall:

- **Implement the PDL into the POS Adjudication as specified by LDH, without exception, uniformly across all MCOs.**

MMA will implement the PDL into FirstRx as specified by LDH to support claims adjudication uniformly across all MCOs without exception. Our Louisiana POS Programmer will be responsible for configuring plan benefits in FirstRx during implementation, as well as ongoing maintenance and operations. These staff identify benefit configuration issues while working with other team members throughout the company, ensuring plan benefits are configured based on customer and regulatory requirements. ***Because of the high flexibility of FirstRx, 98% of edits are made without system development.*** MMA will assist LDH staff and use manual or automated tools and techniques to ensure plan benefits are configured correctly and apply consistently to all MCOs.

- **Make the PDL available to Providers and Enrollees through electronic prescribing tools and a static link on the Contractor's website to the PDL maintained on the LDH website.**

As described in the following paragraphs, MMA possesses the capability to make the PDL available to Providers and Enrollees through electronic prescribing (ePrescribing) tools, as well as a static link on MMA's Louisiana MCO PBM Web Portal to the PDL maintained on the LDH website.

ePrescribing

Through our ePrescribing vendor Surescripts©, MMA offers a state-of-the-art partner integration that aligns with industry best practices, benefits our customers and their program Enrollees, and demonstrates our interoperability and drive toward MITA maturity. MMA has worked with Surescripts for over 10 years, and we recommend this established ePrescribing solution for the Louisiana Medicaid Managed Care Program.

Our partnership with Surescripts supports data exchanges, through which benefit information, such as eligibility, insurance coverage, formulary, and prescription history, is transmitted electronically to a Prescriber at the point of prescribing, and through which prescription information is transmitted electronically from a Prescriber's office to the Enrollee's pharmacy of choice.

In addition, a single connection to the largest network of long-term and post-acute care facilities, pharmacies, EHRs, health systems, and health information exchanges offers expanded reach and makes direct connections unnecessary. Surescripts is a leader in providing ePrescribing connectivity in the U.S.

Our ePrescribing solution includes two-way transmission between the point of care and the dispenser. ***Using Surescripts, we provide ePrescribing support services that facilitate accurate and error-free prescription delivery from the Prescriber to the pharmacist.*** Our ePrescribing solution accommodates 270/271 transaction sets and NCPDP transaction and code sets in a real time environment.

Our partnership with Surescripts helps control program costs. For example, the enhanced formulary and benefit information is provided to Prescribers at the point of care through established ePrescribing communication protocols. This enhanced file provides additional information to the Prescriber that may improve efficiencies when prescribing medications that require step therapy, PA, or other conditions prior to receiving that drug. In addition, the enhanced information on the EHR may improve PDL compliance.

Louisiana MCO PBM Web Portal

MMA will establish a secure Louisiana MCO PBM Web Portal. We will post the PDL as a static link on the Web Portal to the PDL maintained on the LDH website. The Louisiana MCO PBM Web Portal will provide all Louisiana Medicaid Managed Care Program stakeholders with an interactive, user-friendly environment resulting in a positive Enrollee, Provider, Prescriber, and MCO experience with appropriate processing capability. Static and dynamic content, as well as downloadable documents maintained on the site, will also be accessible through the hypertext links, drop-down lists, and menus. Private content on the Web Portal will be accessible through role-based security.

- **Provide Enrollees with a printed version of the PDL upon request at no charge.**

MMA will provide Enrollees with a printed version of the PDL, as well as PA lists, upon request. The PDL and PA lists can be requested by contacting our Customer Service Center (CSC). In addition, MMA can publish documents to the Louisiana MCO PBM Web Portal where they can be downloaded and printed.

8.4.1.1 PDL Changes (RFP 2.1.10.1.1)

LDH shall provide the Contractor with:

- **A list of drugs included on the PDL by NDC number after each P&T Committee meeting and upon the Secretary's approval of the P&T Committee recommendations.**
- **At least thirty (30) Calendar Days written notice prior to the implementation date of any scheduled changes to the PDL.**

We acknowledge that LDH will provide MMA with a list of drugs included on the PDL by NDC number after each P&T Committee meeting and upon the Secretary's approval of the P&T Committee recommendations and at least 30 Calendar Days written notice prior to the implementation date of any scheduled changes to the PDL. ***Because MMA is the State's PDL contractor, the communication of scheduled changes to the PDL will be expedited and simplified.***

To ensure compliance with PDL changes, the Contractor shall:

- **Implement changes by January 1 and July 1 after the P&T Committee meeting, unless otherwise directed by LDH.**

MMA will implement changes to the PDL by January 1 and July 1 after the P&T Committee meeting, unless otherwise directed by LDH. A static link to the PDL will be posted on the Louisiana MCO PBM Web Portal which will direct users to the PDL maintained on the LDH website.

- **Designate a representative to attend every P&T Committee meeting.**

Our Clinical Pharmacy Director, Tina Hawkins, PharmD, will attend every P&T Committee meeting. MMA has provided P&T Committee and DUR Board support for our Medicaid customers since 1987. We will be well-prepared to meet the needs for supporting the ongoing development and maintenance of the Louisiana Medicaid Managed Care Program's PDL.

- **Identify Enrollees impacted by a PDL status change. Brand/generic preference changes of the same drug entity do not constitute a negative PDL change.**

MMA's extensive reporting capabilities will enable us to identify Enrollees impacted by a PDL status change. Through MRx Explore, our proprietary BI reporting tool, MMA will support the development and delivery of required reports to LDH, including identification of Enrollees affected by changes to the PDL. Through MRx Explore, we provide a comprehensive suite of reports and tools specifically for the Medicaid population and will

refine that offering, as needed, to further support any unique needs of the Louisiana Medicaid Managed Care Program. MMA will provide a dedicated Lead Data Analyst to support ad hoc reporting needs. Reports will be submitted to LDH within mutually agreed-upon time frames. We understand that brand/generic preference changes of the same drug entity do not constitute a negative PDL change, and this information will not be included in the report.

- **Meet with LDH and other LDH-specified contractors, at a minimum quarterly, to review new drugs to market and support LDH and its designee(s) to implement PA criteria when needed.**

MMA will collaborate with LDH, in conjunction with LDH-specified contractors, at a minimum quarterly, to review new drugs to market and support LDH and its designee(s) to implement PA criteria, when needed. We routinely monitor new drugs to market that have impact and develop criteria recommendations for our customers to consider. MMA will propose recommendations quarterly with utilization edits changes due to new drugs or changes to existing utilization edits as mandated by LDH. In this effort, Dr. Hawkins is supported by our corporate Drug Policy Development (DPD) Committee, which consists of clinical experts who review primary literature and evolving clinical guidelines to make recommendations on new drugs and appropriate clinical edits (i.e., PA criteria).

- **Add new drugs entering the marketplace in PDL therapeutic classes as non-preferred until the P&T Committee reviews the drug, unless otherwise directed by LDH.**

MMA will add new drugs entering the marketplace in PDL therapeutic classes as non-preferred until the P&T Committee reviews the drug, unless otherwise directed by LDH. Our FMT allows us to flexibly administer drug coverage parameters using customized indicators. The FMT allows the Clinical Pharmacy Director, Tina Hawkins, PharmD, to efficiently manage custom formularies and utilization management edits. We can easily modify PDL attributes and establish auto-tiering rules for new-to-market drugs based on LDH parameters.

- **As needed, add new therapeutic classes and associated edits (i.e., preferred/non-preferred, clinical criteria, etc.) based upon the activity of the P&T Committee or the introduction of new therapies to the market.**

To add new therapeutic classes and associated edits (i.e., preferred/non-preferred, clinical criteria, etc.) based upon the activity of the P&T Committee or the introduction of new therapies to the market, MMA will utilize our proprietary FMT in FirstRx, which provides the capability to develop and manage clinical, operational, and fiscal PDL drug benefit configurations. The FMT enables MMA to effectively and efficiently manage our customer's pharmacy benefits to validate that a drug is in the formulary and to support PA coverage indicators through the configuration of FMT values.

- **Ensure that, if a branded product is preferred on the PDL, the Prescriber does not need to specifically indicate in writing that the branded product is medically necessary.**

MMA will ensure that, if a branded product is preferred on the PDL, the Prescriber does not need to specifically indicate in writing that the branded product is medically necessary. As the current Louisiana PDL and Supplemental Drug Rebate contractor, we monitor the market changes on brand and generic pricing on specific drugs and provide timely advice to LDH when a switch to a generic from a brand or vice-versa and when a shift in preferred status is economically beneficial. Each week, MMA monitors new generic labelers to market and does a financial comparison to the equivalent innovator brand product. MMA financially monitors LDH's preferred brands versus the non-preferred generics monthly, in addition to many other brand/generic equivalents that are both non-preferred. MMA advises LDH when the generic becomes financially advantageous. During both the initial generic launch comparison and monthly monitoring, MMA calculates the financial impact of maintaining the brand as preferred over the generic. In addition, we monitor loss-of-exclusivity timelines and patent expiration data, as well as patent litigation, to project when multisource drugs will become inexpensive to States.

- **Reimburse for a brand name drug at a brand reimbursement when the brand drug is preferred.**

Through configuration edits in First Rx, MMA will ensure that brand name drugs are reimbursed at a brand reimbursement when the brand drug is preferred.

- **Provide POS denial messaging for the generic entity that indicates the brand name is preferred.**

MMA will provide POS denial messaging for the generic entity that indicates the brand name is preferred. We are compliant with NCPDP D.0 standards for submitting claim messaging and will work with LDH to develop customized messaging. Through the use of NCPDP error codes, the defined messages associated with those codes, and supplemental messaging in the FirstRx adjudication engine, we supply significant detail and assistance to submitting Providers through electronic communication. The FirstRx adjudication engine is a highly configurable rules-based application that allows our Louisiana POS Programmer and our Benefit Configuration Team to control the system parameters related to messaging (alerts), and those items named in industry standards that are either situational or not mandated to process in a controlled and defined manner. FirstRx has been configured to deliver additional detail in the form of supplemental messages for both the public and private sector to assist the submitting Provider. ***Custom messaging at the POS allows up to 3,000 characters and is compliant with NCPDP requirements.***

Extremely configurable, FirstRx can communicate supplemental response messaging specified by LDH, including messages at the POS that can be utilized to inform Providers that the brand name is preferred and other benefit design requirements or limitations. For claim submissions that do not meet PA requirements, submitting Providers may be instructed about the product's preferred or non-preferred status, alternate therapies that do not require PA, or valid disease states or diagnoses for authorization approval. All information conveyed through supplemental messaging is at the direction of LDH. FirstRx denies payment for non-preferred products, and products or product classes not covered by an Enrollee's pharmacy program with Provider messaging in the claim response. Exceptions are allowed when approved by LDH or based on LDH-approved criteria.

- **Allow grandfathering for at least sixty (60) Calendar Days after a negative PDL status change as directed by LDH.**

MMA will allow grandfathering for at least 60 Calendar Days after a negative PDL status change as directed by LDH. FirstRx has a fully integrated PA module, which eliminates the need to communicate with secondary systems during claims processing, improving response time to the Provider. Our AutoPA functionality, which is integrated in FirstRx, indicates when PA is needed and as directed, performs automated/electronic PA evaluation. One of these features is automated grandfathering of therapy which uses the clinical attributes of specific drugs to allow Enrollees to continue a drug regimen even after it requires PA. In these situations, we can systematically bypass the PA requirement, allowing Enrollees to remain on current regimens without interruption.

8.4.1.2 PDL Compliance (RFP 2.1.10.1.2)

Compliance rate shall be defined as the number of preferred prescriptions paid divided by total prescriptions paid for drugs in therapeutic classes listed on the PDL. The PDL compliance rate shall be calculated at the sole determination of LDH or its designee.

MMA acknowledges that the compliance rate will be defined as the number of preferred prescriptions paid divided by total prescriptions paid for drugs in therapeutic classes listed on the PDL and that the PDL compliance rate will be calculated at the sole determination of LDH or its designee.

To ensure conformity with PDL compliance, the Contractor shall:

- **Achieve at least a ninety-two percent (92%) overall compliance rate and at least a ninety-two percent (92%) compliance rate for each medication on the brand-over-generic list provided by LDH (calculated as brand/ (brand + generic)). Failure to meet both standards may result in monetary penalties.**

MMA will achieve at least a 92% overall compliance rate and at least a 92% compliance rate for each medication on the brand-over-generic list provided by LDH (calculated as brand/ (brand + generic)). We understand that failure to meet both standards may result in monetary penalties.

Dr. Hawkins, in conjunction with our Clinical Outcomes Analytics and Research (COAR) Team, will provide monthly reporting to LDH in support of compliance monitoring. MMA will also evaluate potential strategies to improve compliance as appropriate. ***For one of our current Medicaid customers, Prescribers are currently more than 97% compliant with PDL prescribing.*** We will make suggestions for improving PDL compliance for LDH consideration.

- **Measure the accuracy of its implementation and maintenance of the PDL and report findings to LDH monthly. Monthly reports shall include an attestation from the Contractor's Executive Director as to the accuracy of the measurement.**

During implementation, MMA's business analysts will configure LDH business rules, PDL, quantity limitations, and clinical criteria requirements from the Requirements Document into the FirstRx development environment. Our business analysts will craft, execute, and document implementation requirements test results. MMA will provide the implementation requirements test results to LDH for approval. MMA will measure the accuracy of our implementation and maintenance of the PDL and report findings to LDH on a monthly basis. Our monthly reports will include an attestation from MMA's Executive Director as to the accuracy of the measurement.

- **Ensure Enrollee continuity of care for pharmacy services. An Enrollee that is, at the time of enrollment into the MCO, receiving a prescription drug that is not on the PDL shall be permitted to continue to receive that prescription drug if medically necessary for at least sixty (60) Calendar Days. The Contractor shall not require PA for the continuation of medically necessary PBM Covered Services of an Enrollee transitioning into a new MCO for the duration of a currently approved PA.**

MMA's goal during the implementation is to ensure that Enrollees receive continued services with no interruption. We will ensure that all factors in their transition of care are covered including transition of care claims processing, PA processing, utilization management processing, communications and materials, website resources, and CSC agents highly trained on all Louisiana Medicaid Managed Care Program policy and procedures to effectively and promptly assist Enrollees. An Enrollee that is, at the time of enrollment into the MCO, receiving a prescription drug that is not on the PDL will be permitted to continue to receive that prescription drug if medically necessary for at 60 Calendar Days. MMA will not require a PA for the continuation of medically necessary PBM Covered Services of an Enrollee transitioning into a new MCO for the duration of a currently approved PA.

- **The Contractor shall submit for approval, a transition of care program that ensures Enrollees can continue treatment of maintenance medications for at least sixty (60) Calendar Days after Enrollment with the Contractor or switching from one plan to another.**

Our Louisiana Account Team will develop a transition of care program that ensures Enrollees can continue treatment of maintenance medications for at least 60 Calendar Days after Enrollment with MMA or switching from one plan to another. We will submit the transition of care program to LDH for review and approval prior to implementation.

8.4.2 Prior Authorization (PA) (RFP 2.1.10.2)

The Contractor shall:

- **Utilize PA criteria as directed by LDH and align with drugs on the PDL.**

MMA will utilize PA criteria as directed by LDH and align with drugs on the PDL. MRx Decide, the dynamic core of our PA process, will code the Louisiana Medicaid Managed Care Program's PDL into the required question set for PA criteria. MRx Decide is a custom knowledge base, designed specifically for processing PA requests. It incorporates preferred and non-preferred drug lists, diagnostic information, age and gender considerations, and quantity limitations, along with sophisticated questions based on the LDH's PA criteria to allow consistent processing of complex clinical PA requests.

MRx Decide uses the same criteria as the FirstRx AutoPA rules, while allowing users to enter and consider additional information pertinent to the PA request and an individual Enrollee's unique situation. ***MRx Decide is incorporated seamlessly into the FirstTrax call tracking and PA management system, providing access to the Enrollee's eligibility, claims, and previous PA history necessary for adjudicating any PA request.***

- **Comply with the MCO Manual.**

MMA will comply with the MCO Manual. Our Clinical Pharmacy Director, Tina Hawkins, PharmD, will collaborate closely with internal functional areas to ensure requirements related to PAs in the MCO Manual are adhered to. We acknowledge that MMA will be held responsible for performance standards and measures directly related to the provision of services as set forth in the MCO Manual.

- **Solicit input from the MCOs on PA criteria development and representation on the DUR Board.**

Dr. Hawkins will solicit input from the MCOs on PA criteria development and representation on the DUR Board. Dr. Hawkins will partner closely with the MCOs and DUR Board members to obtain ideas and feedback which will be used to create and refine PA criteria for all services requiring PA based on LDH guidelines. In addition, MMA will conduct research and provide information for consideration by the MCOs and DUR Board for its deliberation. For example, we routinely monitor new drugs to market that have impact and develop criteria recommendations for our customers to consider. Dr. Hawkins is supported in this effort by our DPD Committee, which consists of clinical experts who review primary literature and evolving clinical guidelines to make recommendations on new drugs and appropriate clinical edits (i.e., PA criteria).

- **Have a PA process that complies with 42 CFR §438.3(s)(6) and the following requirements:**
  - **Process the entire PA transaction in accordance with applicable laws, regulations, and LDH-approved requirements. The PA transaction for which the Contractor is responsible includes rendering PA determinations; resolving Enrollee and Provider Grievances and Appeals; resolving Provider requests for reconsideration of adverse PA decisions; and issuing PA decision notices, whether the PA is approved, partially approved, or denied, both to the requesting Provider and to the Enrollee on whose behalf the PA was sought.**

MMA's PA process is in compliance with 42 CFR §438.3(s)(6). We have robust systems and clinical experience to verify eligible Enrollees have access to care through therapeutically appropriate use of pharmaceuticals. MMA will leverage our ***29 years of experience managing and performing pharmacy PA activities*** to process the entire PA transaction in accordance with applicable laws, regulations, and LDH-approved requirements. We will be responsible for rendering PA determinations, resolving Enrollee and Provider grievances and appeals, resolving Provider requests for MMA reconsideration of adverse PA decisions, and issuing PA decision notices, whether the PA is approved, partially-approved, or denied, both to the requesting Provider and to the Enrollee on whose behalf the PA was sought.

Implementation of Operational Processes

We utilize proven workflow processes and tools to manage the PA process from submission to final claim adjudication. ***The key to our PA workflow process is FirstTrax,*** a proprietary online, automated system, powered by our configurable clinical decision module, MRx Decide, to support the PA process. Fully integrated with FirstRx, the FirstTrax system allows authorized users to create PA rules. MRx Decide incorporates a customized clinical database designed specifically to process PA requests. It integrates the preferred and non-preferred drug lists, diagnosis, procedure and lab parameters, age and gender considerations, and quantity limitations, along with sophisticated questions based on the customer's criteria. MRx Decide is incorporated seamlessly into the FirstTrax call tracking and PA management system, which provides access to the Enrollee's eligibility, claims history, and previous PA history.

PA Workflow Process

FirstTrax is a workflow-based system which can allow LDH to control the business processes surrounding PA requests and CSC inquiries with workflow capabilities, including but not limited to role-based queues, assignments, routing, alerts, and notifications. The business processes that benefit from the application of workflow techniques are found in the CSC and PA processes, which both involve review by staff and the routing of items contingent on outcomes of previous steps***. The MMA workflow architecture allows flexibility and empowers staff to move items quickly and efficiently through the business process, delivering maximum value.*** Typical workflow items that are in FirstTrax include:

- Call tracking record can be created from integrated interactive voice response data
- PA data from claims history
- Automated PA request/response.

MMA uses a fax imaging solution that is integrated within FirstTrax and provides a paperless PA process by creating the fax image, opening a contact record in FirstTrax, and then automatically routing the work into the appropriate queue. Work is routed to CSC staff through the call management telephony system for review and disposition. Each call is documented in the online call-tracking system, FirstTrax, which allows for immediate access to complete call information by all users and CSC management. The information captured includes:

- Time and date of call/contact
- Caller name and corresponding ID number
- Caller telephone number
- Nature and details of the call/contact up to 500 characters of free-form text
- Inquiry type (e.g., claim status)
- Source of inquiry (e.g., telephone)
- Customer service correspondent name and user ID
- Response given by CSC agent and the format in which the response was given (e.g., telephone)
- Status of inquiry and associated date(s) (e.g., closed).

Audit trails are implemented throughout the MMA enterprise, and a change history is maintained in the database. This history can be leveraged to show the specific path through any process that a particular entity has taken, including the systems and authorized personnel whose interactions with the entity have resulted in changes. *Figure 8.4-3: PA Processing Flow*, depicts a sample high-level PA process from claims receipt to disposition.

- **Submit the PA process flow and notification format for approval by the LDH prior to implementation and before any changes are made.**

Dr. Hawkins will obtain LDH review and approval, prior to implementation, of changes to our PA process flow and notification format.

- **Disclose operational criteria and updates to LDH on a frequency determined by LDH for review and approval.**

Dr. Hawkins will be responsible for disclosing operational criteria and updates to LDH on a frequency determined by LDH for review and approval.

- **Ensure there is no undue disruption of an Enrollee's access to care.**

MMA's PA program does not impede Enrollees' access to medications or adversely impact their quality of care. MMA has robust systems and clinical experience to verify eligible Enrollees have access to care through therapeutically appropriate use of pharmaceuticals. We will use a comprehensive set of initiatives to manage care and costs for the Louisiana Medicaid Managed Care Program and the Enrollees it serves. Our overall philosophy in clinical management is to use evidence-based medicine and assist prescribers in identifying the most cost-effective medication that will deliver the desired patient outcome.

- **Prevent penalization of a Network Provider or Enrollee, financially or otherwise, for such PA requests or approvals.**

MMA does not penalize Network Providers or Enrollees, financially or otherwise, for such PA requests or approvals.

- **Incorporate the following minimum requirements:**
  - **Maintain a single PA program that serves all MCOs and prevents administrative duplication.**
  - **Use a uniform PA process for all MCOs.**
    - **Ensure that the uniform process supports acceptance of prior authorization requests through a secure electronic transmission using the NCPDP SCRIPT Standard**
  - **Not maintain separate PA programs for each MCO, nor alter or customize PA processes for each MCO, except when necessary for a MCO specific value-add benefit.**
  - **Adhere to the provisions of La. R.S. 46:153.3(C)(1), which exempt HIV/AIDS drugs from PA.**
  - **Correctly determine which drugs require PA.**
    - **Prior authorize drugs with a non-preferred status on the PDL or with clinical authorization requirements.**
    - **Not prior authorize drugs with a preferred status on the PDL, except to align with clinical edits.**
    - **Not prior authorize drugs not on the PDL/PA list for self-administered drugs, except to align with clinical edits or as otherwise directed by LDH.**
    - **Prior authorize drugs when safety and utilization edits are exceeded when approved by LDH, except for drugs used for the treatment and prevention of HIV/AIDS.**

- **Align PA criteria and/or step therapy related to the preference of one agent over another agent within a therapeutic class listed on the PDL. Application of PA and/or step therapy criteria more restrictive than FFS may result in daily monetary penalties.**
- **Not apply PA and/or step therapy to preferred agents listed on the PDL in a manner that would disadvantage the selection of the preferred agents over other agents within the therapeutic class.**

As shown in the following table, MMA confirms that we will meet all minimum requirements for prior authorization as defined in RFP Section 2.1.10.2. LDH's PA requirements can be supported by FirstRx, and the PA process will be applied to all MCOs uniformly.

MMA will Meet All Louisiana MCO PBM Project Minimum PA Requirements	
✓	▪ Maintain a single PA program that serves all MCOs and prevents administrative duplication.
✓	▪ Use a uniform PA process for all MCOs. ❖ Ensure that the uniform process supports acceptance of prior authorization requests through a secure electronic transmission using the NCPDP SCRIPT Standard
✓	▪ Not maintain separate PA programs for each MCO, nor alter or customize PA processes for each MCO, except when necessary for a MCO specific value-add benefit.
✓	▪ Adhere to the provisions of La. R.S. 46:153.3(C)(1), which exempt HIV/AIDS drugs from PA.
✓	▪ Correctly determine which drugs require PA. ❖ Prior authorize drugs with a non-preferred status on the PDL or with clinical authorization requirements. ❖ Not prior authorize drugs with a preferred status on the PDL, except to align with clinical edits. ❖ Not prior authorize drugs not on the PDL/PA list for self-administered drugs, except to align with clinical edits or as otherwise directed by LDH. ❖ Prior authorize drugs when safety and utilization edits are exceeded when approved by LDH, except for drugs used for the treatment and prevention of HIV/AIDS.
✓	▪ Align PA criteria and/or step therapy related to the preference of one agent over another agent within a therapeutic class listed on the PDL. Application of PA and/or step therapy criteria more restrictive than FFS may result in daily monetary penalties.
✓	▪ Not apply PA and/or step therapy to preferred agents listed on the PDL in a manner that would disadvantage the selection of the preferred agents over other agents within the therapeutic class.

- **Maintain a PA process that accepts prior authorization request through a secure electronic transmission using the NCPDP SCRIPT standard. Faxes are not considered secure electronic transmissions and proprietary payer portals are not considered secure transactions unless they use the NCPDP SCRIPT Standard.**

MMA's electronic PA (ePA) solution integrates with various partners that have links to physician practice management systems, allowing Prescribers to navigate a PA within their normal day-to-day workflow. ePA allows for secure electronic PA submissions for drugs whose decision criteria permit automated solutions. MMA will use the published NCPDP SCRIPT format standards for request and response of the PA. We acknowledge that faxes are not considered secure electronic transmissions and proprietary payer portals are not considered secure transactions unless they use the NCPDP SCRIPT standard.

The ePA solution is built by leveraging MRx Decide, our clinical decision module rules engine, and will support the secure communication of customized questions based on the Enrollee and medication being requested, such as medical necessity, prior treatment, clinical indications, and total cost of therapy. MRx Decide determines applicable questions to ask based upon the diagnosis. ***ePA transactions are***

integrated with the MRx Decide module to disposition PAs uniformly with one criteria set for all MCOs. FirstRx captures electronic transactional PA requests (NCPDP P1 or ANSI 278) in real time, adjudicates the response using MRx Decide, and sends back an approval or denial of the PA request quickly and accurately.

FirstRx uses coded references to allow for retrieval and data population. At the time of the transaction receipt, a message is sent to the Provider with directions for follow-up regarding the PA request, including the appropriate telephone/fax number to ensure its appropriate secure routing. FirstRx will support the use of clinical attachments, such as subsets of the medical record, which reduces the amount of information that prescribers must enter. Our ePA function will also support the exchange and display of the PA designation on the formulary and benefit files, improving the timeliness and accuracy of information exchange, as well as streamlining the Provider's workflow.

When an ePA is processed, claim transactions that fail due to the requirement of a PA (using either AutoPA logic or intervention [PA] logic) return both the corresponding NCPDP error code, as well as supplemental information regarding how to contact the MRx PA CSC. If the Prescriber elects not to modify therapy and contacts the CSC for assistance, the information will be available in real time for the agent using our FirstTrax online tracking system for research and to provide fast resolution to the requester.

- **Utilize the Louisiana Uniform Prescription Drug PA Form provided for in La. R.S. 46:460.33.**

MMA will use the Louisiana Uniform Prescription Drug PA Form provided for in La. R.S. 46:460.33 form for pharmacy Providers and Prescribers to initiate the pharmacy PA process. If additional information is required, a notice is sent to request the additional information within 24-hours of receipt of the PA request. MMA will not deny a PA request because it is submitted on the designated Louisiana Uniform Prescription Drug PA Form or require the pharmacy Provider or Prescriber to submit an MMA-specific form. Based on our experience, we have found that more complicated edits or drug classes may need a more specific PA form.

- **Utilize the LDH form and criteria for specialty drug therapeutic classes filled in an outpatient pharmacy setting. The following therapeutic drug classes are currently considered specialty for PA purposes only: Hepatitis C Direct Acting Antiviral Agents (as directed by LDH), Spinraza and Synagis.**

MMA will utilize the LDH form and criteria for specialty drug therapeutic classes filled in an outpatient pharmacy setting. We understand that the following therapeutic drug classes are currently considered specialty for PA purposes only:

- Hepatitis C Direct Acting Antiviral Agents (as directed by LDH)
- Spinraza
- Synagis.

MMA can post the forms to the Louisiana MCO PBM Program Web Portal where they can be easily downloaded. In addition, Enrollees may contact our CSC via the toll-free number to request forms. The PA forms will be available for fax-on-demand request.

- **Ensure only LDH-approved PA criteria are used in conducting PA reviews and making PA determinations based on medical necessity and in accordance with all applicable State and Federal laws and regulations.**

MMA will ensure that only LDH-approved PA criteria are used to conduct PA reviews and make PA determinations based on medical necessity and in accordance with all applicable State and Federal laws and regulations. During requirements review meetings, we will work closely with LDH to review LDH-approved criteria making sure that the criteria document accurately reflects the information. If there are any discrepancies, MMA will update the documentation and submit it to LDH for review and approval.

This process will ensure that the PA criteria are current, accurate, and fully compliant with current Louisiana Medicaid Managed Care Program needs.

MRx Decide is a customer-specific rules repository that stores customized clinical PA criteria in a question format for use by CPhTs during the PA process. ***We will ensure that all criteria housed in MRx Decide and used by MMA to make PA determinations, including criteria that predates the term of the Louisiana PBM Services for Medicaid MCOs Contract, is in full compliance with all applicable Federal requirements for Louisiana's eligibility for FFP.***

Our Louisiana Clinical Pharmacy Director, Tina Hawkins, PharmD, will collaborate with LDH to create and refine PA criteria for all services requiring PA based on LDH guidelines. The approved Louisiana-specific criteria will be adhered to by CSC staff to make appropriate PA determinations. Online access/links to the PA criteria will be made publicly available on the Louisiana MCO PBM Web Portal. Links will be updated by our corporate Digital Services Team as PA criteria revisions are made so that only the most current information is available for access.

MMA will provide initial and ongoing training for CSC agents about Louisiana Medicaid Managed Care Program pharmacy benefits provided, including PA criteria. Once we receive benefit requirements and LDH's PA criteria and policy protocols, our Training Department and Development Department will develop a training class schedule for the CPhTs and clinical teams. All in-person, online, or virtual classes are documented in our Learning Management System (LMS). When significant changes to benefits, policy, or criteria occur, the updates are communicated to the CPhTs and clinical teams via online or virtual class protocols to ensure that only the most current version of LDH-approved PA criteria is used.

- **Comply with all LDH PA rules, regulations, criteria, and policies.**

MMA will comply with LDH's PA rules, regulations, and policies. We are thoroughly conversant in all Federal and State pharmacy laws, including Louisiana pharmacy law. MMA monitors actual and prospective regulatory changes closely and will collaborate with LDH to meet any new requirements. All legislation and regulations are tracked in a database maintained by our Corporate Compliance Department. This process is audited both internally and externally as part of our annual Sarbanes-Oxley Act control process.

Regulatory and Legislative Support and Expertise

MMA possesses a seasoned and experienced Government team. Our Government Affairs and corporate Compliance Departments work closely with our Account Management professionals to provide legislative and regulatory guidance. This collaboration ensures that compliance is maintained, and legislative and regulatory deadlines are met.

In addition, our Government Affairs Department provides legislative support and analysis. This department is staffed with public policy and Medicaid experts who assist States with requests from the legislative and executive branches of government. We provide analytics and recommendations, as well as reports, from a Government Affairs Department focused on a broad healthcare agenda that includes pharmacy but is not limited to pharmacy. Our focus on serving Medicaid customers has led to a deep understanding of the population these programs serve, the State and Federal rules under which they operate, and the benefit designs, clinical policies, and programs allowable within the constraints of regulations that have proven effective in providing and preserving access to clinically appropriate care in a cost-effective manner.

- **Have the capability to implement a PA program for physician-administered drugs as a Drug Claim, upon implementation by LDH. The Contractor may be asked to implement PA program for physician-administered drugs as a medical claim.**

MMA will collaborate with LDH to identify a clinically robust, cost effective, provider-friendly, and efficient PA program that we will implement to meet LDH's physician-administered drug (PAD) requirements. All the PA criteria, policies, and procedures will be developed in partnership with LDH.

If LDH requests MMA implement a PA program for PAD claims that are managed as drug claims, MMA can offer a PA program that is based on FDB drug classifications using functionality and processes that behave in the same manner as a PA for a typical pharmacy claim.

MMA also can propose a HCPCS code-based PA program that is managed by our industry-leading medical pharmacy management services. These PAs and their supporting processes take into account all the intricacies of PAD PAs, including the complexities of the dose, interval, and duration of a PAD. For this existing HCPCS-based PA capability:

MMA currently is creating ***a robust and flexible solution to support drug claims for PADs that utilize these PAs that are defined at the HCPCS code-level***.

- MMA currently is creating a robust and flexible solution to support medical claims for PADs that utilize these PAs that are ***defined at the HCPCS code-level***.
- MMA has the ability to provide the PAD PA information defined at the HCPCS code-level to the medical claims processor in a standard format.

If MMA is adjudicating a drug or medical claim for the PAD, the claim can have a 'paid' outcome only if the appropriate PA(s) are available on the claim's date of service.

For more information about MMA's PAD proposal, please refer to proposal *Section 9.0, Innovative Concepts and Value-Added Services.*

- **Maintain a PA process for which scripted protocols may be used to approve PA service requests. The Contractor may use pharmacy technicians in this capacity.**

MMA's CSC staff, which includes CPhTs, utilizes an established PA process that incorporates scripted protocols to approve PA service requests. ***FirstTrax is a proprietary online, automated system, powered by our configurable, businesses rules-driven clinical decision module MRx Decide. MRx Decide is a proprietary web-enabled, secure tool that is table- and parameter-driven, allowing flexible and easy configuration to support changes and updates.*** We utilize MRx Decide to support the manual and web-based PA process. MRx Decide is the dynamic core of our manual PA process. MRx Decide is a custom knowledge base, designed specifically for processing PA requests. It incorporates preferred and non-preferred drug lists, diagnostic information, age and gender considerations, and quantity limitations, along with sophisticated questions based on the customer's PA criteria to allow consistent processing of complex clinical PA requests. MRx Decide uses the same criteria as the FirstRx AutoPA rules, while allowing users to enter and consider additional information pertinent to the PA request and an individual patient's unique situation. MRx Decide is incorporated seamlessly into the FirstTrax call tracking and PA management system, providing access to the Enrollee's eligibility, claims, and previous PA history necessary for adjudicating any PA request. The architecture makes use of a common set of web services to exchange key PA data.

For consistency in providing responses to callers' questions, MMA will provide scripted protocols for the CSC to be used by agents in responding, escalating, and referring interactions appropriately. MMA will work collaboratively with LDH for optimal scripting to ensure Louisiana Medicaid MCO Enrollees receive the best and most efficient service. The scripts will help ensure consistency among calls and ensure each contact is handled correctly. When processing PA requests or override requests through MRx Decide,

the CSC agent is presented with questions that evaluate the request based on the clinical criteria provided. The questioning routine combines simple and complex rules and algorithms in a hierarchical fashion to evaluate the PA requests and determine the appropriate adjudication decision.

- **Not require a Prescriber to complete the FDA Medwatch form when requesting a brand name medication that has a generic equivalent.**

MMA will not require a Prescriber to complete the FDA Medwatch form when requesting a brand name medication that has a generic equivalent.

- **Not require or consider a Medwatch form in the PA approval/denial determination of a brand drug.**

MMA will not require or consider a Medwatch form in the PA approval/denial determination of a brand drug.

- **Not utilize PA to prefer a FDA interchangeable B-rated generic drug over an A-rated generic.**

MMA will not utilize PA to prefer an FDA interchangeable B-rated generic drug over an A-rated generic.

- **Not require PA for a dosage change for any medications (including long-acting injectable antipsychotics) and other medication assisted treatment (including dosages of buprenorphine or buprenorphine/naloxone) that have been previously authorized and/or approved by the Contractor, as long as the newly prescribed dose is within established FDA guidelines for that medication.**

We will not require PA for a dosage change for any medications (including long-acting injectable antipsychotics) and other medication assisted treatment (including dosages of buprenorphine or buprenorphine/naloxone) that have been previously authorized and/or approved by MMA, as long as the newly prescribed dose is within established FDA guidelines for that medication. FirstRx provides an option to allow for a bypass on early refill using submitted claim data to identify an increase in dosage for the current claim compared to the historical claim based on configurable criteria. This functionality has provided great value to our customers by systemically evaluating the early refill criteria and easing the burden on pharmacy staff.

- **Approve a PA for the requested product for a narrow therapeutic index (NTI) drug (brand or generic) with current utilization. Current NTI drugs designated by LDH include: Aminophylline, Carbamazepine, Cyclosporine, Digoxin, Disopyramide, Ethosuximide, Flecainide, L-Thyroxine, Lithium, Phenytoin, Theophylline, Thyroid, Valproic Acid, and Warfarin.**

MMA will approve a PA for the requested product for a narrow therapeutic index (NTI) drug (brand or generic) with current utilization by configuring AutoPA functionality in FirstRx. If the drug is seen in the claims history within a defined time frame, the PA will be approved. If new to Medicaid, MMA will simply ask that question as part of the PA process and approve if the Enrollee has been on therapy. We acknowledge that current NTI drugs designated by LDH include Aminophylline, Carbamazepine, Cyclosporine, Digoxin, Disopyramide, Ethosuximide, Flecainide, L-Thyroxine, Lithium, Phenytoin, Theophylline, Thyroid, Valproic Acid, and Warfarin.

- **Supply detailed reporting and analysis on all aspects of the PA program.**

MMA will provide detailed reporting and analysis on all aspects of the PA program. Through MRx Explore, MMA will provide detailed monthly operational, clinical, and financial reporting on all PA activities, including the number of PAs, denial/approval rates, number of automated vs. manual PAs, drug and overall health care savings, and return on investment. Reports will be available by drug, drug class, Enrollee, Provider, as well as other parameters. Please refer to our response to providing detailed monthly operational, clinical, and financial reporting on all PA activities for a complete description of our reporting capabilities.

- **Provide a PA system, accessible to designated LDH staff and Providers, which maintains and allows the query of all pertinent information about PA requests and determinations including, but not limited to, the following:**
  - **Requesting Provider name**
  - **Date and time of request**
  - **Enrollee identifiers**
  - **Requested drug name, strength, form, and quantity**
  - **Program eligibility of the Enrollee at the time of the determination**
  - **Request status (i.e., approved, pended, denied)**
  - **Apply specific reasons for denial or exception**
  - **Ability to track and report specific reason for denials**
  - **Authorized begin and end dates**
  - **Date and time of action on the request**
  - **Comprehensive and flexible "free-text" notation functionality**

CSC staff records and tracks all inquiries and requests received from Prescribers, Providers, and Enrollees, as well as the pertinent aspects of the inquiry or PA request. FirstTrax captures the date and time of the contact, CSC staff identifier, caller identifier, customer type, reason for contact, disposition of contact, date of disposition, and free form notation.

MMA will provide access to FirstCI, which is a real-time, read-only view of claims and PAs in FirstTrax, for designated LDH staff. As a read-only companion to FirstTrax, FirstCI contains numerous search fields that allow users to locate information pertaining to Enrollees, Enrollees' claims, Providers, drugs, Prescribers, PAs, and call tracking against both the FirstRx database and the FirstTrax database. The application provides a standard set of required search parameters to protect the integrity and responsiveness of the POS system as it processes in-flight transactions. FirstTrax and First CI maintain and allow the query of all pertinent information about PA requests and determinations including:

- Requesting Provider name
- Date and time of request
- Enrollee identifiers
- Requested drug name, strength, form, and quantity
- Program eligibility of the Enrollee at the time of the determination
- Request status (i.e., approved, pended, denied)
- All reasons for denial or exception
- Authorization begin and end dates
- Date and time of action on the request
- Comprehensive and flexible free-text notation functionality.

Providers will have access to pertinent information about PA requests and determinations, as well as the ability to query PA data, through our ePA solution. ***Our ePA service is designed to decrease the administrative burden for Prescribers and Providers while saving time and expediting the approved medications into the hands of Enrollees who need them.*** The MMA ePA solution supports the secure communication of customized questions based on the Enrollee and medication being requested, such as medical necessity, prior treatment, clinical indications, and total cost of therapy. PA processing is integrated into FirstTrax, which provides full visibility into the in-process PAs, drug history, and approvals/denials. Requests submitted through the ePA process are automatically entered in FirstTrax, which allows access to each PA, inquiry, and override case for questions and management reporting.

- **Have flexible administrative reporting and include functionality to retrieve and track PA determinations using multiple search fields including, but not limited to:**
  - **Assigned PA number**
  - **Pharmacy program**
  - **Enrollee name**
  - **Enrollee identification number**
  - **Provider name or ID**
  - **Drug**
  - **Date of authorization**
  - **Denial reason(s)**
  - **Authorization status or any combination thereof**

FirstTrax, MMA's proprietary online, automated contact management system will be utilized by CSC staff to record and track all inquiries and requests received from Prescribers, Providers, and Enrollees. Pertinent aspects of the inquiry or PA request are also captured. FirstTrax allows access to each PA, inquiry, and override case for questions and management reporting. Information regarding the content and resolution of inquiries and requests is housed and tracked in FirstTrax. Only authorized users are able to retrieve and update PA requests and view pharmacy claims through FirstTrax.

FirstTrax is a flexible tool that provides the ability to record a variety of data to include call category, call type, and response, allowing for reporting of trends and analysis. Data from FirstTrax is available in our Data Warehouse to support reporting needs, including assigned PA number, pharmacy program, Enrollee name, Enrollee identification number, Provider name or ID, drug, date of authorization, denial reason(s), and authorization status or any combination thereof.

- **Provide detailed monthly operational, clinical, and financial reporting on all PA activities. Reports shall be available by drug, drug class, Provider, and other defined parameters. PA reports shall include, but not be limited to:**
  - **Number of PAs**
  - **Denial/approval rates**
  - **Number of automated vs. manual PAs**
  - **Drug**
  - **Overall health care savings**
  - **Return on investment**

Through MRx Explore, MMA will provide detailed monthly operational, clinical, and financial reporting on all PA activities, including the number of PAs, denial/approval rates, number of automated vs. manual PAs, and drug and overall healthcare savings. Reports will be available by drug, drug class, Enrollee, Provider, and other parameters. We will use our team of reporting specialists from the Clinical Outcomes and Analytics Reporting (COAR) team to assist in the development of return on investment reports. MMA can evaluate economic outcomes of PAs by calculating the savings based on the PA being denied at POS, while also taking into account potential therapy replacement. The net cost difference represents derived savings. MMA can perform further evaluation by taking those savings to generate a return on investment.

MRx Explore is accessible through standard web browsers from any workstation that can connect to the Internet. The self-service tools enable the user to build reports using a robust catalog of data attributes including a variety of pre-calculated measures to simplify the report building process. MRx Explore provides Trend and Dashboard information designed to support the decision and policy making functions for various PBA operations.

In addition to the powerful self-service ad hoc reporting features, MRx Explore also is comprised of a comprehensive suite of standard management and utilization reports. With an inventory currently of ***close to 100 available interactive reports***, users are able to quickly gather information on various

aspects of the pharmacy program by entering a few basic parameters such as date ranges when selecting any one of the many available report templates. The reports are pre-built and include actionable information and insights that enable end user from various functions to leverage many of the same reports for a variety of purposes. MRx Explore also provides the ability to create ad hoc reports.

The PA reports available in MRx Explore provide summarization metrics on the disposition of our processed authorization requests in order to show the counts and quickly determine percentages of requests that involved changes to existing authorization or new requests that were approved or denied. In addition, our reports provide information on the various clinical decision rules that were utilized by CSC staff in the process of adjudicating and arriving at a decision for the requests received. For example, PAs can be categorized and reported based on the rationale for the PA requirement, such as the product not being on a PDL. Our reports take advantage of a robust set of data from the various aspects of the program operation which are collated and curated into our central data warehouse overnight, following the conclusion of each business day.

Refer to *Figures 8.4-4 through 8.4-6* for report samples depicting PA summary information and PAs by drug name.

In addition to MRx Explore, report data can be generated from FirstTrax. FirstTrax records a variety of data to include call category, call type, and response, helping to ensure that all documentation is consistent. Through FirstTrax, PA statistics are accessible to LDH allowing for reporting of trends and root cause analysis.

Using our reporting and analytical capabilities, we can create PA reports which trend current issues facing our customers. *Figures 8.4-7* and *8.4-8* depict an analysis of PA statistics related to the COVID-19 pandemic.

In addition, we have developed the MMA Quarterly Business Review that contains patient- and system-level analysis, as well as cost reporting to offer trending analysis, that can be used for decision making. ***The MMA Quarterly Business Review was created to show States how their dollars are spent in their Medicaid pharmacy benefit programs.*** In addition, this report tracks and trends important metrics such as Medicaid spend, net spend, and rebate data from quarter to quarter. Significant pharmacy events are identified and presented to our customers for intervention consideration. Our Quarterly Business Review can be customized to include patient-specific analysis.

In 2016, MMA provided the first annual *Medicaid Pharmacy Trend Report*, which was developed through in-depth data analysis and supported by broad national experience. Our *Medicaid Pharmacy Trend Report* examines clinically-appropriate drug use and cost-savings opportunities for Medicaid FFS pharmacy programs. The report is distinctive in its ability to meet LDH requirements by addressing nationwide trends in comparison to those observed for Louisiana. It provides a comprehensive year-over-year analysis of Medicaid FFS pharmacy claims data on a cost-per-claim basis. The trends reported in the 2021 edition of the report are based on gross cost and net cost per claim bases and compared the 2020 calendar year data to the 2019 calendar year data. ***The data set used in this evaluation contains more than 97 million claims with a gross cost of $12.7 billion and a net cost of $5.2 billion.*** The data include 25 Medicaid FFS customers across the country, from which two years of complete FFS data are available. MMA leverages our expertise in Medicaid and our wide experience across the country's Medicaid programs to create this valuable report for LDH and all our customers. In *Figures 8.4-9 and 8.4-10*, we provide examples of the reports in our *Medicaid Pharmacy Trend Report*.

- **Provide all PA activities and decisions in detail and written in layman's language and which shall be available for immediate and unredacted review by the MCOs or LDH.**

MMA will provide all PA activities and decisions in detail and written in layman's language, using clinical criteria in making the decision. Information will be available for immediate and unredacted review by the MCOs or LDH.

Our CSC staff uses FirstTrax to record and track all inquiries and requests, including PA activities and decisions, received from all callers, including Prescribers, Network Providers, Enrollees, and MCOs, and other stakeholders. Communication is key to eliminating confusion and supporting the expeditious, accurate transfer of pertinent details to achieve a seamlessly functioning program and FirstTrax facilitates the coordination of communication and services to Enrollees and Providers.

The system is integrated in real time with eligibility, Providers, and our claims system. In addition, we have implemented a process that allows image files of Enrollee letters to be attached to the contact detail records in FirstTrax. ***Retaining the letters online allows for easier access when assisting a caller, as well as improved auditability and tracking.*** PA processing and MRx Decide, our clinical decision module, are also fully integrated into FirstTrax to allow the CSC agent easy access to data and a view across claims and PAs before escalating the issue, as appropriate.

MMA will provide access to our FirstTrax Client Interface, FirstCI, to designated LDH and MCO users. FirstCI will provide LDH and the MCOs with unredacted, online access to inquiries and communications in an easy to read format. As a read-only companion to FirstTrax, FirstCI contains numerous search fields that allow users to locate information pertaining to PAs, as well as Enrollees, Enrollees' claims,

Providers, drugs, Prescribers, and call tracking against both the FirstRx and FirstTrax databases. The application provides a standard set of required search parameters to protect the integrity and responsiveness of the POS system as it processes in-flight transactions. *Figures 8.4-11* and *8.4-12* display sample screen prints demonstrating PA information available for viewing in FirstCI.

- **Migrate all existing automated PAs into its automated PA application.**

MMA will successfully replicate all existing automated PA protocols and migrate all PA records into our PA application. We will deliver, maintain, and execute a Data Conversion Plan that describes the planning, timelines, development, testing, coordination, and processes required to seamlessly replicate PA protocols from LDH and its incumbent contractors' systems to our pharmacy system so that the predecessor information is reflected in the ending balance.

- **Import and honor for use in real-time Drug Claims processing all unexpired existing PAs, regardless of whether they were manually or electronically approved.**

We will import and honor existing PAs that have not expired regardless of whether they were manually or electronically approved.

- **Allow an Enrollee, or a Provider on Enrollee's behalf, to Appeal PA denials.**

For our Medicaid customers, MMA routinely ensures that adverse PA determinations are handled in line with administrative review and the hearings and appeals processes defined by State law. We recognize that an Enrollee may appeal a PA denial or authorize a Provider to appeal a denial on their behalf. Our process includes notification to the Provider and a denial letter mailed to the Enrollee. Standard Enrollee PA denial letters will include appeal rights afforded to them through LDH. Letter templates are customizable and provide information to the individual on requirements and appeal rights.

MMA can support the appeals process in all manners as required by Louisiana Medicaid Managed Care Program policy and all related policy directives by LDH. We also have the ability to provide a status report of open appeals, upon request.

- **Allow and participate in State Fair Hearings in accordance with 42 CFR Part 438, Subpart F, when no resolution is reached through the Appeal process.**

MMA will allow and participate in State Fair Hearings in accordance with 42 CFR Part 438, Subpart F, when no resolution is reached through the Appeal process. We will ensure that adverse PA determinations are handled in line with administrative review and the hearings and appeals processes defined by Louisiana law. MMA will notify requesters of their appeal rights and procedures according to legal directives and notify Prescribers of an approval or denial through facsimile or letter. MMA will support the appeals and State Hearing process as required by LDH policy and all related policy directives by the State.

MMA will log and keep records of grievances, appeals, and State Fair Hearings documenting our compliance with Louisiana and Federal requirements. We use our proprietary FirstTrax system to proactively resolve, track, maintain records, and report on complaints and grievances. This system-based workflow solution ensures complete data collection, definition of escalation of calls, identification of time frames which can be used to calculate required turnaround times, and dashboards that help staff prioritize their workloads. All information on a case, including archived letters, is maintained in the system.

- **Provide the MCO and LDH pharmacy staff real-time, unredacted, read access to view prior authorization records, at no cost to the MCO or LDH.**

MMA will provide our FirstTrax Client Interface, FirstCI, at no cost to designated LDH and MCO users which allows for a real-time unredacted review of PA information. As a read-only companion to FirstTrax, FirstCI contains numerous search fields that allow users to locate information pertaining to Enrollees, Enrollees' Drug Claims, Network Providers, drugs, Prescribers, PAs, and call tracking against both the FirstRx database and the FirstTrax database. The application provides a standard set of required search parameters to protect the integrity and responsiveness of the POS system as it processes in-flight transactions.

- **Provide a toll-free twenty-four (24) hours per day, seven (7) days per week PA call center, staffed with appropriate clinical personnel accessible 7:00 am to 7:00 pm Central Time. Monday through Friday excluding agreed-upon holidays– except for downtime approved in advance by LDH.**

PA and clinical services support will be made available through the dedicated Louisiana Medicaid Managed Care Program toll-free telephone number via the exclusive IVR menu option. The PA Help Desk will be available toll-free 24/7/365 and staffed with appropriate clinical personnel accessible 7:00 a.m. to 7:00 p.m. Central Time, Monday through Friday, with the exception of agreed-upon holidays and downtime approved in advance by LDH. Our PA Help Desk will respond promptly and efficiently to assist Prescribers with decisions to approve or deny PA requests, as well as Appeals and Grievances regarding PA denials and/or processes.

- **Staff the call center with appropriate technical and clinical staff sufficient to handle call volume.**

MMA will ensure that our CSC is appropriately staffed to respond to Provider and Enrollee inquiries. We provide a fully-trained CSC staff of skilled clinicians—including pharmacists (RPh and PharmD) and Certified Pharmacy Technicians (CPhTs)—who respond to service requests submitted via telephone (through one established toll-free number), voicemail, fax, mail, web portal, and/or email.

We will provide extensive training to our CSC staff so that they understand and are in compliance with all LDH requirements. Our CSC staff will be efficient in supporting all functions, including technical areas, such as responding to eligibility and claims processing inquiries, and clinical areas, such as PAs, the PDL, and clinical programs.

MMA's experienced clinical and administrative staff, along with our innovative, automated, and integrated CSC solution, accurately processes, determines the appropriate disposition, and preserves all relevant history of each inquiry with the ability to see every claim and PA. These features significantly reduce unnecessary burden to Enrollees and Network Providers. Our CSC staff clearly understands clinical aspects and recognizes, appreciates, and respects the needs and support requirements of Network Providers, Prescribers, Enrollees, MCOs, and other Louisiana Medicaid Managed Care Program stakeholders.

MMA possess the capacity to handle all telephone calls at all times, including times of peak call volume, and to meet LDH's and the MCOs' needs and performance expectations with acceptable call completion and abandonment rates. ***We ensure a flexible staff scalability to effectively manage our call and fax volumes.*** Our corporate CSC staff is cross-trained in multiple accounts, which allows for an easy transition to a backup CSC, when necessary, to support peak volumes, for extenuating circumstances outside of normal business hours, and for business continuity. This workload balancing process will ensure that the Louisiana Medicaid Managed Care Program has the necessary staff available to it whenever the need arises.

- **Locate the call center in Louisiana, for Prescribers to call to request PA for non-preferred drugs or drugs that are subject to clinical edits.**

MMA will establish a CSC to provide primary support to the Louisiana MCO PBM Project in the State of Louisiana. Trained CSC staff will be available to Prescribers to call to request PA for non-preferred drugs or drugs that are subject to clinical edits.

Virtual backup support will be provided by our facility in Glen Allen, Virginia. Our solution is to provide a virtual environment where CSC staff in the primary and backup locations can access all functions, regardless of the CSC in which they work, so that uninterrupted assistance is provided to Prescribers when there are weather-related emergencies or other unexpected occurrences that may impact access to the primary CSC or MMA's ability to meet CSC standards.

8.4.2.1 Prior Authorization Submission (RFP 8.4.10.2.1)

To ensure compliance with the submission of PAs, the Contractor shall:

- **Allow Prescribers to submit PA requests by phone, fax, mail, electronically, or automated process.**
    - **Prior authorization request submitted through a secure electronic transmission must adhere to the NCPDP SCRIPT standard. Faxes are not considered secure electronic transmissions and proprietary payer portals are not considered secure transactions unless they use the NCPDP SCRIPT Standard.**

MMA allows Prescribers to submit PA requests by telephone, fax, mail, electronically, or automated process. We provide state-of-the art methods for PA submission processes, and these entry points are integrated to support PA requests. These include AutoPA within the FirstRx POS system, fax, IVR, Internet technology, mail, telephone, and PA entry through the CSC. In addition, our ePA functionality allows for secure electronic PA submissions for drugs whose decision criteria permit automated solutions. MRx will use the published NCPDP SCRIPT format standards for request and response of the PA. ePA transactions are integrated with the MRx Decide clinical decision module to disposition PAs uniformly with one criteria set for all MCOs. We acknowledge that faxes are not considered secure electronic transmissions and proprietary payer portals are not considered secure transactions unless they use the NCPDP SCRIPT standard. The entry points are integrated through MMA to efficiently support PAs submitted both at the POS and manually. Each approach utilizes the same criteria to drive consistent decisions for LDH's PAs that are submitted using MRx Decide. LDH can perform a PA on any drug categorized as non-preferred or requiring clinical PA. PAs are processed using the following methods.

Automated Prior Authorization: Our automated PA system, AutoPA, is a robust and fully integrated feature of the FirstRx system that streamlines the PA process for the Provider and Prescriber using automated decision-making based on established and approved clinical rules and edits within the processing engine. AutoPA functions use stored data, as well as incoming data, to make intelligent decisions, guided by criteria approved by LDH. ***AutoPA uses information submitted on the claim and/or stored in the Enrollee's profile (i.e., past drug use, diagnosis, etc.) to determine the appropriate disposition of the claim, all of which supports timely delivery of appropriate medication to Enrollees and reduces unnecessary administrative burden on Providers.*** Since the authorization takes place as part of the normal claim adjudication process, Provider intervention is only necessary when the AutoPA process does not find the required criteria information on file (e.g., specific drug or ICD-10 codes are not found in the Enrollee's history). FirstRx uses pharmacy and medical claims data, including ICD-10 diagnosis codes, and prior claims present in the Enrollee's history profile. Requirements can be bypassed as determined by LDH for certain medications when specific medical conditions exist. Prescribers are encouraged to include the applicable diagnosis code on written prescriptions for inclusion on the electronic pharmacy claim. The claim is then submitted by the pharmacy including the appropriate Diagnosis Code and State-specific PA requirements may be met even if the diagnosis has not yet appeared in the medical claims.

ePA: MMA has the ability to provide electronic PA capabilities with our ePA application. ePA allows Prescribers to complete a PA request directly from their practice management software. The ability for doctors to request a PA without having to leave their standard workflow results in greater efficiency and seamless Enrollee care. ***ePA-requested PAs are directly integrated into MRx Decide which allows the Prescriber direct access to answer the clinical criteria questions, reducing Enrollee wait time and improving both quality and efficiency.*** MRx Decide supports the ePA process which provides a consistent application of LDH criteria between the CSC and the ePA tool. Providers use this web portal entry tool to:

- Request a PA
- Answer structured clinical criteria questions

- Receive an approval or denial (after pharmacist review) based on responses to the criteria.

Figure 8.4-13 shows the ePA workflow.

PA Entry through the CSC: Drug-specific questions on paper fax forms can be ordered in a manner that allows for quick decision making. During the creation of the PA request, information from a denied claim is automatically populated by FirstTrax in a template that is designed for the specific initiative associated with the PA condition. MRx Decide is utilized in the PA decision-making process. If LDH chooses to use this functionality, once eligibility and program coverage rules have been reviewed, the Enrollee's history

is reviewed to compare all information regarding the medication or drug class. If an alternative is available, the Prescriber can be consulted to see if the substitution is appropriate for the Enrollee. If the Prescriber elects to change the therapy, the authorized user records in the PA log that a therapy change was accepted. If the Prescriber chooses to proceed with the PA request, the information submitted is reviewed. If supporting documentation satisfies all criteria, the approval is logged and communicated to the Prescriber. If additional information is needed or criteria for PA are not met, the authorized user contacts the Prescriber for more information and escalates the review to a pharmacist. If the pharmacist is able to approve the request, it is finalized in the system, and the decision is communicated to the Prescriber.

MMA's systems possess the capability to streamline PA processes. We use the AutoPA functionality in FirstRx and our ePA functionality to reduce the manual aspect of claim review. ***MMA understands the importance of ensuring that the PA program meets the goal of providing the right medication to the right Enrollee in the right situation.***

- **Include a review of the Enrollee's eligibility record as part of PA processing to retrieve the information needed for PA determinations including, but not limited to:**
  - **Program eligibility.**
  - **Authorized Prescribers.**
  - **Program coverage restrictions.**
  - **Alternative insurance (e.g., Medicare Part B, commercial coverage).**
  - **Other elements specified and approved by LDH.**

MMA's PA process includes a review of the Enrollee's eligibility record as part of our PA processing to retrieve the information needed for PA determinations. When the CPhT or pharmacist initiates the PA process in FirstTrax, the system performs a trial adjudication transaction. A trial adjudication forces a claim to go through the adjudication process in the production environment but does not save the results. This process exposes information in the Enrollee's eligibility record, such as program eligibility, authorized prescribers, program coverage restrictions, and alternative insurance (e.g., Medicare Part B, commercial coverage). As other elements are specified and approved by LDH, edits will be configured in the system and evaluated by the trial adjudication process during PA processing.

- **Allow determinations based on various data elements identifying drug products including, but not limited to, the following:**
  - **NDC 9 or 11.**
  - **Therapeutic class.**
  - **Other drug grouping categories as approved or directed by LDH.**

MMA's solution allows determinations based on various data elements identifying drug products, including NDC 9 or 11, therapeutic class, or other drug grouping categories as approved or directed by LDH. When a claim is submitted for an NDC that needs a manual PA by design, or because it failed POS AutoPA rules, the prescriber can contact our CSC. Once the call, fax, or mailed PA request is received by the CSC, a CSC agent will conduct the initial review specific to the medication requested. MMA can build PAs in FirstTrax and FirstRx for all LDH-required elements, including NDC 9 or 11, therapeutic class, or other LDH-specified category. We also have the ability to create a drug list in FirstRx and use it to build PA rules in FirstTrax or FirstRx

- **Pursue additional information from the requestor sufficient to render a final decision and, after an LDH-specified period has lapsed with no response, deny the request.**

Our staff responds to PA requests from prescribers within 24 hours. The response will be a final determination, provided all information necessary to render a decision is available, or the response may take the form of a request for additional information. If additional information is required, a notice is sent to the Prescriber requesting the additional information, and the contact detail is set to a pending

status. Upon receipt of additional information, the pending request is retrieved by a clinical pharmacist who has the capability to review the notes and/or actions from the initial request, if necessary, in order to make a determination based on the new information received. If additional information sufficient to render a final decision is not received within an LDH-specified time frame, MMA will deny the request.

- **Not penalize the Prescriber or Enrollee, financially or otherwise, for PA requests or other inquiries regarding prescribed medications.**

MMA does not penalize Prescribers or Enrollees, financially or otherwise, for PA requests or other inquiries regarding prescribed medications.

8.4.2.2 Timeliness and Adjudication of PAs (RFP 2.1.10.2.2)

The Contractor shall:

- **Approve or deny PA requests within twenty-four (24) hours of receipt, seven (7) days a week.**

MMA will approve or deny PA requests within 24 hours of receipt, seven days a week. We comply with Section 1927 of the Social Security Act and will comply with applicable Louisiana law and regulations, as directed by LDH. We will respond to PA service requests within 24 hours in accordance with OBRA '90. If the information furnished by the prescriber satisfies the criteria, the PA approval is entered into the system and enables successful adjudication of the claim when all other conditions are met. Otherwise, a decision will be made within 24 hours of receipt of service requests.

- **The twenty-four (24) hour response for requests received via mail shall begin on the date and time the mail is received by the review department.**

Fully-trained and credentialed personnel respond to PA requests within 24 hours of receiving all required documentation. The 24-hour response for requests received via mail will begin on the date and time the mail is received by the CSC.

- **Utilize a date and time stamp assignment system for all PA requests to allow for monitoring of the timeliness notification requirement.**

Our FirstTrax system is a full contact management system, in that it is the application used for calls, emails, faxes, PAs, and mail correspondence. We use FirstTrax to comprehensively support the contact tracking and PA process. Our trained CSC staff respond to inquiries received by telephone, facsimile, web portal, secure email, and US mail. All CSC contacts are promptly documented, time-stamped, and processed, whether received via telephone, facsimile, web portal, US mail, or encrypted email. MMA will use FirstTrax's date- and time-assigning capabilities for all PA requests to monitor and report on this requirement.

- **Provide denials of PA requests or offering of an alternative medication to the Prescriber and Enrollee in writing, including all the reasons the PA was denied.**

MMA will provide denials of PA requests or offering of an alternative medication to the Prescriber and Enrollee in writing. Our letter templates are customizable and can provide information to the individual including all the reasons the PA was denied.

- **Notify the Enrollee, in writing using language that is easily understood by the Enrollee, of determinations to deny a PA request, to authorize a service in an amount, duration, or scope that is less than requested, and/or any other action as defined in the Enrollee Grievances, Appeals and State Fair Hearings section. The notice of action to Enrollees shall be consistent with requirements in 42 CFR §438.404, §438.10, and §438.210, the Marketing and Education section for Enrollee written materials, and any agreements that the Department**

may have entered into relative to the contents of Enrollee notices of denial or partial denial of services, regardless of whether such agreements are related to legal proceedings or out-of-court settlements.

MMA will notify the Enrollee, in writing using language that is easily understood by the Enrollee, of determinations to deny a PA request, to authorize a service in an amount, duration, or scope that is less than requested, and/or any other action as defined in the Enrollee Grievances, Appeals and State Fair Hearings section. We will ensure that the Notice of Action (NOA) to Enrollees is consistent with requirements in 42 CFR §438.404, §438.10, and §438.210, the Marketing and Education section for Enrollee written materials, and any agreements that LDH may have entered into relative to the contents of Enrollee notices of denial or partial denial of services, regardless of whether such agreements are related to legal proceedings or out-of-court settlements.

Our NOAs will provide meaningful communication with Enrollees notifying them of denied PAs and steps to take to gain continuation of benefits, if applicable, and next steps in the reconsideration process. MMA can use existing Enrollee NOA templates provided by LDH, or can work closely with LDH to develop templates, to send individualized NOAs to Enrollees. The NOA will comply with content and format requirements listed in 42 CFR §438.10 (October 1, 2017). The NOA will explain:

- Adverse benefit determination MMA has taken or intends to take
- Reasons for the adverse benefit determination, including the right of the Enrollee to be provided, upon request and free of charge, reasonable access to copies of all documents, records, and other relevant determination information
- Enrollee's right to file an appeal with MMA
- Information related to exhausting the appeal
- Enrollee's right to request a State Fair Hearing through Louisiana's Sate Hearing system upon exhausting the MMA appeal
- Procedures for exercising the Enrollee's rights to appeal the adverse benefit determination
- Circumstances under which expedited resolution is available and how to submit a request
- Enrollee's right to have benefits continue pending the resolution of the appeal, how to request that benefits be continued, and the circumstances under which the Enrollee may be required to pay for the cost of these services, if applicable
- Date the notice is issued.

- **The Contractor shall notify the requesting Prescriber of a determination to deny an authorization or reauthorization request or to authorize or reauthorize a service in an amount, duration, or scope that is less than requested.**

MMA will notify the requesting Prescriber of a determination to deny an authorization or reauthorization request or to authorize or reauthorize a service in an amount, duration, or scope that is less than requested.

Our staff responds to PA requests from Prescribers within 24 hours. The response will be a final determination, provided all information necessary to render a decision is available, or may take the form of a request for additional information. When a final decision has been reached about a denied PA request, the information and any associated actions are faxed by the clinical pharmacist for final documentation and follow-up with the requester. In addition to notifying the requester, if a decision remains denied, a letter is mailed to the Enrollee noting the denial and information on the process for appeal.

Standard letter generation, such as Enrollee PA denial letters, is produced using data extracted from the FirstTrax application. FirstTrax users also have the ability to create a facsimile reply, for PA requests received via facsimile, and communicate information necessary to a Provider either through standard or free-form text.

- **Comply with the requirements of Section 1927 of the Social Security Act.**
  - **The MCOs shall hold the Contractor to a ninety-nine and one-half percent (99.5%) compliance rate with the twenty-four (24) hour PA resolution requirement.**
  - **If the Contractor is reporting less than ninety-nine and one-half percent (99.5%) compliance on the RX055 report, an explanation shall be included with the report in the notes section.**

MMA complies with Section 1927 of the Social Security Act. We will respond to PA service requests within 24 hours in accordance with OBRA '90. If the information furnished by the prescriber satisfies the criteria, the PA approval is entered into the system and enables successful adjudication of the claim when all other conditions are met. Otherwise, a decision will be made within 24 hours of receipt of service requests. We acknowledge that the MCOs will hold MMA to a 99.5% compliance rate with the 24-hour PA resolution requirement and will include an explanation in the notes section of the RX055 report if we report less 99.5% compliance.

- **Have an automated process that allows the Network Provider to dispense, without PA, a seventy-two (72) hour emergency supply of a product or full unbreakable package.**

MMA's solution provides an automated process that allows the Network Provider to dispense, without PA, a 72-hour emergency supply of a product or full unbreakable package. FirstRx can be configured to allow a 72-hour supply of a covered outpatient drug in an emergency situation, as specified by LDH. Specific NCPDP field/value combinations must be submitted on the claim (e.g., NCPDP field 418-DI - Level of Service = 3 and Days' Supply <= 3) to trigger the emergency supply logic for a covered outpatient drug. FirstRx will deny claims submitted for services that are not covered by the Louisiana Medicaid Managed Care Program using the NCPDP reject code and supplemental messaging defined by LDH. When LDH updates its list of non-covered services, we will make the associated modifications in FirstRx using an agreed-upon approach (including any necessary QA testing) and the changes will be in effect for adjudication based on LDH's specified timeline.

- **Allow up to two (2) consecutive emergency supply fills per prescription, if needed.**

Rules will be established in FirstRx to allow Louisiana Medicaid Managed Care Program Enrollees up to two consecutive emergency supply fills per prescription, if needed.

- **Reimburse the pharmacy for both the ingredient and the Professional Dispensing Fee for both emergency supply fills. Emergency fills may be included in a post payment review and shall be reported monthly to LDH to identify misuse.**

MMA will reimburse the pharmacy for both the ingredient and the Professional Dispensing Fee for both emergency supply fills. We will maintain all edits, PA rules, override codes and business processes required to support emergency fill provisions at the direction of and in accordance with approved LDH policy. MMA will include emergency fills in a post-payment review and report the information to LDH on a monthly basis to identify misuse.

- **Have an automated PA functionality to automatically override PA requirements during Drug Claim processing based on data available from Drug Claims paid by the Contractor.**

We have automated PA functionality to automatically override PA requirements during Drug Claim processing based on data available from Drug Claims paid by MMA. Our automated PA system, AutoPA, is a robust and fully integrated feature of the FirstRx system that streamlines the PA process for the Provider and Prescriber using automated decision-making based on established and approved clinical rules and edits within the processing engine.

AutoPA functions use stored data, as well as incoming data, to make intelligent decisions, guided by criteria approved by the customer. ***AutoPA uses information submitted on the claim and/or stored in the Enrollee's profile (i.e., past drug use, diagnosis, etc.) to determine the appropriate disposition of the claim, all of which supports timely delivery of appropriate medication to Enrollees and reduces unnecessary administrative burden on Providers.***

Since the authorization takes place as part of the normal claim adjudication process, Provider intervention is only necessary when the AutoPA process does not find the required criteria information on file (e.g., specific drug or ICD-10 codes are not found in the Enrollee's history). FirstRx uses pharmacy and medical claims data, including ICD-10 diagnosis codes, and prior claims present in the Enrollee's history profile.

Requirements can be bypassed as determined by LDH for certain medications when specific medical conditions exist. Prescribers are encouraged to include the applicable diagnosis code on written prescriptions for inclusion on the electronic pharmacy claim. The claim is then submitted by the pharmacy including the appropriate Diagnosis Code.

FirstRx provides extensive configuration options to automatically process PAs. In *Figure 8.4-14: AutoPA—Incoming Claim for Second Generation Cephalosporin Antibiotics,* we provide an example of one of our AutoPA rules that uses PDL requirements, age edits, and diagnosis codes on the incoming claim or in the Enrollee's history when an incoming claim for a second generation cephalosporin antibiotic is presented.

- **Accept and integrate clinical data from other systems necessary for PAs and Adjudication, including diagnosis codes and lab values. The Contractor may be required to use those values in the PA and Adjudication processes, as required by LDH.**

MMA's solution has the ability to accept and integrate clinical data from other systems necessary for PAs and claims adjudication, including diagnosis codes and lab values. We use these values in the PA and adjudication processes. FirstRx uses medical claims data and ICD-10 diagnosis codes present in the Enrollee's profile (provided by the MMIS) or submitted on the claim by the Provider to evaluate the claims against clinical criteria and to perform PA disposition and DUR evaluations.

MMA uses our FirstTrax call tracking and PA management system as the repository for all automated and manual PA requests, dispositions, and clinical notes processed through the pharmacy benefit for each State. The integration of the FirstTrax and FirstRx systems provides streamlined entry and updates of PA requests. We use a custom-built application programming interface (API) between FirstRx and FirstTrax to allow authorized users creating a PA to generate rules within FirstRx. These rules ensure that the PA is correctly interpreted by the adjudication engine when the claims are submitted by the pharmacy.

MRx Decide, our configurable, businesses rules-driven clinical decision module, is incorporated seamlessly into the FirstTrax call tracking and PA management system, providing access to the Enrollee's eligibility, claims, and previous PA history necessary for adjudicating any PA request. The architecture makes use of a common set of web services to exchange key PA data. It incorporates preferred and non-preferred drug lists, diagnostic information, age and gender considerations, and quantity limitations, along with sophisticated questions based on LDH's PA criteria to allow consistent processing of complex clinical PA requests.

MMA provides state-of-the-art methods for PA submission processes, and these entry points are integrated to support PA requests. These include AutoPA within the FirstRx POS system, fax, IVRU, Internet technology, mail, telephone, and manual PA entry. The entry points are integrated through MMA to efficiently support PAs submitted both at the POS and manually. Each approach utilizes the same criteria to drive consistent decisions for the Louisiana Medicaid Managed Care Program's PAs that are submitted using MRx Decide. LDH can perform a PA on any drug categorized as non-preferred or requiring clinical PA.

- **Override PA for selected drug products or devices at LDH's discretion, including, but not limited to, certain DUR initiatives.**

MMA's pharmacy solution provides functionality to override PAs for selected drug products or devices at LDH's discretion, including certain DUR initiatives. Our solution incorporates automated PA functionality to automatically override PA requirements during claim processing based on data available from pharmacy claims paid by MMA and on medical claims history files provided to MMA. FirstRx has a fully integrated PA module, which eliminates the need to communicate with secondary systems during claims processing, improving response time to the Provider. Our PA process allows for the processing of multiple PAs from various sources, including automated PA capabilities with a decision provided instantly.

8.4.2.3 PA Denials, Appeals, and Escalations (RFP 2.1.10.2.3)

The Contractor shall:

- **Provide pharmacist review of all PAs that are deemed to be deniable and, if necessary or requested, forward to MCO medical director for review prior to the denial notification to the Prescriber/Network Provider. LDH and the Contractor shall jointly determine the types of reviews that shall be appropriately escalated to clinical staff.**

MMA will provide pharmacist review of all PAs that are deemed to be deniable and, if necessary or requested, forward to the MCO medical director for review prior to the denial notification to the Prescriber/Network Provider. We have clearly defined policies that provide for escalations of PA service requests to registered MMA pharmacists. We will work closely with LDH to determine the types of reviews that will be escalated to clinical staff and provide training to CSC staff to ensure they respond, escalate, and refer interactions appropriately.

For our Medicaid customers, MMA routinely ensures that adverse PA determinations are handled in line with administrative review and the hearings and appeals processes defined by State law. When processing PAs and managing the appeal process for our customers, our goal is to assist the Prescriber in changing to a comparable preferred drug, rather than simply denying the initial request. If the information furnished by the Prescriber satisfies the criteria, the PA approval is entered into the system and enables successful adjudication of the claim when all other conditions are met***. Our clinical pharmacists and CPhTs offer a personal yet professional clinical consultation service in real time while the Prescriber is still on the telephone.*** When there is doubt or the information provided by the requestor clearly indicates the criteria for authorization are not met, the CPhT will escalate to a clinical team member. The appropriate clinical team member will evaluate all available information and render a decision, accordingly, based on criteria and clinical judgment. The decision may be to approve, deny, change to alternate therapy (preferred drug), or return the request to the prescriber for additional information.

- **Provide a Louisiana Registered Pharmacist for call escalation regarding PA criteria and PA denial determinations.**

MMA will provide a Louisiana Registered Pharmacist for call escalations regarding PA criteria and PA denial determinations during available clinical CSC hours. As required by the RFP, clinical personnel, including the Louisiana Registered Pharmacist, will be accessible 7:00 am to 7:00 pm Central Time, Monday through Friday excluding agreed-upon holidays, with the exception of downtime approved in advance by LDH.

We have defined procedures for PA request call escalations to MMA registered pharmacists. MMA will work closely with LDH to coordinate escalation protocols to clinical staff and align training to CSC staff to ensure they respond, escalate, and refer interactions appropriately. As noted in Addendum #4, Question Number 52, issued on March 16, 2022, we acknowledge that the MCOs will perform appeals for PAs.

- **Provide a peer-to-peer reconsideration process within one (1) Business Day, administered by a board-certified physician, available to Prescribers who wish to challenge any adverse PA decisions, both before and after any Appeal.**

MMA will provide a peer-to-peer reconsideration process within one Business Day, administered by a board-certified physician, available to Prescribers who wish to challenge any adverse PA decisions, both before and after any Appeal. If a prescriber disagrees with a denial decision, he or she may request an escalated reconsideration. Once the request is made, the request is referred to an MMA-employed physician. The board-certified physician will review the information and contact the requester for the physician peer-to-peer review. When the staff physician has reached a final decision, in addition to notifying the requester, if a decision remains denied, a letter is mailed to the Enrollee noting the denial and information on the plan's process for Enrollee appeal. We can notify requesters of their appeal rights and procedures according to legal directives and notify Prescribers of an approval or denial through facsimile or letter.

- **Notify the Enrollee when PA is denied.**

MMA will notify the Louisiana Medicaid Managed Care Program Enrollee when a PA is denied. We will ensure that denial of service notifications are issued in accordance with all LDH, State, and Federal requirements. MMA will partner with LDH during requirements analysis meetings to identify denial requirements and appeal rights. We will work with LDH to define the standard denial templates and denial requirements. If the PA decision is a denial, a letter is mailed to the Enrollee notifying them of the denial, available access to foreign language interpretation services, reason(s) for the denial, LDH's appeals process and grievance procedures, and time frame for internal and external appeals process.

- **Comply with LDH and Federal policies and procedures for Enrollee Appeals including, but not limited to, the following:**
  - **Notify Prescribers and Enrollees of their Appeal rights.**
  - **Prepare the appropriate reports and documents to support its actions resulting in the request for an Appeal.**
  - **Appear at State Fair Hearings to defend a PA denial decision.**
  - **Provide the services of a clinical pharmacist to engage in peer discussions with LDH's Medical Director and other LDH clinical personnel to address an Appeal related to pharmacy benefit services.**
  - **Comply with the mandates and timelines stipulated by LDH and Federal policies for response/resolution of any Appeal.**

MMA will comply with LDH and Federal policies and procedures for Enrollee Appeals. We will notify the Enrollee when a PA is denied and ensure that adverse PA determinations are handled in line with administrative review and the hearings and appeals processes defined by Louisiana law, as well as Federal policies and procedures. We will notify requesters (i.e., Providers and Enrollees) of their appeal rights and procedures according to legal directives and notify Prescribers of an approval or denial through facsimile or letter. Letter templates will be approved by LDH, are customizable, and provide information to the Enrollee on requirements and appeal rights.

We will support the appeals process in all manners as required by LDH policy and all related policy directives including preparing the appropriate reports and documents to support MMA's actions resulting in the request for an appeal and appearing at hearings to defend a PA denial decision. MMA will provide the services of a clinical pharmacist to engage in peer discussions with LDH's Medical Director and other LDH clinical personnel to address an appeal related to pharmacy benefit services. In addition, MMA will comply with the mandates and timelines stipulated by LDH and Federal policies for response/resolution of any appeal and can provide a status report of open appeals upon request from LDH.

In accordance with 42 CFR §438.402, each MCO must have a grievance and appeal system in place for Enrollees.

- **Provide informal reconsideration**
  - **As part of the MCO ~~or Contractor's~~ Appeal Procedures, the Contractor shall include an Informal Reconsideration process that allows the Enrollee (or Provider/agent on behalf of an Enrollee) a reasonable opportunity to present evidence, and allegations of fact or law, in person and in writing.**
  - **In a case involving an initial determination or a concurrent review determination, the Contractor shall provide the Enrollee or a Provider acting on behalf of the Enrollee and with the Enrollee's written consent an opportunity to request an informal reconsideration of an Adverse Benefit Determination by the physician or clinical peer making the Adverse Benefit Determination [42 CFR §438.402(c)(1)(ii)].**
  - **The informal reconsideration shall occur within one (1) Business Day of the receipt of the request and shall be conducted between the Prescriber rendering the service and the Contractor's physician authorized to make Adverse Benefit Determinations or a clinical peer.**
  - **The Informal Reconsideration does not extend the thirty (30) Calendar Day required timeframe for a Notice of Appeal Resolution.**

MMA will provide an informal reconsideration process for the Louisiana Medicaid Managed Care Program. We will provide the Enrollee, or Provider/agent on behalf of an Enrollee, with a reasonable opportunity to present evidence and allegations of fact or law, in person as well as in writing, and inform the Enrollee of this opportunity sufficiently in advance of the resolution time frame.

In a case involving an initial determination or a concurrent review determination, MMA will provide the Enrollee, or a Provider acting on behalf of the Enrollee and with the Enrollee's written consent, an opportunity to request an informal reconsideration of an Adverse Benefit Determination by the physician or clinical peer making the Adverse Benefit Determination [42 CFR §438.402(c)(1)(ii)]. The informal reconsideration will occur within one Business Day of the receipt of the request and be conducted between the Prescriber rendering the service and the MMA physician authorized to make Adverse Benefit Determinations or a clinical peer. We acknowledge that the informal reconsideration does not extend the 30 Calendar Day required time frame for a Notice of Appeal Resolution. In the following paragraphs, MMA proves additional details regarding our informal reconsideration process.

For our State Medicaid customers, MMA routinely ensures that adverse PA determinations are handled in line with administrative review and the hearings and appeals processes defined by State law. For the Louisiana Medicaid Managed Care Program, an Enrollee, an Enrollee's authorized representative (who has the Enrollee's written consent to file an appeal on their behalf), or a Provider may file an appeal orally or in writing within 30 calendar days from the date that the Notice of Appeal was issued.

8.5 Behavioral Health Policies and Procedures (RFP 2.1.11)

The MCOs are responsible for contracting with psychiatric facilities and residential substance use facilities so that the MCOs are notified upon patient admission and upon patient planned discharge from the psychiatric facility or residential substance use facilities (including, but not limited to, inpatient psychiatric facilities, psychiatric residential treatment facilities (PRTFs), and residential substance use disorder settings).

Prior to discharge, the MCO shall be informed of the patient's discharge medications. The MCO shall then be responsible for notifying the Contractor to override or allow all behavioral health discharge medications to be dispensed by overriding PA restrictions for a ninety (90) Calendar Day period. This includes, but is not limited to, naloxone, buprenorphine containing products, and long-acting injectable anti-psychotics. Also, if the Prescriber indicates on the universal PA form that the Enrollee is being discharged from a psychiatric facility or a residential substance use facility and the prescription is for a behavioral health medication (includes, but is not limited to, naloxone, buprenorphine containing products, and long-acting injectable anti-psychotics), the PA shall be immediately approved for at least ninety (90) Calendar Days.

However, these requirements are exempted if the MCO's psychiatrist, in consultation and agreement with the facility's prescribing physician, determines that the medications are:

- **Not medically necessary; or**
- **Potentially harmful to the Enrollee.**

PA shall be automatically approved upon notification to the Contractor by the Prescriber's office for a dosage change for any medications in behavioral health therapeutic classes (including long-acting injectable antipsychotics) and other medication assisted treatment (including buprenorphine containing products and naloxone), that have been previously authorized or approved, if the newly prescribed dose is within established FDA guidelines for that medication.

The Contractor shall continue any treatment of antidepressants and antipsychotics for at least ninety (90) Calendar Days after enrollment with the MCO.

Our deep-rooted experience in behavioral health — more than 44 years — combined with 38 years specific experience as a PBM, affords us the unique opportunity to utilize our thought-leading experience to ensure strict compliance with Louisiana MCO PBM behavioral health policies and procedures.

Magellan Health has been a trusted partner to State, Federal, and county governments, as well as health plans who serve Medicaid, Medicare, and commercial Enrollees. Magellan Health focuses on mental health and substance abuse programs offered by State and county governments; and has designed a fully-integrated solution that builds on important lessons learned over the years.

MMA understands the importance of working in collaboration with the Louisiana MCOs to ensure that patients who have been enrolled in psychiatric and residential substance use facilities are able to continue to have access to medically necessary behavioral health medications upon discharge from a facility.

MMA offers Louisiana Prescribers the option to use the universal PA form to indicate that a Louisiana Medicaid Enrollee is being discharged from a psychiatric or a residential substance use facility and will need access to behavioral health medications such as, but not limited to, naloxone, buprenorphine containing products, and long-acting injectable anti-psychotics prior to discharge. Receipt of this form initiates the pharmacy PA process for discharge medications. Once the form is received by MMA, we will immediately approve the medication through the PA process for at least 90 Calendar Days.

In addition, MMA offers Louisiana MCOs the option to call our dedicated Louisiana MCO Liaison Team when a patient is being discharged and discharge medications will need to be approved. MMA will override PA restrictions for 90 Calendar Days for appropriate medications, including but not limited to naloxone, buprenorphine containing products, and long-acting injectable anti-psychotics per MCO notification.

Our MCO Liaison Team serves as a point of contact for MCOs, taking into account the MCOs' perspective and needs during implementation and ongoing. They support coordination and integration efforts, as well as have the ability to quickly resolve urgent Enrollee cases. Our MCO Liaison Team also has the knowledge and capability to assist with any clinical, pharmacy-related matter, such as urgent and/or time-sensitive requests, PA status, or claims issues. Our MCO Liaison Team will be trained specifically on understanding the Louisiana Medicaid population being served by the MCOs, as well as aspects that are unique to each MCO's population.

MMA will ensure that only LDH-approved PA criteria are used to conduct automatically approved PA determinations. Automatic approved PA determinations will be waived if the MCO's psychiatrist, in consultation and agreement with the facility's prescribing physician, determines the medications do not meet medically necessary rules and are deemed potentially harmful to the Enrollee. All PA rules are in accordance with all applicable State and Federal laws and regulations. Dosage changes for any behavioral health therapeutic class medications PAs, including long-acting injectable antipsychotics and other medication assisted treatment such as buprenorphine containing products and naloxone that have been previously authorized or approved, will be automatically approved upon notification by the Prescriber's office. The new prescribed dose must meet established FDA guidelines for that medication.

MMA understands the importance of continuity of care, particularly for Enrollees who are new to an MCO or have transitioned from one MCO to another. If a Prescriber indicates that an Enrollee is stable on current therapy, MMA will approve antidepressants and antipsychotics through the PA process for at least 90 Calendar Days after enrollment with the MCO.

8.6 Specialty Drugs and Pharmacies (RFP 2.1.12)

Specialty drugs and pharmacies: Describe the proposed approach to meet the requirements in Section 2.1.12

The Contractor shall manage Drug Claims for Specialty Drugs, excluding establishment of a Specialty Pharmacy Network. LDH recognizes the importance of providing adequate access to Specialty Drugs to Enrollees while ensuring proper management of handling and utilization.

The Contractor shall not limit distribution of Specialty Drugs or self-refer to a MCO or Contractor-owned Specialty Pharmacy. Any pharmacy that is able to procure Specialty Drugs from distributors, has any one of the nationally recognized accreditations and is willing to accept the terms of the MCO's contract shall be allowed to participate in the Contractor's Network (any willing Provider).

All Specialty Pharmacy contracts between the Contractor and Specialty Pharmacy shall be sent to LDH for approval thirty (30) Calendar Days prior to processing any Drug Claim for Specialty Drugs. LDH reserves the right to deny Specialty Pharmacy contracts that include what LDH deems to be overly burdensome terms or requirements, including but not limited to requirements for excessive insurance coverage, unreasonable stocking requirements, or restrictive or duplicative accreditation requirements. The Contractor shall accept any one of the nationally recognized accreditation programs to meet its Specialty Pharmacy requirement. All pharmacy contract cancellations shall be approved by LDH at least sixty (60) Calendar Days prior to cancellation.

To ensure compliance with the access to Specialty Drugs, the Contractor shall:

- **Not establish definitions, or require accreditation or licensure, effectively limiting access to prescription drugs, including Specialty Drugs.**
- **Not consider the following categories of drugs as Specialty Drugs:**
  - **Any oral medications utilized to treat HIV, Hepatitis B or Hepatitis C.**
  - **Any oral medications utilized to treat rheumatoid arthritis, multiple sclerosis or psoriasis (e.g., Aubagio, Gilenya, Otezla, Xeljanz/Xeljanz XR, etc.).**
  - **Any oral medications utilized to treat epilepsy or an immunosuppressant (e.g., Mycophenolate, Sirolimus, Tacrolimus, etc.).**
  - **Self-administered injectable anticoagulants (e.g., Enoxaparin, Fondaparinux, Dalteparin, Unfractionated heparin, etc.).**
  - **Self-administered injectable human growth hormone (excluding drop-ship items) or self-administered medications for migraine prophylaxis (e.g., Aimovig, Ajovy, Emgality).**
  - **Self-administered TNF-alpha blockers (e.g., Enbrel, Humira, Simponi, Cimzia), multiple sclerosis agents (e.g., Copaxone, Interferons, etc.) or psoriatic conditions (e.g., Cosentyx).**
- **Provide a quarterly list of identified Specialty Drugs to LDH and the MCOs and post on the Provider website after LDH approval.**

MMA has provided proprietary pharmacy network management and administration services since 1985, and we will apply our proven expertise to establish and manage a network of contracted specialty pharmacies for the Louisiana Medicaid Managed Care Program. MMA understands the importance of providing sufficient access to Specialty Drugs to Louisiana Medicaid Program pharmacy benefit Enrollees and ensure proper management of the handling and utilization of Specialty Drugs.

We manage networks of pharmacies for our PBM customers, including pharmacy network enrollment, contracting, and maintenance. MMA has an established statewide Louisiana Medicaid Pharmacy Network that will provide access to PBM Covered Services for Enrollees. There are currently 1,196 pharmacies in our Louisiana Medicaid Pharmacy Network, including 574 chain pharmacies (e.g., Albertson's, Brookshire, Costco, CVS [including Target], Kroger, Walgreen's, Walmart, Winn Dixie, Sam's

Club, etc.), 609 independent retail pharmacies, and 13 other types (e.g., government). ***Of the 1,196 pharmacies, 39 are currently designated as specialty pharmacies.***

MMA pharmacy network staff are highly experienced at developing and coordinating with a network of participating pharmacies that can dispense medications to Enrollees on a statewide and national basis. ***Our experience includes managing network access nationally under commercial and health plan contracts for a network of more than 68,600 pharmacies.*** Our network includes all major and regional chains and independent pharmacies. To ensure continuity of care and that insured Enrollees have access to their specialty medications, MMA provides access to all national specialty pharmacies. We also contract with all national mail-order specialty pharmacies in the nation. During implementation, MMA will compare our existing network with the current LDH network (using utilization data) and finalize the Project Work Plan to close any critical network gaps by Operational Start Date, ensuring continuity of care, a geographically diverse specialty network for Enrollees to choose from, and removal of any potential barriers to care.

We are confident that using our existing nationwide, comprehensive pharmacy network experience, we will provide a specialty pharmacy network to provide the access and medication needed in support of Louisiana Medicaid Program Enrollees. Upon contract award, MMA will work to secure contracts with specialty pharmacies. We will include MCO PBM contract provisions in our network agreements.

MMA will not limit distribution of Specialty Drugs or steer Enrollees to a MCO or our own Specialty Pharmacy. We affirm that any pharmacy that is able to procure Specialty Drugs from distributors, has any one of the nationally recognized accreditations and is willing to accept the MCO contract terms will be allowed to participate in our Louisiana Medicaid Pharmacy Network which includes 39 specialty pharmacies under any willing provider.

MMA will send all Specialty Pharmacy contracts to LDH for review and approval 30 calendar days prior to processing any drug claims for Specialty Drugs. MMA acknowledges and accepts that LDH reserves the right to deny Specialty Pharmacy contracts that LDH deems to be overly burdensome terms or requirements, including but not limited to requirements for excessive insurance coverage, unreasonable stocking requirements, or restrictive or duplicative accreditation requirements. MMA will send LDH Specialty Pharmacy contract cancellations for review and approval to LDH at least 60 calendar days prior to cancellation.

We will adhere to RFP requirements regarding Specialty Drugs in order to ensure Enrollee access to Specialty Drugs. As the current Louisiana State Supplemental Rebate/PDL and Drug Rebate Processing contractor, MMA affirms that the following categories of drugs are not considered Specialty Drugs and are included in the existing Louisiana PDL:

- Any oral medications utilized to treat HIV, Hepatitis B or Hepatitis C.
- Any oral medications utilized to treat rheumatoid arthritis, multiple sclerosis, or psoriasis (e.g., Aubagio, Gilenya, Otezla, Xeljanz/Xeljanz XR, etc.).
- Any oral medications utilized to treat epilepsy or an immunosuppressant (e.g., Mycophenolate, Sirolimus, Tacrolimus, etc.).
- Self-administered injectable anticoagulants (e.g., Enoxaparin, Fondaparinux, Dalteparin, Unfractionated heparin, etc.).
- Self-administered injectable human growth hormone (excluding drop-ship items) or self-administered medications for migraine prophylaxis (e.g., Aimovig, Ajovy, Emgality).
- Self-administered TNF-alpha blockers (e.g., Enbrel, Humira, Simponi, Cimzia), multiple sclerosis agents (e.g., Copaxone, Interferons, etc.) or psoriatic conditions (e.g., Cosentyx).

MMA has an established Specialty Drug List that we currently provide to LDH during our Quarterly Business Review (QBR) as part of our Louisiana State Supplemental Rebate/PDL and Drug Rebate Processing Contract. MMA will provide the Specialty Drug list to LDH and the MCOs on a quarterly basis, and we will also post the Specialty Drug list on our secure Louisiana MCO PBM Web Portal after LDH approval. The list is easily accessed and provides the ability to download for reference.

As an added benefit to LDH, MMA is dedicated to staying abreast of current events related to the management of specialty pharmaceuticals. MMA produces our nationally acclaimed *Medicaid Pharmacy Trend Report*™ for all of our Medicaid customers. Developed through in-depth data analysis and supported by broad national experience, the *Medicaid Pharmacy Trend Report* examines clinically appropriate drug use and cost-saving opportunities for Medicaid FFS pharmacy programs and evaluates trends in specialty.

Our staff has served on the Foundation for Managed Care Pharmacy's task force on specialty pharmaceutical management. We share our findings as we attend conferences and seminars that discuss specialty pharmaceuticals.

Figure 8.6-1 depicts an excerpt from the *Medicaid Pharmacy Trend Report* that focuses on specialty drugs.

8.7 Drug Utilization Review (DUR) (RFP 2.1.13)

Drug Utilization Review (DUR): Describe the operations for the prospective component of DUR including compliance with Federal regulations and coordination with the LDH DUR Board, LDH pharmacy staff and the MCOs

MMA brings value to LDH by leveraging the depth of our clinical DUR expertise and capabilities, SMEs with specific areas of clinical therapeutic focus, Enrollee safety, and cost-effectiveness to serve the Louisiana Medicaid Managed Care Program.

We have 20 years of experience serving Louisiana Medicaid. As the current Louisiana State Supplemental Rebate/PDL and Drug Rebate Processing contractor, we understand the relevance of appropriate clinical and therapeutic management services, compliance with Federal regulations and coordination with the LDH DUR Board, LDH pharmacy staff, and the MCOs. The experience we have gained supporting the Louisiana P&T Committee provides us with a level of expertise that no other vendor can match.

Using expertise gained from 38 years of pharmacy experience, which includes 32 years of ProDUR experience and 35 years of RetroDUR experience, MMA continuously enhances our ProDUR solution and editing capability. Our ProDUR solution is an integrated component of our FirstRx system and includes the following: configuring edits to message or deny resulting in meaningful interventions that do not over-burden dispensing pharmacy providers; monitoring utilization data and ProDUR edit/message trends; providing clear and concise ProDUR messaging to address only the most clinically significant circumstances; and configuring claims edits to provide enhanced ProDUR refinement functional capability.

MMA has established processes and procedures to ensure maximum compliance, minimize potential fraud and abuse, while taking into consideration both the quality and cost of the pharmacy benefit.

The Contractor shall participate in the LDH DUR program to assure that outpatient drugs are appropriate, medically necessary, and are not likely to result in adverse medical results in accordance with 42 USC §1396r-8(g).

MMA brings LDH our clinical DUR capabilities and ability to provide proactive assessment of therapeutic benefits to impact Enrollees and cost savings. Our philosophy of pharmaceutical care and cost management is focused on high impact areas that can reduce cost without compromising Enrollee access and care. We will deliver a clinically excellent, cost-effective, Medicaid-focused DUR solution that is customized for LDH. MMA commits to working closely with LDH to provide innovative management of the DUR services. We will serve as an engaged partner, and our staff will collaborate with LDH's pharmacy staff to provide pharmacy benefit coverage and analysis that will lead to enhanced Enrollee outcomes.

Tina Hawkins, PharmD, our Louisiana Clinical Pharmacy Director will provide support for LDH DUR Board meetings. She will be prepared to discuss matters such as patient safety, drug safety and efficacy, appropriate medical therapy, drug-drug or drug-disease warnings, duplication of therapy, medication adherence, polypharmacy, management of the public comment process, analysis and reporting, and PA criteria.

As the current Louisiana State Supplemental Rebate/PDL and Drug Rebate Processing contractor, we already provide pertinent clinical drug information available in our Therapeutic Class Reviews (TCRs), New Drug Updates (NDUs), Drug Bulletins (DBs), Clinical Alerts and Updates, MRx Pipeline Reports, as well as our nationally acclaimed Medicaid Pharmacy Trend Report that will be easily accessible for the Louisiana MCO PBM Project. We will respond to drug information requests from DUR Board members or LDH pharmacy staff in a timely matter with relevant clinical information.

Our clinical process is not intended to restrict medication utilization, but to promote the most appropriate and cost-effective medication utilization. Recommendations for changes to existing edits and recommendations for handling new NDCs/GSNs to the market are reviewed with LDH.

MMA's support includes clinical advice and recommendations to the LDH DUR Board before, during, and after all DUR Board meetings. For example, we can drill down into data to identify specific issues which are presented to the LDH DUR Board.

DUR standards shall encourage proper drug utilization by ensuring maximum compliance, minimizing potential Fraud and Abuse, and take into consideration both the quality and cost of the pharmacy benefit.

The Contractor shall:

- **Participate and implement edits accordingly.**
- **Attend every LDH DUR board meeting.**
- **Follow the safety edits and Drug Claims review requirements as specified by the State to comply with the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities (SUPPORT) Act.**

MMA has established DUR standards to ensure proper drug utilization by ensuring maximum compliance, minimizing potential Fraud and Abuse, while maintaining the quality and cost of the Louisiana Medicaid Program pharmacy benefit. We meet all State and Federal privacy and security regulatory requirements for protecting data confidentiality, including those defined by the HIPAA Security Rule and HITECH Act, and all requirements for data and information processing as mandated by 42 CFR 447 for individual and batch claims, as well as SUPPORT Act legislation.

MMA's ProDUR options will enable LDH to minimize the risk of fraud, waste, and abuse while validating that the Enrollee receives clinically sound medication therapy with minimal delay:

- FirstRx supports a ***process to auto-override early refill edits***. If the incoming claim reflects an increase in dose and was written by the same doctor, the early refill edit is automatically overridden at the point of sale.
- FirstRx can be configured so that ***claims for late refill reject*** if the pharmacy submits for a refill after the days' supply on the original prescription has lapsed (indicates Enrollee is not taking the medication as prescribed). The late refill edit is of particular importance for medications that require strict adherence to prevent therapeutic resistance and/or to verify effectiveness (e.g., Hepatitis C therapy).
- The ***accumulated early refill edit limits how many accumulated days*** the Enrollee can get a prescription early. The system makes sure that the transaction data are consistent with the NCPDP field and valid code values. When a claim denies for a DUR conflict type, data sent back to the provider include the conflict type, previous date of service that is causing the conflict to occur, previous fill quantity, and whether the prescription was filled at the same pharmacy or a different pharmacy, along with any additional messaging that has been attached to the edit.

We focus on delivering clinically excellent, cost-effective, Medicaid-focused clinical solutions, supported by advanced technology, that allow our customers to ensure the highest levels of quality health care.

FirstRx System is Flexible and Supports the Implementation of Edits Expeditiously

Clinical Pharmacy Director Tina Hawkins works in conjunction with our POS Programmer Amy Quinn, CPhT, to ensure all system edits are implemented correctly. ***Because of the high flexibility and configurability of FirstRx, 98% of edits are made without system development efforts.***

MMA's expert clinical staff collaboratively will develop, document, and disseminate all the clinical criteria that are needed to meet the needs of the Louisiana Medicaid Program, Enrollees, Prescribers, and Pharmacy Providers based on our extensive clinical and Medicaid experience. We will build the corresponding adjudication rules in our flexible FirstRx claims processing system, including claim rules that apply automated or manually-created prior authorizations, quantity limits, step therapy, and PDL exceptions.

Our Formulary Management Tool (FMT) in FirstRx allows us to establish drug coverage parameters using customized indicators. Working with LDH, Dr. Hawkins uses this tool to manage and update coverage parameters. As the standard in formulary management, the FMT allows for the efficient management of custom formularies and utilization management edits. Our FMT provides the ability to configure drug coverage parameters through the use of customized indicators, FMT assists in managing clinical, operational, drug benefit configurations and is fully embedded within the FirstRx POS claims system. Our solution is a highly flexible and dynamic claims engine which allows for maximum flexibility in benefit design. A primary advantage of FMT functionality is that it allows for quick turnaround on changes. The FMT offers an infinite choice of options to LDH to define business rules and apply claims edits.

The MMA FMT enables the establishment of drug coverage parameters through the use of customized indicators, allowing for complete customization of LDH-defined edits including, but not limited to:

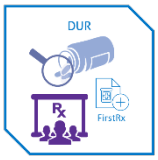
- Quantity Limits
- Early Refill/Duplicate Refills
- Maximum Safety MME Edits
- Concurrent Utilization Alerts for Opioids and Benzodiazepines
- Age Limits.

MMA will apply POS safety and utilization edits that align with FDA indications for any covered drug when approved by LDH. Edits are maintained in FirstRx that enforce LDH-approved specific conditions to be met for claims payment in accordance with Louisiana Medicaid Managed Care Program rules. Edits are defined during implementation, configured in FirstRx, and maintained throughout the Contract by our POS Programmer following our defined Change Control Process.

The provider, subject to LDH policy, may submit NCPDP DUR intervention codes to acknowledge a conflict and allow the claim to continue through the adjudication process and, if the claim passes all other edits, be a payable claim. FirstRx will store DUR intervention responses exactly as submitted by providers up to the NCPDP-supported maximum of nine occurrences. The DUR intervention codes are processed, displayed, and stored in the database for use in reporting or auditing as necessary.

Dr. Hawkins will work with our POS Programmer to make all appropriate changes to Louisiana edits in FirstRx. All edit changes are made in accordance with our established change control protocols. We combine a wealth of clinical expertise derived from a team of pharmacists, physicians, and biostatisticians. This team provides a comprehensive array of analytical capabilities to identify potential opportunities and act quickly to implement clinically sound, cost-effective criteria and programs. Backed by this expertise and fully understanding that every Enrollee population is different, MMA develops clinical programs and claims edits with the agility to be configurable to adjust for differences across populations.

Attend DUR Board Meetings



With 35 years of P&T and DUR Board experience, MMA is well qualified to attend LDH DUR Board meetings to provide support. MMA will work closely with LDH to implement ProDUR and clinical edits as outlined by the DUR Board. Tina Hawkins, PharmD, our Clinical Pharmacy Director will support the functions of the DUR Board by attending all LDH DUR Board meetings and collaborating with the MCOs to identify and monitor the use of prescription medications and products to ensure proper Enrollee drug utilization, safety, therapeutic efficacy, and cost-effectiveness throughout the term of the Louisiana PBM Services for Medicaid MCO Contract. We will identify and monitor Enrollee prescription medication use and product appropriateness, and compliance rates for drug classes defined by LDH.

MMA maintains and updates ***over 120 active Therapeutic Criteria Reviews (TCRS) regularly, our TCR library is unmatched within the industry.*** Our Drug Information Team, led by Maryam Tabatabai, PharmD develops and delivers the clinical monographs in the form of TCRs that are updated within the last year for every drug class reviewed for the PDL. Through our State Supplemental Rebate/PDL and Drug Rebate Processing Contract, Dr. Hawkins is able to provide TCRs to LDH and to the DUR Board to assist in the clinical decision process.

MMA has provided our customers with support of advisory committees, such as DUR Boards, P&T Committees, and public planning bodies since 1987. We provide similar support for 26 Medicaid programs. We have established planning and presentation protocols in place that we have refined based on more than three decades of Medicaid DUR Board experience. We understand that a main component of the DUR Board is to improve the quality of pharmacy services and to ensure cost-effective medication therapy for Enrollees. Our presentation material is thorough and comprehensive.

At the center of our DUR Board presentations is our commitment to providing superior clinical care based on sound protocols, cutting edge research, and a sincere desire not only to bring Enrollees to levels of optimum health, but also to support Medicaid customers such as LDH with complete, accurate, and quality information. MMA has provided customized clinical innovation to our customers while bringing best practices gleaned from our numerous interactions to each of our Medicaid customers. The result is vetted and up-to-date quality material and support for the DUR Board.

Dr. Hawkins will strategically identify opportunities, create appropriate solutions, and effectively deliver results to drive better decision-making. ***This approach, coupled with specific clinical programs, equates to smarter population management.***

Our interventions focus on patient health, safety, and medication misuse/abuse rather than financial. Our results are presented at the DUR Board for discussion and intervention. We cover topics such as ADHD medication utilization, antipsychotic use in adults and pediatrics, impacts of antipsychotic edits (financial and unit decrease), buprenorphine utilization and trending also taking into account edits that went into place; clozapine use, concurrent benzodiazepine and opioid use, duplication of therapy with short acting opioids, gabapentin abuse and misuse, Mavyret™ utilization, methadone use, naloxone utilization, opioid overuse risk, and pediatric use of opioids. We look at utilization, trends, and finances associated with the interventions.

SUPPORT Act

MMA meets the guidelines and standards as required in CMS 42 CFR 456.703(e) which addresses the new Medicaid Drug Utilization Review (DUR) provisions pertaining to Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act (SUPPORT Act). MMA administer our DUR programs to

adhere to the SUPPORT Act and has implemented the required provisions for our Medicaid customers, including requirements regarding opioid prescription claim reviews at the POS, as well as retrospective reviews; the monitoring and management of antipsychotic medication in children; identification of processes to detect fraud and abuse; and mandatory DUR report updates, as well as requirements for Medicaid MCOs.

Opioid Thought Leadership

Opioid misuse is a health crisis affecting communities all over the nation across a wide spectrum of social, racial and class boundaries. At Magellan, we have an unyielding commitment to helping those impacted by the opioid crisis.

Magellan is a national leader in serving individuals with opioid use disorder (OUD) and other substance use disorders (SUDs). Our experience includes a wide variety of activities, programs and tools for health plans, Medicaid managed care organizations, employers, labor unions, state Medicaid programs, and military and government agencies designed to support long-term recovery and resiliency. As a result, Magellan is familiar with the magnitude of the opioid crisis and has first-hand experience with its impact on individuals, families, and communities. We have consistently taken a leadership role in promoting screening, assessment, and evidence-based treatment for individuals with OUD and other SUDs.

Legislative/Policy Solutions Supporting National Response to Opioid Crisis

In addition, Magellan supports State and Federal legislative and regulatory proposals to improve treatment for individual with OUD and SUD. Magellan routinely advocates for State and Federal proposals that expand access to evidence-based treatment like medication assisted treatment (MAT), better align State and Federal privacy laws while protecting patient privacy, and proposals that allow greater access to clinically appropriate treatment for OUD and SUD. In addition, Magellan coordinates with our trade associations America's Health Insurance Plans (AHIP), Pharmaceutical Care Management Association (PCMA), and the Association for Behavioral Health and Wellness (ABHW). Some of the recommendations we support include:

- Mitigating Barriers to the Adoption of Evidence-based Medication Assisted Treatment
- Alignment of 42 CFR Part 2 to Further Integrate Primary and Behavioral Health
- Optimizing Prescription Drug Monitoring Programs
- Maximizing Electronic Prescribing of Opioids
- Improving Quality Measurement and Outcome Evaluation for Pain Management and SUD Treatment
- Improving access to telehealth for SUD and OUD treatment.

MMA will partner with LDH and its stakeholders to develop a plan of action on its approach to opioid management. It is innovative collaboration like this that makes your Account Team honored to serve as an extension of your team.

RetroDUR Initiatives to Minimize Fraud and Abuse

Our RetroDUR program is designed to identify, and ultimately correct, potentially dangerous prescribing, dispensing, and drug utilization patterns and detect clinical gaps in care related to opioids. MMA combines a wealth of clinical expertise with a comprehensive array of analytical capabilities to identify potential opportunities and act quickly to implement clinically sound, cost-effective programs to capitalize on these opportunities.

MMA will support LDH's RetroDUR program with FirstIQ, our clinical management decision support tool that performs menu-driven RetroDUR functions. Our RetroDUR programs are formulated to identify,

and ultimately correct, potentially dangerous prescribing, dispensing, and drug utilization patterns. One component of the FirstIQ application is our proprietary polypharmacy algorithm. ***One can select the number of different drugs, unique Prescribers and Pharmacy Providers to be identified in a given audit, such as 10 different drugs, three Prescribers, and two pharmacies.*** An Enrollee medical profile is produced that contains all paid pharmacy and medical claims within the last six months. This profile may then be reviewed by MMA clinical staff to determine the significance of the polypharmacy.

FirstIQ uses ***more than 2,500 algorithms that help identify possible fraud, waste, and abuse for commonly abused pharmaceuticals***. We have the ability to create ad hoc reports that identify potential drug addiction to controlled substances. FirstIQ identifies potential and existing Enrollees at risk whose medication profiles are reviewed by our clinical pharmacists. Through FirstIQ we are able to identify:

- Utilization of the combination of an opioid, psychotropic medications, and a muscle relaxant
- Enrollees who are chronically using short-acting opioids
- Enrollees who are in need of opioid tappers
- Children with claims for codeine-containing products and Tramadol which is inconsistent with recently changed guidelines.
- Enrollees who have chronic concurrent opioid and benzodiazepine use.
- Male Enrollees who are using single agent buprenorphine for opioid addiction treatment.
- Enrollees who are taking an injectable long-acting atypical antipsychotic while continuing to receive an oral atypical antipsychotic.

Our RetroDUR programs are formulated to identify, and ultimately correct, potentially dangerous prescribing, dispensing, and drug utilization patterns.

Over the years and using experience gained from decades of working with Medicaid agencies, MMA has developed sophisticated RetroDUR systems and logic to identify and profile Enrollees, Pharmacy Providers, Prescribers, and disease states. State-specific historical data are used to identify trends of interest and variables that can be used as reliable predictors of subsequent outcomes. Our RetroDUR programs include the standard Enrollee exception-based program, as well as Pharmacy Provider, Prescriber, and disease state profiling. MMA maintains historical data to provide a rich environment for the development of in-depth trending reports for the Louisiana MCO PBM Project, as well as potential focus areas in the future.

8.7.1 Prospective DUR Review (RFP 2.1.13.1)

The Contractor shall:

- **Provide for a Prospective Drug Utilization Review (ProDUR) program as specified under State and Federal laws, rules, regulations, policies, procedures, and manuals.**

MMA will provide our ProDUR solution that meets State and Federal laws, rules, regulations, policies, procedures, and manuals. Our NCPDP/HIPAA-compliant pharmacy solution meets all Federal requirements as prescribed by CMS, the requirements outlined by the National Archives and Records Administration Code of Federal Regulations (CFR) parts 42 and 45, and standards for ProDUR, including those identified in OBRA 1990 and OBRA 1993. FirstRx is a fully self-contained system that includes its ProDUR modules that eliminates the need to communicate with secondary systems during the POS process, thus improving response time to the provider.

- **Provide a system with a ProDUR function that meets minimum Federal Drug Utilization Review (DUR) regulations as well as any additional specifications defined by LDH and be flexible enough to accommodate all future edit changes identified by LDH or the DUR board. The Contractor may use an existing ProDUR package but shall make any modifications required by LDH at no cost to LDH or the MCO.**

MMA's ProDUR solution is an integrated component of our proprietary FirstRx POS system and supports all clinical management and pharmacy claims adjudication functions. FirstRx meets all Federal requirements and is operated in accordance with the latest accreditation standards of telecommunications defined by NCPDP. FirstRx coordinates drug utilization criteria within the latest NCPDP Standards for the purpose of utilization review in accordance with LDH standards. Our ProDUR system accesses pharmacy and medical claims data to compile comprehensive Beneficiary medical profiles. This automated review of drug regimens, via the POS system, alerts pharmacists to potential drug therapy problems before medications are dispensed to the Enrollee. This pre-adjudication systematic review of selected claims provides pharmacists with valuable information that can affect decisions about dispensing medications. We will use our existing ProDUR solution and make benefit changes and configuration modifications per LDH requirements at no cost to LDH or the MCOs.

The ProDUR capabilities of the highly flexible FirstRx system allow us to create and modify LDH-specific ProDUR criteria using First Databank (FDB) ProDUR criteria as a base file to produce messaging, denial, and override criteria.

In *Figure 8.7-1*, we illustrate our ProDUR capabilities.

Figure 8.7-1: ProDUR Capabilities within FirstRx

- **Provide a dedicated programmer to implement POS utilization review edits as requested by LDH, including, but not limited to configuring existing benefit design, eligibility, DUR, Drug Claim edits, and drug pricing functionality as well as developing enhancements to the POS system as directed by LDH staff.**

MMA's Louisiana-dedicated POS Programmer, Amy Quinn, CPhT, will implement POS utilization review edits requested by LDH, including but not limited to configuring existing benefit design, eligibility, DUR, Drug Claim edits, and drug pricing functionality as well as developing enhancements to the POS system when directed by LDH. ***Because of the high flexibility and configurability of FirstRx, 98% of edits are made without system development efforts.***

MMA uses our change management and control strategy to authorize changes to software or edits to the system. Our strategy includes a process for identification, requirements analysis, definition, and justification. MMA's requirements confirmation approach includes the following actions: initial requirements definition, research, formal submission for approval, walk-throughs, requirement gathering confirmation, follow-up meetings, and corrections.

MMA follows a System Development Lifecycle (SDLC) for all change activities affecting the hardware and software components of our services. The SDLC provides a unified governance structure through which changes can be managed on MMA's systems, while ensuring continual uptime and performance so that key performance measures and service level agreements can be met. We follow Information Technology Infrastructure Library (ITIL) best practices as the preferred method for ensuring effective communication between the technical and operational groups involved in the development of the project components. In combination, the SDLC and ITIL sets of practices aid MMA in ensuring that all changes are documented in a clear, concise manner; managed to prevent system and performance conflicts, scheduled to minimize impact on regular business operations, approved and communicated effectively to all IT departments and the user community, and implemented to support efficient and stable updates in the future.

- **Participate in the Retrospective Drug Utilization Review (RetroDUR) program and a DUR Educational program with LDH or a LDH contractor and provide reports as requested to LDH and the MCOs.**

MMA will participate in the Retrospective Drug Utilization Review (RetroDUR) program and a DUR Educational program with LDH or a designated LDH contractor by providing enrollee profiles when requested by the MCO's. MMA will assist the MCO's with enrollee identification for initiatives if required. MMA will provide applicable standard RetroDUR reports through MRx Explore.

- **Produce Enrollee profiles for RetroDUR initiatives in an LDH approved format. MCOs are allowed to implement Retrospective DUR initiatives that do not duplicate LDH RetroDUR upon LDH approval.**

Our Louisiana Lead Data Analyst will pull profiles using MRx Explore which include claims information housed in our MMA systems, such as FirstRx, for select Enrollees. MMA will meet with LDH during Requirements Review and Validation meetings during implementation to review and validate all RFP requirements. Based upon LDH input and feedback, MMA will develop a profile format and submit to LDH for review and approval. MMA acknowledges that MCOs are allowed to implement Retrospective DUR initiatives upon LDH approval.

Using MRx Explore, our proprietary flexible business intelligence (BI) and analytics product, we provide a comprehensive suite of reports and tools specifically for the Medicaid population and refine that offering, as needed, to further support any unique needs of the Louisiana Medicaid Managed Care Program. MRx Explore provides a suite of dashboards, a robust package of pre-existing proprietary standard interactive reports, and a comprehensive proprietary self-service ad hoc reporting tool that allows authorized users to create customized ad hoc reports using a catalog of data elements and parameters. ***MRx Explore provides a suite of more than 100 standard reports and dashboards and a suite of more than 16 additional reports to support the growing need for opioid usage monitoring.*** Our extensive standard reporting package is comprised of clinical, financial and utilization, DUR, program integrity, and operational reports. ***We offer a sophisticated reporting solution that provides information on different facets of pharmacy data.***

- **Implement Prospective DUR initiatives as directed or with written LDH approval of alternative programming reaching the same outcomes. DUR initiatives not or incorrectly implemented may result in monetary penalties.**

Dr. Hawkins and our POS programmer will work with LDH to determine the most efficient manner to implement ProDUR initiatives. MMA will implement Prospective DUR initiatives as directed by LDH. We will obtain written LDH approval for alternative programming that provides the same outcomes. If we incorrectly implement any DUR initiatives, MMA acknowledges that monetary penalties may apply.

8.7.2 Prospective DUR System (RFP 2.1.13.2)

The Contractor's system shall:

- **Provide ProDUR services that apply edits to all Drug Claims.**

Our MCO PBM Solution supports ProDUR services and applies LDH-approved edits to all Drug Claims. FirstRx coordinates drug utilization criteria within the latest NCPDP standards for the purpose of utilization review in accordance with LDH standards and LDH-approved edits. Our ProDUR system accesses pharmacy and medical claims data to compile comprehensive Enrollee medical profiles. This automated review of drug regimens, via the POS system, alerts pharmacists to potential drug therapy problems before medications are dispensed to the Enrollee. This pre-adjudication systematic review of selected claims provides pharmacists with valuable information that can affect decisions about dispensing medications.

Our Clinical Pharmacy Director, Dr. Hawkins, is responsible for monitoring utilization data and ProDUR edit/message trends and making sound recommendations to the DUR Board pertaining to potential additions, deletions, or modifications of ProDUR criteria. We design our ProDUR messaging to be clear and concise and to address only the most clinically significant circumstances so as not to create message-fatigue. We believe that the most effective ProDUR program functions as an adjunct to a pharmacist's education and professional judgment. It does not replace the human cognitive review process.

FirstRx ProDUR edit configurability provides enhanced DUR functionality capability, which supports further refinement of the claim disposition based on attributes of the drug, the alert, and the Enrollee's historical claim profile. As an example, the vast majority of diabetic Beneficiaries require multiple agents to achieve therapeutic goals. To return only clinically relevant DUR information to the pharmacist, specific drugs used in the treatment of diabetes may be eliminated from the Therapeutic Duplication ProDUR edit (at the discretion of the State). This enhanced functionality offers greater flexibility to meet state and population-specific needs by allowing a more focused approach to identification and control of the most clinically relevant ProDUR events. It also offers superior support to submitting providers by returning controlled messaging and requiring intervention only in specifically targeted conditions.

- **Work with LDH in setting the disposition of ProDUR edits that may vary by type of submission (e.g., real-time versus batch).**

FirstRx supports the disposition of ProDUR edits that differ by type of submission. MMA will work in conjunction with LDH to set the edit disposition for each type of submission. We understand that LDH requires a contractor who can support the Louisiana Medicaid Managed Care Program's volume and complexity. Our FirstRx platform, deployed and in production, is designed to address the dynamic, high-volume demands of your program. Our flexible and customized pharmacy solution will rapidly accommodate modifications without programming. Our pharmacy solution has been subjected to significant plan benefit changes and proven effective for multiple state Medicaid programs. Our platform has been tested and is customized to address the dynamic demands of each of our state Medicaid FFS and Medicaid Managed Care customers, with 6,245 Medicaid-tailored claim checks and edits currently configured to manage patient care within the confines of Medicaid regulations and

requirements. Our edit capability is unlimited. Our pre-existing FirstRx proprietary system is highly configurable, enabling rapid adjustments to be made in response to the changing demands of program strategy, including formulary design, therapy limits, lock-ins, COVID-19 adjustments, and other policy changes.

- **Include situation-specific messaging and error codes for Drug Claims that reject because of ProDUR processing that enable the Network Provider to take appropriate actions.**

The ProDUR capabilities of the FirstRx system allow us to create LDH-specific ProDUR criteria using First Databank ProDUR criteria as a base file to produce messaging, denial, and override criteria. FirstRx is configured so that claims that reject as a result of ProDUR processing include situation-specific messaging and error codes that enable the Pharmacy Provider to take appropriate action.

MMA will ensure that POS messaging can be modified quickly and efficiently. FirstRx supports claim response messaging fields that provide not only the claims status, including denial and rejection error codes, but also allows for customized supplemental messaging as defined and approved by LDH, up to the maximum length of the record. All edits are recorded on the claim record and made available for reporting purposes.

The supplemental messaging capabilities we offer to pharmacies can include custom messaging. Most messages to pharmacies are brief messages. However, if the pharmacy's receiving system can accept longer messages, we can work with LDH to determine message length. We have worked with some of our customers to modify the character length for these messages to 3,000 characters, enabling us to give their Providers more detailed information.

Our claims processing system supports the messaging fields of the NCPDP claim response layout (i.e., the Message field and the repeating Additional Message Information field), and messages can be prioritized. Our claims processing system and pharmacy messaging capabilities are extremely flexible. MMA will work closely with LDH to understand their Louisiana Medicaid MCO specific requirements, such as drug-drug interactions involved with the paid, rejected, or denied claims at the system-assigned or determined severity level or drug-disease contraindications and reference sources.

- **Establish edits that determine problems with a prescription and validate medical appropriateness of the prescribed drug by comparing the circumstances surrounding the request with established pharmacy-related therapeutic criteria.**

FirstRx edits using pharmacy and medical claims data, including specific diagnosis codes, and prior claims present in the Enrollee's history profile. Requirements can be bypassed as determined by LDH for certain medications when specific medical conditions exist.

FirstRx supports the up-to-date ICD-10 code set and will adjudicate claims according to LDH requirements for which an ICD-10 diagnosis code(s) is submitted on the claim and/or the Enrollee has an ICD-10 code(s) defined in their profile. FirstRx looks for a specific diagnosis as seen in medical claims history or submitted on the claim by the Pharmacy Provider to identify the presence of a disease state messages based on inappropriate or appropriate therapy. For example, if there is a presence of prenatal vitamins which infers pregnancy, MMA will deny a claim for an opioid to prevent Neonatal Abstinence Syndrome. FirstRx can also look for the presence of antidiabetic medication before approving test strips.

- **Ensure the ability to apply edits consistent with LDH requirements, regulatory changes, and innovations in ProDUR.**

MMA is supporting customers across the country and on the front line of knowing when ProDUR innovations occur and regulations change. Our Compliance and Government Affairs teams monitor legislative and regulatory changes and provide changes to the Account Team.

- **Review Drug Claim requests against the following minimum potential ProDUR functions:**
  - **Potential drug over-utilization**
  - **Therapeutic duplication of drugs**
  - **Drug-allergy interactions and drug disease contraindications**
  - **Contraindication by Enrollee age and presumed or actual diagnosis from prior approved Drug Claims and other available data**
  - **Drug-to-drug interactions (with selectable severities)**
  - **Potential dosage error above or below therapeutic or cost-effective guidance**
  - **Potential drug abuse and/or misuse based on prior Drug Claims**
  - **Early refill conditions**
  - **Duration of therapy**
  - **Clinical misuse**
  - **Pregnancy precautions**

MMA's drug utilization review criteria are revised as therapeutic problems are identified and/or eliminated and new drug products are released.

Based on Louisiana-specific selected criteria, incoming POS pharmacy claims are evaluated against Enrollee profiles during claims adjudication. If a Pro-DUR/clinical problem is identified, an alert message (including appropriate severity levels) is transmitted online to the pharmacist dispensing the drug. We can transmit these messages as informational, use the alert indicator to cause the claim to deny, or allow an electronic denial/override process at the dispensing pharmacy level in accordance with the latest NCPDP standards to capture outcome and intervention codes. We offer different levels of potential Pro-DUR therapeutic interventions to compliment the range of clinical severity associated with drug therapy situations.

Figure 8.7-2 shows the ProDUR process flow in FirstRx.

- **Automatically generate ProDUR messages in a manner that enables a Network Provider to cancel submission of the Drug Claim or, for messages that can be overridden, to submit the Drug Claim.**

During adjudication, claims are subject to LDH-specific coverage policies and edits including, but not limited to, benefit coverage, restrictions (e.g., age or gender), and clinical prior authorization edits. The final claim disposition is dependent upon the applicable coverage and clinical policies as well as approved limitations set forth by LDH, and FirstRx accordingly generates the appropriate ProDUR message(s) to the submitting Pharmacy Provider. Where applicable, this messaging provides the information required to override the rejection or to cancel submission of the claim.

Through the use of NCPDP error codes, the defined messages associated with those codes, and supplemental messaging in the FirstRx adjudication engine, we supply significant detail and assistance to submitting providers. For claim submissions that do not meet prior authorization requirements, submitting providers may be instructed about the product's preferred or non-preferred status, alternate therapies that do not require prior authorization, or valid disease states or diagnoses for authorization approval. All information conveyed through supplemental messaging is at the direction of LDH.

For reporting purposes, each of the following edits shall have its own separate denial code and description including, but not limited to, early refill, duration of therapy, therapeutic duplication, pregnancy precaution, quantity limit (excluding opioids), quantity limit for long-acting opioids, quantity limit for short-acting opioids, diagnosis code required on selected agents, drug interactions, age limit, and dose limits. The Contractor shall align their coding of NCPDP compliant POS edits and overrides with LDH. PA is not an acceptable method to override certain POS edits.

For reporting purposes, the following edits shall have its own separate denial and intervention code and description for early refill, duration of therapy, therapeutic duplication, pregnancy precaution, quantity limit (excluding opioids), quantity limit for long-acting opioids, quantity limit for short-acting opioids, diagnosis code needed on selected agents, drug interactions, age limit, and dose limits. Our configuration of NCPDP edits and overrides will align with LDH policy.

FirstRx will store NCPDP compliant DUR intervention and outcome responses, exactly as sent by the Pharmacy Provider, up to the NCPDP-supported maximum of nine occurrences. Each edit will have its own intervention codes which are stored in the database for use in reporting or auditing as necessary. The system ensures that the transaction data is consistent with the NCPDP field and valid code values. When a claim denies for a DUR conflict type, data sent back to the provider includes the conflict type, prior date of service that caused the conflict to occur, prior fill quantity, and whether the prescription was filled with the same Pharmacy Provider or a different pharmacy, along with any added messaging that has been attached to the edit. The Pharmacy Provider, subject to LDH policy, may send intervention and outcome codes to acknowledge the DUR conflict and allow the claim to continue through the adjudication process and, if passing all other edits, result in a payable claim.

All data processed by FirstRx is displayed and stored in the database for use in reporting and auditing as necessary. MMA will not accept PA as an acceptable method to override certain POS edits.

Drug Claims processing shall be capable of capturing diagnosis codes at the POS and utilizing codes in the Adjudication process at POS. Denial of Drug Claims may be triggered by an inappropriate diagnosis code or the absence of a diagnosis code.

FirstRx captures diagnosis codes at the POS (in medical claims history or submitted on the claims) and uses them to adjudicate claims. FirstRx will deny Drug Claims that have no diagnosis code or an inappropriate diagnosis code.

MMA can configure FirstRx so that claims can automatically pay without the need for a prior authorization or claims can deny if a specific diagnosis is detected in medical claims history or submitted on the claim by the pharmacist. For example, if a diagnosis of COVID-19 is seen in

medical claims history or is submitted on the claim, MMA could deny a claim for ivermectin and require a clinical prior authorization. If a diagnosis of sickle cell disease is seen in medical claims history or submitted on the claim, MMA could allow opioid therapy without prior authorization.

The Contractor's system shall:

- **Allow Providers to enter responses utilizing NCPDP Professional Pharmacy Services (PPS) intervention codes in response to ProDUR messages as directed by LDH.**

Claims that are denied/rejected due to ProDUR edits may be overridden at the POS using Louisiana-approved conflict, intervention, and outcome codes or depending on severity of the clinical issue or client specific requirements.

FirstRx responds to claims with standard NCPDP responses incorporating PPS intervention codes (conflict, intervention, and outcome codes) and accepts these codes at the POS as they are entered by Pharmacy Providers. Our system returns alerts in the form of supplemental messages that deliver additional detail about the adjudication process to the Pharmacy Provider, such as a message that the Enrollee is taking concomitant therapy that may result in a drug-to-drug interaction. The FirstRx claims adjudication engine will bypass the edit based on specific characteristics of the dispensing Pharmacy Provider and/or the therapeutic class of the drug, as directed by LDH.

FirstRx uses pharmacy and medical claims data, including ICD-10 diagnosis codes, and prior claims present in the Enrollee's history profile to bypass edits. Requirements can be bypassed as determined by LDH for certain medications when specific medical conditions exist. Prescribers are encouraged to include the applicable diagnosis code on written prescriptions for inclusion on the electronic pharmacy claim. The claim is then submitted by the pharmacy including the appropriate Diagnosis Code.

We will work with LDH to develop and use ProDUR alerts for pharmacy claims to improve the efficacy, quality, and cost of Enrollee care at the POS. The edits include duplicate therapy, drug-to-drug interaction, drug-to-disease contraindication, high/low drug dosage alert, and clinical abuse precaution. As directed by LDH, we will configure varying levels of the ProDUR alerts and the outcomes can be an informational message on a paid claim response or a claim denial/reject with supplemental messaging.

- **Capture and store all NCPDP standard DUR conflict, intervention, and outcome messages for reporting to LDH and MCOs on encounters.**

FirstRx captures and stores all NCPDP standard DUR conflict, intervention, and outcome messages for the incoming claim for reporting to LDH and MCOs on encounters.

- **Accommodate changes to the PPS intervention configuration as directed by LDH at no cost to LDH. Other NCPDP override fields may be appropriate in some prospective DUR initiatives upon approval of LDH.**

As directed by LDH, MMA can accommodate changes to the PPS intervention configuration that are NCPDP-compliant, at no additional cost to LDH. FirstRx is in full compliance with the HIPAA regulation for transactions and code sets and supports the current HIPAA-named standards: NCPDP Telecommunication D.0, Batch 1.2, SCRIPT, and Medicaid Subrogation 3.0.

Our FirstRx POS system is a highly configurable and flexible business rules-based pharmacy claims processing system. FirstRx supports benefit configuration and claims adjudication in real time, 24/7/365, as well as encounter claim loads/pricing.

FirstRx supports on-line control of the DUR function through a direct user interface to establish and efficiently change clinical criteria. MMA's ProDUR edits can be customized to meet the needs of the Louisiana Medicaid Managed Care Program. We can leverage the depth of our clinical and technical expertise to quickly and easily configure the ProDUR edits as new clinical information becomes available and to address specific concerns of the DUR Board.

- **Have the capability to develop and deliver to the Drug Claim submitter new or revised ProDUR messages resulting from new and revised ProDUR criteria definitions.**

The ProDUR capabilities of the FirstRx system allow us to create new and revised LDH-specific ProDUR criteria using FDB ProDUR criteria as a base file to produce messages that will be delivered to the Drug Claim Submitter. ProDUR messages can be created and revised as needed. FirstRx will accordingly produce and return to the Drug Claim submitter appropriate messages. All information displayed through supplemental messaging to the Drug Claim submitter is at the direction of LDH.

FirstRx communicates with Drug Claim submitters using NCPDP messages at the POS for DUR edits. For one of our Medicaid customers, we have included Prescriber- and medication-specific messaging that takes into account the Prescribers' credentials and medication prescribed to guide pharmacies to situationally specific preferred products on the PDL. FirstRx is configured so that claims that reject as a result of ProDUR processing include situation-specific messaging and error codes that enable the Pharmacy Provider to take appropriate actions.

MMA's POS solution has a built-in clinical rules engine which applies the clinical and prior authorization decision logic performing clinical edits using nationally accepted medical review criteria. For claim submissions that do not meet prior authorization requirements, submitting providers may be instructed about the product's preferred or non-preferred status, alternate therapies that do not require prior authorization, or valid disease states or diagnoses for authorization approval.

- **Maintain a set of parameters and variables applicable to ProDUR functionality that can be reviewed and approved by LDH. These are expected to minimally include:**
  - **Full or partial NDC code matching (including multiple NDC codes subject to potential drug/drug interaction)**
  - **Date of service**
  - **Product strength and quantity**
  - **Days' supply**
  - **Generic product identifiers**

FirstRx maintains a set of parameters and variables applicable to ProDUR functionality that are available to be reviewed and approved by LDH, including but not limited to full or partial NDC code matching, date of service range, product strength and quantity, days' supply limitations, and generic product identifiers. FirstRx calculates and validates against defined edits or industry standards various data elements using submitted claim data including, but not limited to, high dose, standard billing units, quantity per day, dosage per day, rolling quantity limitations, patient and plan financial obligations or maximums. FirstRx also enforces the following NCPDP billing unit of measure standards in the rules engine:

- Each (EA)
- Milliliter (ML)
- Gram (GM).

- **Have the capability to screen for drug therapy concerns by specific drugs relative to high-risk disease, to include but not limited to:**
  - **Cardiovascular disease**
  - **Cerebrovascular disease**
  - **Central nervous system disease**
  - **Renal disease**
  - **Endocrine disease**
  - **Chronic pain syndromes**
  - **Substance use disorder**
  - **Gastrointestinal disease**
  - **Psychiatric disease**
  - **Respiratory disease**

MMA's solution is able to screen for drug therapy concerns by specific drugs relative to high-risk disease, to include but not limited to those listed in this requirement from the OBRA 90 legislation. ***MMA is able to screen for any therapy concerns for any disease state that LDH requires***. We receive and load DUR data into FirstRx weekly from FDB for use in ProDUR editing. FDB's proven DUR data are used by adjudication to edit against explicit predetermined standards including, but not limited to, monitoring for therapeutic appropriateness, over-utilization and underutilization, appropriate use of generic products, therapeutic duplication, drug-disease contraindications, drug-drug interactions, incorrect drug dosage or duration of drug treatment, and clinical abuse/misuse. Based on LDH criteria, MMA will also configure clinical criteria to support PA edits and allow the use of data within the system to enable automated decision making during the adjudication process. AutoPA streamlines the PA process for the Pharmacy Provider and Prescriber through the use of automated decision-making based on established and approved clinical rules and edits within the processing engine. AutoPA functions use stored data, such as claim, medical, the denied drug, Enrollee, and subsequent therapy, to evaluate and stratify based on drug class, therapeutic category, high-cost therapies, and Enrollees identified as being high-risk.

The MCOs and/or the Contractor may send proposed edits to LDH for consideration. When this happens the Contractor shall:

Dr. Hawkins will collaborate with LDH and the MCOs to evaluate and incorporate any edits approved by LDH.

- **Present ProDUR results to Network Providers in a format that supports their ability to advise and counsel Enrollees appropriately.**

All pharmacy claims will be evaluated and adjudicated according to LDH-approved criteria. Every adjudicated claim will result in an immediate return message to the Pharmacy Provider with all appropriate NCPDP responses, including both ProDUR messaging and information regarding the claim's disposition. Fully customizable messaging can be added to ProDUR edits. This messaging informs Network providers of more specific reasons for claim denials so they can better counsel Enrollees on issues related to their disease management. We provide a sample message in *Figure 8.7-3.*

- **Evaluate and return responses to ProDUR alert conditions, as directed by LDH.**

FirstRx processing coordinates drug utilization criteria within the latest NCPDP Standards for the purpose of utilization review and returns responses to ProDUR alerts, as directed by LDH. Our ProDUR system accesses pharmacy and medical claims data to compile comprehensive Beneficiary medical profiles. This automated review of drug regimens, via the POS system, alerts Pharmacy Providers to potential drug therapy problems before medications are dispensed to the Enrollee. This systematic review of selected claims provides pharmacists with valuable information that can affect decisions about dispensing medications.

- **Allow for multiple dispositions for ProDUR alert types including, but not limited to, message only (educational), soft edit (deny and require reason for service and result of service codes or other pharmacist override) or hard edit (deny and require PA as directed by LDH).**

FirstRx supports on-line control of the DUR function through a direct user interface to establish and efficiently change clinical criteria. MMA's ProDUR edits are customized to meet the needs of the Louisiana Medicaid Managed Care Program. We leverage the depth of our clinical and technical expertise to quickly and easily configure the ProDUR edits as new clinical information becomes available and to address specific concerns of the DUR Board. The range of edit responses to denials currently includes:

Hard Edits: requires the Pharmacy Provider and/or Prescriber to either meet specific defined criteria via AutoPA or discuss the prescription with the CSC prior to dispensing. This would constitute a hard edit that requires a clinical intervention or demonstration that the Enrollee meets certain criteria. For example, LDH may have a hard edit on the early refill ProDUR alert (overutilization), which would require a call to the CSC to verify the Beneficiary meets the criteria to receive an override. Our ProDUR editing capabilities adhere to NCPDP standards and can be configured to allow the submitter to override an edit utilizing the appropriate LDH approved combination of Professional Service Code(s) and Intervention Code(s) using their clinical judgement. These edits are highly flexible in nature and can be applied at different levels. MMA does provide LDH the ability to deny the claim and allow the dispensing pharmacy to override it using PPS codes and their clinical information and judgement.

Soft Edits: ProDUR edits can be configured to message the community pharmacist that an informational alert has occurred but is one of a low priority nature and would not cause the claim to deny.

In *Figure 8.7-4*, we provide a sample ProDUR Message Alert.

Edit capability in FirstRx is virtually unlimited, enabling rapid adjustments in response to changing demands of program strategy, including benefit plan design, therapy limits, lock-ins, and other policy changes. These configuration changes are made in accordance with MMA's established Change Control Management process, which ensures that all changes are fully tested and receive the appropriate signoff before being put into production.

- **Allow for ProDUR alerts that fall within one interaction type (e.g., drug to drug level one interaction) to be uniquely dispositioned as in the previous requirement without changing the disposition of the edit in general (e.g., setting one specific level one drug to drug interaction to message only while all other level one drug to drug interactions is set to soft edit).**

As directed by LDH, FirstRx can be set at varying levels of ProDUR alerts and the outcomes can be in the form of informational messages on a paid claim response or a claim denial/reject with supplemental messaging. The ProDUR capabilities of the FirstRx system allow us to create LDH-specific ProDUR criteria using First DataBank (FDB) ProDUR criteria as a base file to produce messaging, denial, and override criteria. Based on LDH's specifications, ProDUR edits can be set to message, deny, or they may not be logged at all, resulting in meaningful intervention without overwhelming pharmacy providers with clinically insignificant data.

- **Edit and Adjudicate for ProDUR alerts between single line-item Drug Claims and multi-ingredient compounds.**

FirstRx automates the submission and processing of individual drug claims and multi-ingredient compounds. Automating the submission and processing of compounds and their associated ingredients enhances the ability to perform ProDUR edits comparing multi-ingredient claims against single ingredient claims systematically and if an interaction is found deny the claim as appropriate.

- **Allow for posting of multiple ProDUR alerts in a single response to pharmacy.**

FirstRx processes the transaction, to the fullest extent possible, and returns up to the maximum allowed number of ProDUR alert responses as set by NCPDP in a single response to the pharmacy.

- **Allow for hierarchy of ProDUR alerts/edits, as approved by LDH, so that the response transaction lists the highest ranking ProDUR alert first, if there are multiple ProDUR alerts, and in a manner that enables a Network Provider to make appropriate decisions to reverse or correct the accepted Drug Claim or override a rejected Drug Claim.**

The flexibility of the FirstRx claims adjudication system allows MMA's Clinical Pharmacy Director to review ProDUR criteria from FDB and customize criteria by problem type and drug class as approved by LDH to produce alerts to Pharmacy Providers at the time of submission. Our solution allows for hierarchy of the ProDUR alerts with the highest-ranking alert first, based on severity level, in the event that there are multiple ProDUR alerts prompted by a claim. The hierarchy of the ProDUR alerts/edits will be approved by LDH.

Based on LDH-selected criteria, incoming pharmacy claims are evaluated against Beneficiary health profiles during claims adjudication. If a clinical problem is identified, an alert message is transmitted on-line to the pharmacist dispensing the prescription drug. Alerts may be set to return messaging only, deny with provider level override allowed, or deny with call center intervention required. Warnings may be related to many potential issues such as drug-drug interactions, therapeutic duplication, early refill, gender, or quantity limits. The system provides the number of each type of exception, sends a message to the Pharmacy Provider, or denies the claim. This enables the Network Pharmacy provider to make appropriate decisions regarding the disposition of the claim.

- **Assure the pharmacist offers to counsel the patient or caregiver. A log of receipt of prescription and the offer to counsel by the pharmacist shall be incorporated into its policy, Provider Agreements, and contracts with PSAOs.**

MMA will require Pharmacy Providers to maintain a log of receipt for medications and require pharmacists to offer counsel as stipulated in our Network Provider Agreements. As part of our established processes, MMA will audit Pharmacy Providers to ensure they are meeting the agreement.

- **Comply with the SUPPORT Act by:**
  - **Following prospective safety edits for opioids including early, duplicate and quantity limits, as specified by the State.**
  - **Following maximum daily morphine milligram equivalents (MME) prospective safety edits, as specified by the State.**
  - **Following the State's clinical authorization criteria for monitoring and managing the appropriate use of antipsychotic medications by Enrollees under the age of twenty-one (21).**
- **Set the early refill edit on controlled drugs at ninety percent (90%) used. When an early refill message occurs, require a PA to override for controlled drugs.**
- **Provide reports and data annually to each MCO, as requested, for the CMS DUR annual report. The MCO must send the annual report to the State thirty (30) Calendar Days after CMS provides the link.**

MMA affirms that we will comply with the SUPPORT Act requirements listed above. We meet SUPPORT Act standards through our FirstRx POS claims processing system and through our best-in-class reporting solution, MRx Explore. Our Account Team provides all necessary information to LDH.

SUPPORT Act

MMA meets the guidelines set forth in CMS regulations at 42 CFR 456.703(e)3,4 which address the SUPPORT Act. We assess drug use information against CMS predetermined standards and administer our DUR programs to meet the following standards:

- Claims Review Requirements
  - Safety edits including early, duplicate, and quantity limits
  - Maximum Daily MME edits
  - Concurrent Utilization Alerts
    - Opioid and Benzodiazepines Concurrent Fill Reviews such as Black Box warnings
    - Opioid and Antipsychotic Concurrent Fill Reviews
- Program to Monitor and Manage Appropriate Use of Antipsychotic Medications by Children (Enrollees under the age of 21)
- Fraud and Abuse Identification Requirements
- Managed Care Organization Requirements.

First Rx is a highly configurable, rules-based system that allows for efficient deployment of changes with minimal development effort. POS Programmer Amy Quinn will be responsible for configuration changes for the Louisiana MCO PBM Contract. ***Because of the high flexibility and configurability of FirstRx, 98% of edits are made without system development efforts.*** This is made possible by the highly flexible nature of the application, which allows us to implement changes to covered populations and programs quickly. Some of the ProDUR edits that we have implemented for other Medicaid customers include, but are not limited to:

- MME – Implemented Morphine-Milligram Equivalent (MME) Accumulator
- Standard CDC and customer-configured Equivalency tables
- Unique call center calculator to help Pharmacy Providers and Prescribers anticipate unadjudicated claims impact on MME limit
- Customer-specific MME limit tapering, e.g., movement from 300 to 250 MME or 300 to 90 MME with relatively short front-end notice
- SUPPORT Act – Duplicate Therapy Configuration
- Opioids with Benzodiazepine & Opioid & Antipsychotic Edits – Customization available by Therapeutic classes or specific NDCs
- ***Set the early refill edit on controlled drugs at 90% used so that a PA is required to override for the controlled drug when an early refill message occurs.***

MMA will respond to all report and data requests from LDH and MCO in sufficient time to provide the necessary information to compile the CMS DUR Annual Report. MMA acknowledges that the MCO must send the report to the State 30 Calendar Days after CMS provides the link. Our reporting solution maintains compliance with all Federal CMS reporting requirements including those that are part of CMS certification as documented in the MECT checklist. ***We have been assisting our Medicaid customers by providing the necessary information to complete the annual CMS DUR Report for decades.***

8.8 Provider and Enrollee Support (RFP 2.1.14)

Relevant Experience +

MMA has provided Network Provider, Prescriber, and Enrollee support through Customer Service Center (CSC) excellence to our customers since 1988. We currently support 13 Medicaid FFS program, 5 AIDS Drug Assistance Program (ADAP), and 4 State Pharmaceutical Assistance Program (SPAP) customers with technical and clinical CSC services. On January 1, 2021, we implemented CSC services for the State of California Medi-Cal Rx contract where more than 14 million Enrollees have been transitioned to the FFS pharmacy program.

MMA is committed to providing excellent CSC support and functionality for LDH, its Network Providers, Prescribers, MCOs and, most importantly, the Enrollees the Program serves. Our understanding of the Program makes it clear that LDH puts tremendous value on CSC management and providing the highest levels of customer service to Louisiana Medicaid Managed Care Program stakeholders. MMA possesses the Medicaid FFS experience and commitment necessary to meet those requirements. ***Our focus is to provide the best service experience for all stakeholders contacting our CSCs by providing accurate information, education, and caring service.***

Provider and Enrollee support: Describe approach to provide appropriate staff for Provider and Enrollee inquiries and compliance with LDH and MCO requirements.

MMA will ensure that our CSC is appropriately staffed to respond to Provider and Enrollee PA inquiries. We provide a fully-trained CSC staff of skilled clinicians—including pharmacists (RPh and PharmD) and Certified Pharmacy Technicians (CPhTs)—who respond to service requests submitted via telephone (through one established toll-free number), voicemail, if appropriate, fax, mail, web portal, and/or email.

In addition, The MCOs will be provided access to a team of clinical MCO Liaisons through our dedicated IVR system to assist and resolve clinical pharmacy-related issues, on a 24/7/365 basis. The MCO Liaisons will support coordination and integration efforts, as well as have the ability to quickly resolve urgent Enrollee cases. In addition, they will have the knowledge and capability to assist with any clinical, pharmacy-related matter, including, but not limited to, urgent and/or time-sensitive requests, PA statuses, claims issues, and will have direct access to RPhs and a supervisor. The MCO Liaisons will also understand the population being served by the MCOs, as well as aspects that are unique to the MCOs' population.

We will provide extensive training to our CSC staff so that they understand and are in compliance with all LDH and MCO requirements. Our CSC staff will be efficient in supporting all functions, including technical areas, such as responding to eligibility and claims processing inquiries, and clinical areas, such as PAs, the PDL, and clinical programs.

MMA's experienced clinical and administrative staff, along with our innovative, automated, and integrated CSC solution, accurately processes, determines the appropriate disposition, and preserves all relevant history of each inquiry with the ability to see every claim and PA. These features significantly reduce unnecessary burden to Enrollees and Network Providers. ***Our CSC staff clearly understands clinical aspects and recognizes, appreciates, and respects the needs and support requirements of Network Providers, Prescribers, Enrollees, MCOs, and other Louisiana Medicaid Managed Care Program stakeholders.***

We will designate and maintain a sufficient number of staff to satisfactorily complete CSC tasks within the Louisiana PBM Services for Medicaid MCOs Contract scope of work. MMA is committed to maintaining strict requirements and a comprehensive strategy for ensuring appropriate operational staffing of the CSC. We will continuously monitor all LDH-specific performance metrics and will forecast staffing needs for the Louisiana MCO PBM Project using a combination of historical patterns, business

guidance, and emerging trends. Please refer to proposal *Section 10.0, Proposed Staff Qualifications*, for a complete description of our staffing model for the Louisiana Medicaid Managed Care Program.

The Contractor shall deliver Provider and Enrollee customer service through multiple contact methods using trained technical and clinical staff. The primary source of inquiries is expected to be Network Providers seeking assistance with Drug Claim submission issues. The Contractor shall be prepared to receive Enrollee customer service calls directed from the Enrollees' MCO to assist with Network, drug coverage, and PA status questions. Customer service support shall also include Prescribers seeking more clinically oriented assistance with securing PA approvals and related status inquiries.

MMA will provide Network Provider and Enrollee customer service through multiple contact methods using trained technical and clinical staff. Our solution includes management call tracking and reporting capabilities. FirstTrax, MMA's proprietary contact management tracking system, retains information taken on each call, is retrievable using personal information for the individual from whom the call was received, and can be made available to LDH staff upon request.

We understand that the primary source of inquiries is expected to be Network Providers seeking assistance with Drug Claim submission issues. Leveraging our ***34 years of CSC experience***, MMA will successfully respond to Enrollee customer service calls directed from the Enrollee's MCO to assist with Network, drug coverage, and PA status questions. Our PA CSC staff will be trained and prepared to assist Prescribers who require clinically-oriented help with securing PA approvals and related status inquiries.

8.8.1 Customer Service Center (CSC) (RFP 2.1.14.1)

MMA will provide technical, clinical, and Enrollee help lines through a designated toll-free telephone number. We support this arrangement for other customers and will establish a single toll-free telephone number, as directed by LDH. MMA will divide our CSC into two primary functions, technical and clinical. The MMA CSC will support the Louisiana Medicaid Managed Care Program as a technical service desk and as a clinical service desk and will provide one dedicated toll-free inbound telephone line with menu prompts exclusive to Enrollees, Network Providers, and Prescribers.

The toll-free telephone line will be utilized for the CSC to respond to all claims processing questions and those policy questions for which answers can be retrieved from existing written, web, or other reference sources. We configure our FirstRx POS solution to provide responses to Providers in real-time when a claim is denied. When additional information is needed, our highly trained CSC staff will assist LDH and MCO staff, as well as support the variety of Prescriber and Network Provider inquiries typically seen in a pharmacy CSC regarding the state Medicaid-approved programs (e.g., eligibility inquiries, claim/appeal submissions, pharmacy claims processing and status, etc.); systems availability; technical support for electronic data interchange (EDI) submissions; Enrollee services assistance, including clinical assistance; complaints and appeals acceptance and processing; Provider payment and reimbursement guidelines; and information technology (IT) help desk questions.

We will also provide a web knowledge base and other support services to users by making content accessible via the Louisiana MCO PBM Web Portal, using a standard web browser. The technical support provided includes addressing concerns about the availability and operation of the Louisiana MCO PBM Web Portal and all other systems. MMA commits to providing comprehensive support to all Louisiana Medicaid Managed Care Program stakeholders.

The Contractor's service desk(s) shall provide support for all functions of the managed care pharmacy program, including but not limited to:

- **POS Help Desk: Network Provider technical inquiries, available toll-free twenty-four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year to respond to questions on issues such as coverage, Drug Claims processing, Enrollee eligibility, and reimbursement.**

Through our designated Louisiana Medicaid Managed Care Program toll-free telephone line, MMA's POS Help Desk will support the Louisiana Medicaid Managed Care Program 24/7/365, including all holidays unless otherwise approved by LDH, to address technical inquiries.

Technical assistance provided includes assisting with issues such as coverage, Drug Claims processing, Enrollee eligibility, and reimbursement, as well as PA status, PDL questions, third-party liability (TPL)/coordination of benefits (COB) payer information, non-clinical inquiries regarding prospective drug utilization review (ProDUR) messages, and policy and procedure information. CSC staff also has the ability to field calls about software vendor issues.

In addition, our technical CSC staff is trained to address website content and/or performance inquiries and resolve concerns, questions, and problems. For example, MMA's CSC staff will assist new users with the registration process through the User Administration Console (UAC). The technical CSC staff will also assist registered users with accessing MMA's web-based applications. Some examples include resetting passwords for users and assisting with navigating through the various application screens.

- **PA Help Desk: Prescriber inquiries of all types, available toll-free to receive and make a decision to approve or deny PA requests, as well as Appeals and Grievances regarding PA denials and/or processes. The PA help desk shall be a toll-free twenty-four (24) hours per day, seven (7) days per week call center, staffed with appropriate clinical personnel accessible 7:00 am to 7:00 pm Central Time, Monday through Friday, excluding agreed-upon holidays, except for downtime approved in advance by LDH.**

PA and clinical services support will be made available through the dedicated Louisiana Medicaid Managed Care Program toll-free telephone number via the exclusive IVR menu option. The PA Help Desk will be available toll-free 24/7/365 and staffed with appropriate clinical personnel accessible 7:00 a.m. to 7:00 p.m. Central Time, Monday through Friday, with the exception of agreed-upon holidays and downtime approved in advance by LDH. Our PA Help Desk will respond promptly and efficiently to assist Prescribers with decisions to approve or deny PA requests, as well as Appeals and Grievances regarding PA denials and/or processes. CPhTs are available after hours to provide assistance.

- **Enrollee Help Desk: Enrollee inquiries of all types, available toll-free to respond to inquiries from Enrollees on general pharmacy coverage, Network Provider locations, drug coverage, PA status or other Enrollee requests. The Enrollee help desk shall be staffed (live) from 7:00 am to 7:00 pm Central Time, Monday through Friday.**

MMA will provide an Enrollee Help Desk staffed (live) from 7:00 a.m. to 7:00 p.m. Central Time, Monday through Friday. Our trained CSC staff has the ability to assist Enrollees with questions or issues regarding general pharmacy coverage, Network Provider locations, drug coverage, PA status, or other Enrollee requests.

The Contractor shall:

- **Establish and maintain a Customer Service Center (CSC) to serve as a point of contact to assist Prescribers, pharmacists, Beneficiaries, MCOs, Providers, and other parties with inquiries regarding the managed care pharmacy program.**

MMA will establish and maintain a Louisiana CSC to serve as a point of contact to assist Prescribers, pharmacists, Beneficiaries, MCOs, Providers, and other parties with inquiries regarding the Louisiana Medicaid Managed Care Program.

MMA has three decades of experience operating pharmacy CSCs across the country to serve Medicaid FFS, health plan/managed care, commercial (non-government), Medicare Part D, and employer-sponsored Medicare Employer Group Waiver Plan (EGWP) customers. Our CSC staff is co-located and work collaboratively to serve individuals, providers, and pharmacies. MMA's CSC solution is strong and scalable, and we bring the infrastructure capabilities, best practices, and suite of integrated CSC tools to meet and/or exceed LDH's requirements. ***The customer experience is our priority, and our CSC operations are continuously measured and improved through various feedback mechanisms.***

Robust National CSC Footprint

MMA staffs Pharmacy CSCs in support of our customers nationwide and across three time zones, from Glen Allen, Virginia, to St. Louis, Missouri, to Rancho Cordova, California.

We will establish a CSC in Louisiana to serve as the primary point of contact for all pharmacy-related service requests related to the Louisiana Medicaid Managed Care Program, with back-up support from our Glen Allen, Virginia, CSC for after hours and overflow/business continuity, as well as additional virtual support. We provide a fully-trained CSC staff of skilled clinicians—including pharmacists (RPh and PharmD), Certified Pharmacy Technicians (CPhTs)—who respond to service requests submitted via telephone (through one established toll-free number), voicemail, if appropriate, fax, mail, web portal, and/or email. ***Our focus is to provide the best service experience for all stakeholders contacting our CSC by providing accurate information, education, and caring service.***

- **Create and maintain an email address for individuals to utilize for pharmacy related inquiries. All e-mails received shall be acknowledged within twenty-four (24) hours of receipt and resolved within three (3) Business Days unless otherwise approved by LDH.**

MMA provides the capability for Providers to contact the CSC via email. We will create and maintain an email address for individuals to utilize for Louisiana Medicaid Managed Care Program pharmacy-related inquiries. Emails will be acknowledged within 24 business hours and resolved within three business days. We will assign a CPhT to monitor the email box. The technician will perform a triage function for all inquiries received at the dedicated email address. Inquiries that are determined to be outside the response scope for the email address and should be handled by LDH staff will be forwarded to the appropriate LDH designee.

We have learned from our experience implementing our pharmacy CSC solution for the California Medi-Cal Rx Program that it is vital to take extra steps to ensure that the MCOs feel comfortable with the transition. Based on this relevant California experience, MMA will also establish a dedicated email address for MCO use. This MCO-specific email address will be monitored by our designated MCO Clinical Liaison staff to ensure the highest level of support for the Louisiana MCOs.

In addition, MMA can provide a Contact Us email support option for questions or concerns on the Louisiana MCO PBM Web Portal. The mailbox is checked on a daily basis, and a response will be provided as mutually agreed-upon with LDH.

- **Provide accessibility to the CSC through toll-free help lines and electronic and other modes of communication, including, but not limited to phone, voicemail, email, web portal, fax, and mail. The Contractor may adopt new technology (e.g., text, mobile app, online chat) as directed by LDH.**

MMA will maintain and be available for incoming contacts via toll-free telephone lines, voicemail, if appropriate, email, web portal, fax, and email. We will work with LDH to adopt new technology (e.g., text, mobile app, online chat, etc.) as directed by LDH.

We ensure that each caller type is verified and tracked as to the type of incoming contact. MMA will confirm the information provided is appropriate for the caller type, using the desired channel. For all

verified callers, MMA will provide the appropriate level of information regarding eligibility, benefits and/or coverage, pharmacy, reimbursements, cost share, privacy rights, prior authorizations (PAs), etc.

If a caller is not verified, the exchange can continue from an educational perspective, but no Protected Health Information (PHI) will be shared. *Figure 8.8-1: Interaction Channels* depicts our extensive channels of communication.

- **Locate its primary CSC site in the State.**

MMA will establish a CSC in the State of Louisiana to provide primary support to the Louisiana Medicaid Managed Care Program.

- **Provide access to a backup CSC that is not geographically located within 500 miles of the primary site to handle calls when there is weather related emergencies or other unexpected occurrences that may impact access to the primary CSC or ability to meet CSC standards in CSC Performance Standards section.**

Backup call support will be provided through our Glen Allen, Virginia, CSC which is located over 1,000 miles from the primary facility we will establish for the Louisiana Medicaid Managed Care Program in Louisiana.

Virtual backup support will also be provided. Our solution provides a virtual environment where CSC staff in the primary and backup locations can access all functions, regardless of the CSC in which they work, so that uninterrupted assistance is provided to Enrollees and other stakeholders when there are weather-related emergencies or other unexpected occurrences that may impact access to the CSC physical locations or MMA's ability to meet CSC standards.

MMA ensures a flexible staff scalability to effectively manage our call and fax volumes. Application and telecommunication infrastructures are standardized and redundant to facilitate this virtual environment. Our corporate CSC staff is cross-trained in multiple accounts, which allows for an easy transition to a backup CSC, when necessary, to support peak volumes, for extenuating circumstances outside of normal business hours, and for business continuity. This workload balancing process will ensure that the Louisiana Medicaid Managed Care Program has the necessary staff available to it whenever the need arises.

- **Address inquiries regarding the Medicaid managed care pharmacy program, including, but not limited to, the following:**
  - **Drug Claims processing issues**
  - **PDL inquiries**
  - **PA requests and inquiries**
  - **Medicaid eligibility and MCO enrollment status**
  - **Network Provider reimbursement rates**
  - **Locating a Network Provider**
  - **Status of prescriptions and refills**
  - **Obtaining or understanding its policies and procedures**
  - **Website content and/or performance inquiries**
  - **Resolution of concerns, questions, and problems**
  - **Grievances and Appeals**
  - **Provider complaints**

MMA's Louisiana CSC staff will be trained on information that will allow them to educate Providers and answer questions based on data elements used in successfully transmitting claims to MMA's FirstRx POS system. Claims are integrated into the CSC view; specific knowledge about the Louisiana Medicaid Managed Care Program pharmacy benefit will be part of the CSC agents' enablement program. This assists with addressing and resolving claims processing issues. PA processing is also integrated into the CSC system in that CSC agents take prescriber calls and perform fax intake using the integrated clinical decision module, MRx Decide, which codes the Louisiana PDL into the required question set for PA criteria.

CSC staff members have full visibility to claim status/details, in process PAs, drug history, and approvals and/or denials. Our system capabilities and tools enable CSC agents to assist with PDL inquiries, PA requests and inquiries, Medicaid eligibility and MCO enrollment status, pharmacy Provider reimbursement rates, locating a Network Provider, status of prescriptions and refills, and policy and procedure information.

In addition, CSC staff assists with filing grievances and appeals and addressing Provider complaints. The CSC is a critical line of defense in avoiding complaints through our culture of caring. In the event that a complaint is received, our CSC agents will be trained to recognize a complaint, work to resolve it at the point of contact, tag the contact as a complaint, and ensure that, when necessary, complaints are referred internally and addressed in accordance with the Louisiana Medicaid Managed Care Program complaints and grievances resolution policies.

Our technical CSC staff is trained to address website content and/or performance inquiries and resolve concerns, questions, and problems. For example, MMA's CSC staff will assist new users with the registration process through the User Administration Console (UAC). The CSC will also assist registered users with accessing MMA's web-based applications. Some examples include resetting passwords for users and assisting with navigating through the various application screens. PA and clinical services support will be made available through the dedicated Louisiana Medicaid Managed Care Program toll-free telephone number via the exclusive web support menu option, Monday through Friday from 7:00 a.m. to 7:00 p.m., Central Time.

- **Provide adequate training and access to information to route and facilitate timely and accurate responses to inquiries.**

MMA will provide adequate training and access to information to CSC staff to route and facilitate timely and accurate responses to inquiries. We will implement and document detailed procedures and training to ensure that the CSC can service all caller types with both basic inquiries and complex issue resolution. The IVR will be used to identify the caller and route them to the appropriate CSC agent. Once working with a CSC agent, procedures are in place to assist the CSC agent to identify when a call needs to be

escalated. The CSC system will open a case for all inquiries to track the lifecycle of a given inquiry, request, or issue. This provides a detailed history and timeline for responses to inquiries. Ongoing and refresher training is provided, as needed. The following narrative provides additional details about our CSC staff training and access to information.

CSC Staff Training

MMA ensures compliance with HIPAA confidentiality requirements and trains CSC staff to provide consistently responsive, helpful, and courteous assistance when responding to inquiries.

Customer Service Training

Our overall approach to providing Enrollee, Provider, and Prescriber support is to create a positive experience in our pharmacy CSCs. Our model emphasizes a One Touch service. CSC agents identify solutions to Enrollee, Provider, and Prescriber, MCO, and other stakeholder questions by partnering with callers to address their concerns. The One Touch model encourages agents to make a connection with the caller within the first minute. CSC staff show empathy for the caller, demonstrate confidence in assisting with the inquiry, and take responsibility for resolving the caller's concern. If additional follow-up is needed, CSC staff set clear expectations on next steps. Most importantly, MMA representatives are focused on keeping their service promise by following up, as appropriate, with the caller.

All CSC staff receive comprehensive initial and ongoing customer service training. For Louisiana, this training will include information specific to the Louisiana Medicaid Managed Care Program, systems, processes, and policies and procedures. Our training staff is led by thought leaders with expertise in the fields of adult learning principles and instructional design.

MMA's innovative education solutions embed a culture of life-long learning among all employees. Using a blended approach to learning that combines computer-based training (CBT) and instructional classroom training, CSC staff receive technical and programmatic training, as well as training on customer services best practices known as ***Compassion, Accuracy, Respect, Enthusiasm (C.A.R.E) on Every Call***.

C.A.R.E on Every Call defines a specific call flow and attributes that are the foundation and definition of MMA service. From new hire training to consistent and daily reinforcement by the CSC Leadership Team, our staff become fluent in our service expectation and our execution. The C.A.R.E model focuses on:

- Listening to the caller's story
- Taking ownership of the issue
- Keeping our service promise.

A sample of Help Desk-related topics covered during training is shown in the following table.

Subject Matter Area	Topics Covered
Customer Service	Basic Customer Service Skills Communication Basics Professional Phrasing Empathy C.A.R.E. – One Touch Call Flow
System Training	Creating Contact Details Searching for Claims Reviewing Claims Resolving Issues

Subject Matter Area	Topics Covered
Telephone Training	Review of Telephone Features Aux Codes for Adherence
Call Quality	Quality Expectations Quality Scorecard
Louisiana Medicaid Managed Care Program Customer Service Implementation Plan	Policies and Procedures

As shown in *Figure 8.8-2*, our staff is trained on the steps for successfully interacting with Louisiana Medicaid Managed Care Program stakeholders who contact the CSC.

HIPAA Confidentiality Training

MMA provides HIPAA and Protected Health Information (PHI), Personally Identifiable Information (PII), and Social Security Information (SSI) training for all employees, including CSC staff.

Our HIPAA training program is a mandatory requirement for all employees. It consists of initial training for all new hires within the first 30 days of employment, and annual training refreshers for all employees including contractors. Training is updated annually and is conducted by our Corporate Compliance Department in concert with our Learning and Performance Team. MMA uses our Learning Management System (LMS) to track the completion of required annual training to ensure all employees are compliant.

For all staff, MMA additionally conducts remedial training on an as-needed basis. In addition to our required compliance trainings, we conduct quarterly compliance conference calls with representative staff throughout the organization where we typically include a HIPAA topic or update. We also include ongoing educational efforts and reminders throughout the year using several means of communication. Our Corporate Compliance Department has an intranet webpage where we display various HIPAA information and resources.

Periodically, we write relevant articles on HIPAA, confidentiality requirements, or security parameters that are printed in an online monthly newsletter distributed to all employees throughout the organization, called Compliance First. When more targeted information or reminders are needed, we distribute a memo or issue a training alert to specific staff as needed.

MMA has documented policies and procedures in place to ensure the proper handling, use, and disclosure of our customers' PHI and confidential information while administering pharmacy benefits and providing an appropriate level of customer service. Our written policies and procedures address the use of any PHI and meet all applicable federal and state requirements, including HIPAA, U.S. Department of Health and Human Services, American Recovery and Reinvestment Act (ARRA), and Health Information Technology for Economic and Clinical Health (HITECH) requirements.

Our policies and procedures include restricted role-based access to all MMA systems and applications, and end-to-end procedures required for the privacy, protection, and processing of transactions required by our customer contracts.

CSC Staff Access to Information

We ensure that our CSC staff has the tools and resources necessary to respond accurately and efficiently to requests from LDH staff, MCO staff, clinicians, Providers, Prescribers, as well as Enrollees. MMA will also provide Louisiana Medicaid Managed Care Program-specific training for CSC staff to allow them to provide the highest level of customer service to all Louisiana Medicaid Managed Care Program stakeholders.

MMA will develop CSC staff reference materials on LDH policies and procedures. We will collaborate with LDH to identify pertinent information related to PA requirements, Enrollee eligibility, telephone etiquette, customer confidentiality, and other Louisiana Medicaid Managed Care Program-related topics. After acquiring all required information, MMA creates user guides, job aids, and LDH-approved Louisiana Medicaid Managed Care Program-specific QuikChek and Clinical Criteria documents to be utilized by our CSC staff to handle all Prescriber, Provider, and Enrollee inquiries and requests. MMA will maintain an electronic copy of the LDH-approved QuikChek and Clinical Criteria documents, which will contain Louisiana Medicaid Managed Care Program PA requirements, policies, and plan-specific information. Documents will be accessible to staff across all locations through MMA's internal Intranet site. The quick accessibility to our resource documentation enhances the efficiency and accuracy of information given and/or issue resolution. MMA will obtain LDH review and approval for all reference materials utilized by CSC staff prior to their implementation and will ensure that documentation is updated regularly.

MMA believes that having comprehensive manuals that include CSC policies and procedures is critical to the successful performance of the operations. We will create manuals for the Louisiana Medicaid Managed Care Program's CSC that incorporate best practices and include information to specifically meet the needs of LDH. The manuals and related documentation will have version control and always be submitted to LDH for review and approval. This will occur annually or as changes are requested by LDH.

- **Provide access to up-to-date information and data needed to address and resolve inquiries, including, but not limited to, individual information, Provider information, PA data, Drug Claims data, payment data, and LDH pharmacy policy and procedures.**

MMA will ensure that CSC staff have access to up-to-date information and data needed to address and resolve inquiries, including individual information, Provider information, PA data, Drug Claims data, payment data, and LDH pharmacy policy and procedures. ***The real-time claims data in FirstTrax allows CSC agents to provide an immediate response to callers.*** Working with LDH, we will develop documentation for the CSC. Information routinely created for our customers includes tailored call

scripts, CRM user guides, job aids, and state-specific quick reference guides which are available online to all CSC agents. These materials will provide information about the Louisiana Medicaid Managed Care Program, including policies, procedures, benefits, rights, and responsibilities.

Our content management strategy has strict procedures in place to maintain all types of program documentation, system documentation, Provider manuals, operating procedures, or other documentation to ensure they remain current as program requirements, or our systems or processes, change. An internal documentation review process occurs that validates all revisions have been correctly made to the documentation in accordance with the LDH-specific approved criteria and standards, as well as industry professional standards. This ensures that all information (e.g., PA criteria) used by CSC staff to assist Louisiana Medicaid Managed Care Program stakeholders is accurate and up to date.

Additionally, the Louisiana Medicaid Managed Care Program clinical criteria documents will be integrated into MRx Decide, our proprietary clinical decision module, so that LDH-defined criteria for each drug is available in the system. This allows CSC staff to accurately respond to and manage Prescriber, Provider, and individuals' inquiries and requests.

- **Provide search capabilities that speed access to needed information across systems through easy-to-use search and phonetic matching.**

MMA's CSC solution incorporates tools that speed access to needed information across the system through easy-to-use search and phonetic matching. FirstTrax allows authorized users to search for information on Enrollees, Drug Claims, Providers, drugs, Prescribers, PAs, and call tracking against the FirstRx and FirstTrax databases. We also offer FirstCI, our web-based read-only companion to FirstTrax. The integration of our IVR platform and FirstTrax provides full information to CSC agents and allows efficient and accurate decision making and problem resolution. IVR callers are able to provide preliminary demographic information that is visible to the CSC agent when they receive the call. This feature enhances the caller's experience as CSC agents can begin assisting the caller faster (after completing HIPAA verification).

Integrated online help and phonetic matching of information for Providers that call with a denied claim is also available. CSC staff screens are automatically populated with pertinent information which allows them to assist callers quickly, efficiently, and accurately. In addition, MMA's web portals provide integrated, user-friendly online help. The context-sensitive help will make it easy to learn how to use the application and to access Medicaid policy information. We will provide web content according to agreed-upon schedules, and the content will be clear, accurate, easy-to-read, and up-to-date.

- **Provide a current organizational chart with staff responsibilities and contact information for the CSC on a quarterly basis, or as changes occur.**

Our CSC Manager will develop a current organization chart with staff responsibilities and contact information for the CSC each quarter. If any staffing or organizational changes occur, updates will be made more frequently. The organization chart will be provided promptly to designated LDH staff.

- **Implement and follow escalation workflows to ensure proper handling of inquiries, including referral to appropriate internal staff and external entities.**

MMA has a defined workflow for escalations that ensures proper handling of inquiries, including referral to appropriate internal staff and external entities. CSC agents are trained to escalate any call that raises a question and procedures are in place to assist the CSC agent to identify when a call needs to go to a pharmacist or other entity. MMA will work with LDH to determine the types of calls that should be appropriately escalated to clinical staff.

The CSC CPhT handles the initial intake of all calls. When there is doubt or the information provided by the requestor clearly indicates the criteria for authorization are not met, the CPhT will escalate to a

clinical pharmacist. The clinical pharmacist will evaluate all available information and render a decision, accordingly, based on criteria and professional judgment. The decision may be to approve, deny, change to alternate therapy (preferred drug), or return the request to the Prescriber for additional information.

All cases concerning complaints and grievances are received by the CPhT, who records pertinent information in the FirstTrax system before escalating the case to senior staff or account management staff, as necessary. FirstTrax will guide the CSC agent through the Louisiana Medicaid Managed Care Program custom workflow, including automatically selecting the call category and type, and routing the problem or complaint to the appropriate person if the CSC agent cannot resolve the issue on the first call.

The CSC system will open a case for all inquiries to track the lifecycle of a given inquiry, request, or issue. This will provide the history and timeline. For any case that cannot be resolved at the time of contact, the system will place an internal service level on the next step to ensure it is properly tracked, followed up on, and escalated if any delay occurs.

- **Handle emergent Provider issues twenty-four (24) hours per day, seven (7) days per week.**

CSC staff will be available 24/7/365 to handle emergent Provider issues. A call will be considered emergent if the delay could cause Enrollee harm. MRx complies with Federal guidelines that require an allowance of a 72-hour emergency supply of medications to allow the prescriber time to submit a PA. Examples of assistance to Providers include assisting with PA status, PDL questions, drug coverage, eligibility status, payment status, third-party liability (TPL)/COB payer information, non-clinical inquiries regarding prospective drug utilization review (ProDUR) messages, and policy and procedure information.

- **Record all incoming calls for quality assurance and/or training in a format that can be retrieved and audibly reviewed at a future time, including indexing and search capabilities.**

Live and recorded call monitoring is an integral part of MMA's continuous efforts to identify performance improvement areas. All calls are recorded via the call management system's real-time digital call recording software and can be retrieved by incoming telephone number, date, time, agent, and other parameters for audible review at a future time. The call recording software includes indexing and search capabilities. A subset of the calls shows the screens navigated to while servicing the caller.

The tool allows CSC supervisors to identify and listen to calls for quality monitoring or issue resolution. Calls are monitored, and the Call Quality Monitoring Scorecard, which is housed within the call management system's monitoring tool, is attached to the call. The CPhT will see the scorecard and the call it pertained to in order to facility transparency and coaching.

- **Retain call recordings in accordance with State and Federal requirements, for a period of no less than ten (10) years, unless otherwise directed by LDH.**

MMA will retain call recordings in accordance with State and Federal requirements, for a period of no less than 10 years, unless otherwise directed by LDH.

- **Provide an LDH approved quality and tracking process to ensure that all phone, email, and other correspondence received is answered in a prompt and professional manner and routed to the correct respondent.**

MMA maintains the highest levels of quality and operational effectiveness. We employ a stringent QA Program that examines telephone skills, documentation accuracy, and customer care provided by every staff member. Reviews are conducted by senior staff who are responsible for assessing, correcting, and certifying the actions performed by all CSC staff. Our quality process ensures that all telephone, email, and other correspondence received is answered in a prompt and professional manner and routed to the correct respondent. We will collaborate with LDH to ensure that our tracking process meets Louisiana Medicaid Managed Care Program requirements and obtain LDH approval.

Additionally, all CSC calls are recorded via the call management system's real-time digital call recording software. Recorded calls can be retrieved by the incoming telephone number, date, time, agent, and other parameters for review. This state-of-the-art system provides an effective and efficient method for our QA reviewers and management personnel to monitor both the quality and effectiveness of our staff.

CSC supervisors score and provide feedback on at least four calls per CSC agent per month. On a quarterly basis, quality review staff sample calls and follow up on call outcomes with our CSC staff to ensure response quality and caller satisfaction. Results of each review are documented and reported to CSC management staff. A monthly scorecard is prepared for each CSC agent to review his or her performance, both positive and negative, during the month. An improvement plan is prepared by CSC management for any adverse situation. Follow-up with the CSC agent occurs until the situation is satisfactorily remedied.

CSC Monitoring to Achieve Louisiana Medicaid Managed Care Program Satisfaction

CSC staff are continuously monitored on a wide spectrum of elements and each role has a responsibility. Key program elements include:

- Daily Call Monitoring and Coaching
- Monthly Scorecard Reviews
- Ongoing Learning Strategies
- Remediation Strategies.

Our quality team performs a call calibration on a subset of calls that were scored by CSC leaders. The quality team's sample includes scored calls by each leader. The purpose of the quality team re-scoring or calibrating the calls across the supervisors is to ensure that they objectively are getting the same score as the supervisor.

- **Handle emergent Provider issues twenty-four (24) hours per day, seven (7) days per week.**

CSC staff will be available 24/7/365 to handle emergent Provider issues. A call will be considered emergent if the delay could cause Enrollee harm. MRx complies with Federal guidelines that require an allowance of a 72-hour emergency supply of medications to allow the prescriber time to submit a PA. Examples of assistance to Providers include assisting with PA status, PDL questions, drug coverage, eligibility status, payment status, third-party liability (TPL)/COB payer information, non-clinical inquiries regarding ProDUR messages, and policy and procedure information.

8.8.2 Outbound Campaigns (RFP 2.1.14.2)

MMA's telephony system is able to perform outbound calls, including automated calls, based on specified call types that include response to voice mail or call back requests, and LDH outreach campaigns to Providers or individuals. CSC agents will be trained on conducting outbound calls as follow up or campaigns to support Louisiana Medicaid Managed Care Program initiatives. Using the customer service and call management systems, we will continually monitor outbound calls for quality assurance and response metrics. MMA can support electronic communications to individuals via our contact management system, which enables us to send education materials and collateral directly to individuals, as well as include them in certain marketing campaigns and communications that might be of interest.

In the following narrative, we present our approach to meeting and/or exceeding all requirements detailed in RFP Section 2.1.14.2, Outbound Campaigns.

The Contractor shall support and perform LDH-directed and approved outbound campaigns (for reasons such as education on new initiatives, program changes, etc.) to individuals or Providers in different modes, including but

not limited to calls, email, text, and fax. Upon such a request by LDH, the Contractor shall provide services including, but not limited to:

- **Providing a written work plan within five (5) Calendar Days of the request and update the work plan as directed by LDH.**
- **Designing the outbound campaigns.**
- **Developing necessary scripts/content subject to LDH's prior written approval.**
- **Providing a listing of those individuals or Providers to be contacted.**
- **Executing the outbound campaign at the specified timeframes/intervals.**
- **Recording the outcome of the contact (e.g., person answered / listened for x minutes, no answer / voice mail message left, no answer / no voice mail message left, busy signal).**
- **Associating the record to the campaign and contacted party.**
- **Producing campaign outcome reports based on the campaign requirements, as approved by LDH.**

MMA has a predictive dialer and an automated outbound messaging system that will be programmed for campaigns, such as specific Provider outreach efforts (e.g., education on new initiatives, program changes, etc.). The system captures the results of every outbound attempt, and all data will be available to meet reporting requirements. Examples of data captured include the campaign the outbound call was made for, the time, the method, and the outcome of the call. ***Additionally, MMA's outbound texting program enables MMA to proactively communicate with short, concise, and customized messages to targeted individuals to help improve their healthcare awareness and take action, as appropriate.*** We will work with LDH to evaluate membership, assess the number of individuals who have viable cell phone numbers, and create actionable messages that are customized to meet LDH-specific business and clinical needs.

MMA can queue automated outbound calls based on defined criteria and with specific scripting. The system will record the outcome of each attempt and can re-queue a call multiple times at different times of the day. At the request of LDH, we will provide a written work plan for an outreach campaign within five calendar days of the request and update the work plan as directed by LDH.

MMA will have a flexible module for outbound campaigns that will assign an identification number to a new campaign. The module will allow the CSC Manager to quickly create a plan around campaign goals, including design and script development and identification of stakeholders to be included.

The campaigns can include automated outbound messaging, an integrated predictive dialer system (IPDS), scripting, outcomes capturing, or any combination of these features. The module will allow the leader setting up the campaign to load a file of individuals to the campaign and then execute the campaign parameters and associate the CSC log record, at a minimum, to the campaign. Campaigns will be available for Provider or Enrollee messages. Every outreach attempt will be captured and all data elements available to fulfill the reporting requirements. *Figure 8.8-3* depicts our typical workflow for outbound campaigns.

8.8.3 CSC Quality Assurance (RFP 2.1.14.3)

In the following narrative, MMA presents our approach to meeting and/or exceeding all requirements detailed in RFP Section 2.1.14.3, CSC Quality Assurance. Our established quality assurance processes are utilized for technical POS calls, as well as provider pharmacy calls.

The Contractor's Customer Service Center shall have the capability to:

- **Perform a quarterly self-audit of CSC inquiries to ensure inquiries were addressed appropriately, accurately, courteously, and timely, and in accordance with State and Federal requirements.**

On a quarterly basis, our quality reviewer will perform an audit of service desk requests by sampling calls and following up on call outcomes with our staff to ensure calls were addressed appropriately, accurately, courteously, and timely, and in accordance with State and Federal requirements, as well as LDH policies and procedures. Results of each review are documented and reported to CSC management. CSC management prepares a scorecard for each CSC staff member to review his or her performance, both positive and negative, during the month. An improvement plan is prepared by management for any adverse situation and a supervisor follows up with the staff member until the situation is remedied.

- **Provide LDH and the MCOs with quarterly reports of the customer service center audit, including findings and any remediation activities.**

MMA's CSC Manager will compile the results, including findings and any remediation activities, of the quarterly service desk audit within the LDH agreed-upon time frames. The audit will be forwarded to the Clinical Pharmacy Director to include in LDH's Medicaid quarterly reports. We will also provide the MCOs with quarterly reports of the CSC audit, including findings and any remediation activities.

- **Ensure only LDH-approved phone scripts are used by customer service center staff.**

MMA will work with LDH to develop telephone scripts, greetings, and educational messages specific to the Louisiana Medicaid Managed Care Program and will monitor to ensure only LDH-approved telephone scripts are used by CSC staff.

MMA's ACD system permits efficient management of all calls and staff assignments. It is a versatile system that can be configured with customized routing or messages. These informational messages can be used to notify Network Providers of new upcoming clinical drug edits and procedural changes, or to direct callers to specific resources. All messages will be submitted for LDH's approval prior to implementation.

Callers currently receive a system welcome message, call recording, and monitoring notification, and are provided with a menu selection based on the person calling (e.g., Enrollee, Network Provider, or Prescriber). Within these menu selections, MMA also offers options, such as fax forms or other relevant documentation. A caller can reach a CSC agent within two prompts and all call assignments are systematically made to the first available CSC staff member.

- **Provide designated LDH and MCO staff with access to its customer service center systems.**

MMA will provide designated LDH and MCO staff with access to our CSC systems. We will provide ongoing access to our CSC system including call tracking and call recording systems. Through the implementation planning process, the tasks to provide LDH and MCO authorized users with user IDs/password and appropriate training to be able to navigate the systems are addressed. Our team of experts will provide training and documentation for ease of system navigation.

- **Notify designated LDH and MCO staff of unscheduled downtime within thirty (30) minutes of the start of an incident occurrence.**

MMA will notify designated LDH and MCO staff of unscheduled downtime within 30 minutes of the start of an incident occurrence. ***To maintain consistent, high quality customer services during temporary***

telecommunication disruptions or office closures, MMA has the ability to reroute telephone traffic from any of our CSCs, including after hours, to an alternate CSC to maintain critical customer services.
The CSC telephony and core system have full redundancy and automatic roll over. We have the ability to bring up the CSC from any alternative, secure location. Secure VPN access is available to key employees that enables them to work from home, should office facilities be unavailable or unusable.

The CSC leadership team employs different mitigation strategies depending on the nature of the problem. First and foremost, per the customer's guidance, we will establish a temporary IVR message to notify callers that there is an issue. The message will be customized depending on the problem and we can direct a caller to the web and/or email for certain types of inquiries.

Additionally, if the issue is localized, MMA has the ability to roll calls to a backup CSC where trained agents will assist with emergency claim and other urgent needs. While the calls are being re-routed, the CSC leadership team monitors the average speed of answer, as well as the projected time for the outage to ensure that callers continue to receive optimal service.

MMA reports system deficiencies that interrupt proper and timely claims payment, including the interactive voice response and eligibility verification systems. We maintain strict protocols, tools, and remediation plans to avoid and/or mitigate service interruptions. Our systems have a series of automated alerts that monitor system health and help avoid system downtime. Should either a critical alert be initiated, or the CSC be notified of a disruption, a series of immediate actions are taken to restore systems to optimal levels

- **Document, categorize, process, and track all Drug Claim inquiries and Network Provider/Enrollee communications and complaints, Grievances and Appeals through an electronic tracking tool provided by the Contractor and available for unredacted review by LDH and the MCOs through on-line access.**

FirstTrax, MMA's proprietary online, automated contact management system will be utilized by CSC staff to record and track all Drug Claim inquiries, Network Provider/Enrollee communications and complaints, and Grievances, and Appeals received from Prescribers, Network Providers, and Enrollees. The information will be available for unredacted review by LDH and the MCOs through on-line access to FirstCI.

When a call or fax request/inquiry is received, a contact detail record is created in FirstTrax by the CSC agent. FirstTrax assigns a time and date stamp to the contact detail record when it is created. A final time and date stamp are assigned to the contact detail record when a staff member resolves the contact detail record and completes the call.

FirstTrax provides the ability to record call types/reasons utilizing the Category – Type – Item nomenclature. Each call is documented in the online call-tracking system, FirstTrax, which allows for immediate access to complete call information by all users and CSC management. The information captured, and available online for retrieval, includes:

- Time and date of call/contact
- Caller name and corresponding ID number
- Caller telephone number
- Nature and details of the call/contact up to 500 characters of free-form text
- Inquiry type (e.g., claim status)
- Source of inquiry (e.g., telephone)
- CSC correspondent name and user ID
- Response given by CSC agent and the format in which the response was given (e.g., telephone)
- Status of inquiry and associated date(s) (e.g., closed).

MMA's CSC solution incorporates tools that speed access to needed information across the system through easy-to-use search and phonetic matching. FirstTrax allows users to search for information on

Enrollees, Drug Claims, Network Providers, drugs, Prescribers, PAs, and call tracking against the FirstRx POS claims processing system and FirstTrax databases. The integration of our Interactive Voice Response (IVR) platform and FirstTrax provides full information to CSC agents and allows efficient and accurate decision making and problem resolution. IVR callers are able to provide preliminary demographic information that is visible to the CSC agent when they receive the call. This feature ***enhances the caller's experience*** as CSC agents can begin assisting the caller faster (after completing HIPAA verification).

In addition, as described below, our CSC staff assists with filing grievances and appeals and addressing Provider complaints. ***The CSC is a critical line of defense in avoiding complaints through our culture of caring.*** In the event that a complaint is received, our CSC agents will be trained to recognize a complaint, work to resolve it at the point of contact, tag the contact as a complaint, and ensure that, when necessary, complaints are referred internally and addressed in accordance with Louisiana Medicaid Managed Care Program complaints and grievances resolution policies.

Complaints, Grievances, and Appeals

Excellence in customer service is not simply responding quickly and accurately to complaints and grievances—it requires partnering with Enrollees to address their concerns and helping them to better understand their benefits. ***This model allows MMA to identify and mitigate the risk of additional concerns before they occur.***

MMA adheres to stringent policies and procedures for addressing and resolving problems. Complaints and grievances are, with few exceptions, received by a CSC agent who records pertinent information in FirstTrax. FirstTrax is MMA's proprietary online contact and PA management system, powered by our configurable, business rules-driven clinical decision module, MRx Decide. It is a web-enabled, secure tool that is table- and parameter-driven, allowing flexible and easy configuration to support changes/updates as requested by LDH. The system is integrated in real time with eligibility, Providers, and our claims system. In addition, we have implemented a process that allows image files of Enrollee letters to be attached to the contact detail records in FirstTrax. Retaining the letters online allows for easier access when assisting a caller, as well as improved auditability and tracking. PA processing and MRx Decide are also fully integrated into FirstTrax to allow the CSC agent easy access to data and a view across claims and PAs before escalating the issue, as appropriate. MMA CSC agents will ensure Enrollees are informed and understand their rights and procedures for submitting complaints and grievances. Our CSC adheres to standards and guidelines aimed at providing excellent service.

Enrollees may contact our POS Help Desk 24/7/365 to request assistance with any claim inquiries, concerns, or questions about benefits and coverage. Call quality reviews are conducted to ensure complaints and grievances have been identified and managed appropriately. Comprehensive training modules are utilized for complaints and grievances training, which is enhanced through leadership coaching.

For any presenting issue that needs to be flagged as a complaint, the CSC agent will initiate the Complaint Workflow. The FirstTrax system will assign the Call Category and Call Type based on selections in the workflow. For all complaints, the Call Category will be Complaint. MMA will work closely with LDH to establish Call Types specific to the Louisiana Medicaid Managed Care Program.

For all telephone contacts, the CSC agent will be the initial contact to explain how a complaint is filed, offering to mail a hard copy complaint form, or offering to perform an initial intake by telephone. All CSC agents will be trained to identify a complaint, initiate a complaint at intake, and process a complaint up to the point that a complaint needs to be escalated to appropriate management or clinical staff. The Complaints and Grievances Workflow in FirstTrax will automatically move the issue to the management/clinical queue if it cannot be resolved by the CSC agent.

To initiate the Complaint Workflow, CSC agents follow a guided workflow. Our system has the ability to provide the CSC agent a specific script to follow, as well as instructional guidance. FirstTrax will guide the CSC agent through the LDH custom workflow, including automatically selecting the call category and type, and routing the complaint or grievance to the appropriate person if the CSC agent cannot resolve the issue on the first call. The contact detail screen, which displays speaking text, instructional text, and drop-downs, shown in *Figure 8.8-4*, captures information regarding complaint resolution.

The workflows built into FirstTrax also identify complaints and grievances that must be forwarded to LDH. In the event that MMA receives a grievance or appeal related to a decision or matter that is the responsibility of LDH or MCO, we will forward the grievance or appeal to the appropriate entity within LDH-prescribed time frames.

In addition, our solution for the Louisiana MCO PBM Project will include the participation of individuals authorized by MMA to require corrective action in the grievance and appeal processes. MMA will use information from grievances and appeals to inform improvements to our operations and service delivery system. ***We will continuously look for ways to improve the delivery of benefits and services for Louisiana Medicaid Managed Care Program Enrollees.***

Online Access for LDH and MCO Staff

MMA will provide our FirstTrax Client Interface, FirstCI, to designated LDH and MCO users which allows for an unredacted review of information. As a read-only companion to FirstTrax, FirstCI contains numerous search fields that allow users to locate information pertaining to Enrollees, Enrollees' Drug Claims, Network Providers, drugs, Prescribers, PAs, and call tracking against both the FirstRx database and the FirstTrax database. The application provides a standard set of required search parameters to protect the integrity and responsiveness of the POS system as it processes in-flight transactions.

- **Maintain a searchable call log for one hundred percent (100%) of calls to document all contacts, including, but not limited to, CSC agent's identifier and date.**

MMA will maintain an indexable and searchable call log for 100% of calls to document all contacts, including the CSC agent's identifier, date, and other elements as defined by LDH. The call log will be made available to LDH upon request.

CSC staff records and tracks all inquiries and requests received from Prescribers, Network Providers, Enrollees, and other stakeholders in FirstTrax, a proprietary online, automated contact management system. When a call or fax request/inquiry is received, a contact detail record is created in FirstTrax by the CSC agent. FirstTrax assigns a time and date stamp to the contact detail record when it is created. A final time and date stamp are assigned to the contact detail record when a staff member resolves the contact detail record and completes the call. In all cases where FirstTrax assigns a time stamp, the user identification (ID) of the CSC agent is recorded. This creates an audit trail identifying the user that worked each component of the issue/request and the associated timeline. Authorized LDH staff will be able to view this information through FirstCI.

- **Maintain call center services and call center lines to respond to Drug Claims inquiries, questions, problems, and complaints regarding operations, and for other Network Provider and Enrollee support. The Contractor shall supply all required information systems, telecommunications, and dedicated personnel to perform these operations.**

MMA will maintain CSC services and lines to respond to Drug Claims inquiries, questions, problems, and complaints regarding operations, and for other Network Provider and Enrollee support. For example, our Louisiana MCO PBM CSC staff will be trained on information that will allow them to educate Providers and answer questions based on data elements used in successfully transmitting claims to MMA's FirstRx POS system.

Claims are integrated into the CSC view; specific knowledge about the Louisiana Medicaid Managed Care Program pharmacy benefit will be part of the CSC agents' enablement program. This assists with addressing and resolving claims processing issues. PA processing is also integrated into the CSC system in that CSC agents take prescriber calls and perform fax intake using the integrated clinical decision module, MRx Decide, which codes the Louisiana Preferred Drug List (PDL) into the required question set for PA criteria. CSC staff has full visibility to claim status/details, in process PAs, drug history, and approvals and/or denials. Our system capabilities and tools enable CSC agents to assist with PDL inquiries, PA requests and inquiries, Medicaid eligibility and MCO enrollment status, Network Provider reimbursement rates, locating a Network Provider, status of prescriptions and refills, and policy and procedure information.

All of MMA's CSC services are provided from locations within the United States. Our Louisiana facility will serve as the primary point of contact for all pharmacy-related service requests related to the Louisiana Medicaid Managed Care Program, with additional support from our Glen Allen, Virginia, location for after hours and overflow/business continuity.

Our solution incorporates providing a virtual environment where CSC staff in the primary and backup locations can access all functions, regardless of the CSC in which they work, so that uninterrupted assistance is provided to Enrollees when there are weather-related emergencies or other unexpected occurrences that may impact access to the primary CSC or MMA's ability to meet CSC standards. Application and telecommunication infrastructures are standardized and redundant to facilitate this virtual environment. We will supply all required information systems, telecommunications, and dedicated personnel to meet and/or exceed LDH's CSC operational requirements

- **Provide customer service (Enrollee help desk) that is scalable to meet LDH's and the MCOs' future needs and includes, but is not limited to, the following:**

MMA will provide customer service that is scalable to meet LDH's and the MCOs' future needs. Our CSC staff is co-located and works collaboratively to serve Enrollees and Network Providers. ***Our CSC solution is strong and scalable, and we bring the infrastructure capabilities, best practices, and suite of integrated CSC tools to meet and/or exceed LDH's requirements.***

  - **Staffed (live) from 7:00 am to 7:00 pm Central Time, Monday through Friday.**

MMA will provide CSC staff (live) to assist Louisiana Medicaid Managed Care Program Enrollees from 7:00 a.m. to 7:00 p.m. Central Time, Monday through Friday.

  - **A voice message system to receive calls outside of 7:00 am to 7:00 pm Central Time, Monday through Friday.**

MMA's call management system has existing functionality to allow callers to leave a voice mail message after business hours.

  - **Capacity to handle all telephone calls including times of peak call volume and to meet the LDH's and MCOs' needs and performance expectations.**

MMA possess the capacity to handle all telephone calls at all times, including times of peak call volume, and to meet LDH's and the MCOs' needs and performance expectations with acceptable call completion and abandonment rates. ***We ensure a flexible staff scalability to effectively manage our call and fax volumes.*** Our corporate CSC staff is cross-trained in multiple accounts, which allows for an easy transition to a backup CSC, when necessary, to support peak volumes, for extenuating circumstances outside of normal business hours, and for business continuity. This workload balancing process will ensure that the Louisiana Medicaid Managed Care Program has the necessary staff available to it whenever the need arises.

Backup CSC staff in our Glen Allen, Virginia, location, as well as staff working virtually from home, will be trained on and have access to Louisiana-specific information and scripts. MMA will ensure that CSC staff have access to up-to-date information and data needed to address and resolve inquiries, including individual information, Provider information, PA data, Drug Claims data, payment data, and LDH pharmacy policy and procedures. ***The real-time claims data in FirstTrax allows CSC agents to provide an immediate response to callers.*** Working with LDH, we will develop documentation for the CSC. Information routinely created for our customers includes tailored call scripts, FirstTrax user guides, job aids, and state-specific quick reference guides which are available online to all CSC agents. These materials will provide information about the Louisiana Medicaid Managed Care Program, including policies, procedures, benefits, rights, and responsibilities.

Our documentation/content management strategy has strict procedures in place to maintain all types of program documentation, system documentation, Provider manuals, operating procedures, or other documentation to ensure they remain current as program requirements, or our systems or processes, change. An internal documentation review process occurs that validates all revisions have been correctly made to the documentation in accordance with the LDH-specific approved criteria and standards, as well as industry professional standards. This ensures that all information (e.g., PA criteria) used by CSC staff to assist Louisiana Medicaid Managed Care Program stakeholders is accurate and up to date.

  - **A process to document and ask callers whether they are satisfied with the response given to their call. If the caller is not satisfied, the Contractor must ensure that the call is referred to the appropriate individual for follow-up and/or resolution. This referral must take place within forty-eight (48) hours of the call.**

Excellence in customer service is not simply responding quickly and accurately to inquiries—it requires partnering with Providers and Prescribers to address their issues and help them better understand

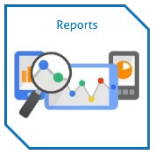
Louisiana Medicaid Managed Care Program benefits. This model allows us to identify the issue and mitigate the risk of additional issues before they occur. Also, we can quantify the issues, capture the data, and address these issues in training with the entire staff.

MMA provides an escalation procedure whereby a caller not satisfied with the response received may pursue a resolution. Utilizing our defined workflow for escalations that ensures proper handling of inquiries, including referral to appropriate internal staff and external entities, we will ensure that the call is referred, within 48 hours of the call, to the appropriate individual for follow-up and/or resolution. CSC agents are trained to escalate any call that raises a question and procedures are in place to assist the CSC agent to identify when a call needs to go to a pharmacist or other entity. MMA will partner with LDH to determine the types of calls that should be appropriately escalated to clinical staff.

The Pharmacy CSC CPhT handles the initial intake of all calls. When there is doubt or the information provided by the requestor clearly indicates the criteria for authorization are not met, the CPhT will escalate to a clinical pharmacist. The clinical pharmacist will evaluate all available information and render a decision, accordingly, based on criteria and professional judgment. The decision may be to approve, deny, change to alternate therapy (preferred drug), or return the request to the prescriber for additional information.

All cases concerning complaints and grievances are received by the CPhT, who records pertinent information in the FirstTrax system before escalating the case to senior staff or account management staff, as necessary. The CSC system opens a case for all inquiries to track the lifecycle of a given inquiry, request, or issue. This provides a detailed history and timeline. For any case that cannot be resolved at the time of contact, the system places an internal service level on the next step to ensure it is properly tracked, followed up on, and escalated if any delay occurs.

- **Management tracking and reporting capabilities.**



MMA possesses extensive CSC management tracking and reporting capabilities. We will meet and/or exceed Louisiana Medicaid Managed Care Program standards for CSC responsiveness. Call statistics are monitored and tracked regularly by CSC management, using the call management system, to ensure CSC standards are met and make adjustments, as necessary. CSC staff schedules and shifts will be regularly reviewed for effectiveness, and adjustments made to ensure adequate coverage for supporting Louisiana Medicaid Managed Care Program performance guarantees across all hours of operation. Real-time performance is managed by viewing call and fax performance metrics and real-time CSC staff schedule adherence.

We will monitor, track, and report call volumes and CSC statistics for the Louisiana Medicaid Managed Care Program as required by LDH. We use the latest version of our call management system which provides real-time monitoring and historical reporting. Data from both the call management and CSC systems are loaded into our data repository and become available via our business intelligence tool, MRx Explore, which allows scheduling reports, as well as making all data elements available for self-service reporting. The tool allows for graphical views.

MRx Explore provides a daily view that continues to add data each day to provide the cumulative weekly summary and, ultimately, the monthly summary. All reports will be designed in this manner. MMA will design and present reports based on LDH requirements, allowing for feedback, and mutually agreed-upon modifications. We will jointly finalize the package and deliver the information according to LDH time frames. Standard reports include the information shown in the following table.

In addition, the following CSC reports are available:

Interactive Voice Response (IVR) System Report

Our IVR system is customizable with specific messaging, call routing and menu options. Once designed, every selection is tracked and able to be reported on. Reports will be submitted daily, then compiled into a cumulative weekly view, and then monthly view. The IVR reporting will include the following:

- Availability
- Usage
- Total number of calls received (i.e., all calls including those connected and abandoned)
- Type of caller (i.e., Enrollee, Provider, MCOs).
- IVR can also break down by language and TTY
- Total number of requests for forms/informing materials
- Information requested, by type
- Date and time.

Integrated Predictive Dialer System (IPDS) Report

Our IPDS will primarily be used for contacting callers who selected a call back due to hold time and outbound campaigns to reach individuals for campaigns. Reports will be provided weekly and then compiled to a monthly view. The report will include, at a minimum:

- IPDS availability
- Usage
- Total number of calls placed using the system

- Total number of messages left
- Total number of calls placed that were successful in reaching the original caller
- Total number of incomplete/disconnected calls including:
  - Calls abandoned
  - Calls with busy signals
  - Calls that are dropped
  - No answer
  - Invalid number
  - System error with the type of error
  - Transfer error
  - Total number of calls automatically transferred to a live operator
  - Information requested, by type.

Integrated Call Tracking Information System (CTI) Report

We will maintain an integrated CTI system. Our CSC system tracks every call by type and disposition. MMA will submit reports on a weekly basis, and then compile the information into a monthly report including:

- CTI availability
- Usage
- Total recordings, by date and time and separated between inbound and outbound
- Reason for calls, by type
- Disposition of calls, by type.

With the extensive reporting capabilities provided by MRx Explore, our call management system, and the FirstTrax contact/call tracking system, our reports allow us to manage all performance requirements to ensure the LDH-required service levels are consistently met.

- **A Quality Assurance (QA) program that includes call sampling and follow up to confirm efficient handling and measure caller satisfaction.**

MMA has an established QA Program that includes call sampling and measurement of caller satisfaction. We maintain the highest levels of quality and operational effectiveness. ***MMA employs a stringent QA Program that examines telephone skills, documentation accuracy, and customer care provided by every staff member.*** Reviews are conducted by senior staff who are responsible for assessing, correcting, and certifying the actions performed by all CSC staff. Our quality process ensures that representatives receive feedback regarding performance and receive ongoing training to improve performance, accuracy of information provided, and efficiency.

As part of our QA Program, all activities are monitored, and errors documented and reported. The scope of our QA Program consists of retrospective review, as well as real-time review, including call monitoring via real-time digital call recording software. Recorded calls can be retrieved by designated users by the incoming telephone number, date, time, agent, and other parameters for review. ***This state-of-the-art system provides an effective and efficient method for our quality reviewers and management personnel to monitor both the quality and effectiveness of our staff.***

CSC supervisors score and provide feedback on at least four calls per CSC agent per month. On a quarterly basis, quality review staff samples calls and follows-up on call outcomes with our CSC staff to ensure response quality and caller satisfaction. Results of each review are documented and reported to CSC management staff. A monthly scorecard is prepared for each CSC agent to review his or her performance, both positive and negative, during the month. An improvement plan is prepared by management for any adverse situation and follows up with the staff member until the situation is

remedied. Ongoing training and development efforts focus on areas for improvement identified through our QA Program.

Our quality team performs a call calibration on a subset of calls that were scored by CSC leaders. The quality team's sample includes scored calls by each leader. The purpose of the quality team re-scoring or calibrating the calls across the supervisors is to ensure that they objectively are getting the same score as the supervisor.

MMA will work with LDH to develop a process for measuring caller satisfaction and to design an evaluation tool. In collaboration with LDH, we will develop and implement a caller satisfaction methodology for the Louisiana Medicaid Managed Care Program and will obtain LDH's prior approval of our methodology, including the sampling methodology and the tool, prior to implementation.

- **Compliance with the LDH's requests, and MCOs' request with LDH approval, for records to review and audit both targeted and random sample Drug Claims and documentation to ensure contractual requirements. All records and documentation shall be unredacted.**

MMA will comply with LDH's requests, and MCOs' request with LDH approval, for records to review and audit both targeted and random sample claims and documentation to ensure Louisiana Medicaid PBM Services for Medicaid MCOs Contract requirements. All records and documentation provided will be unredacted.

- **Accurate and timely response to all caller inquiries and requests in all languages through Contractor staff and/or LDH-approved language translation services. This includes oral interpretation and the use of auxiliary aids such as Teletypewriter/Telecommunications Device for the Deaf (TTY/TDY), American Sign Language and assistance for individuals with limited English proficiency (LEP) in their primary language.**

MMA will provide accurate and timely responses to all caller inquiries and requests, related to PBM Covered Services, in all languages through MMA staff and/or LDH-approved language translation services in accordance with 42 CFR 438.10. This includes oral interpretation and the use of auxiliary aids such as Teletypewriter/Telecommunications Device for the Deaf (TTY/TDY) and American Sign Language and assistance for individuals with limited English proficiency (LEP) in their primary language. MMA acknowledges that the MCOs are responsible for identifying the prevalent non-English languages that are spoken by their Enrollees and potential Enrollees.

MMA's IVR initial menu tree will direct the callers to the appropriate CSC agent based on type of inquiry/caller, language needs, TTY, and other criteria that ensure best call placement. Our Louisiana Medicaid Managed Care Program CSC will provide access for the hearing impaired through the use of the 711-dialing code through Telecommunications Relay Service (TRS). This service allows an Enrollee to dial 711 through a TTY/TDD device. The Enrollee reaches a TRS operator and provides the agent with our toll-free telephone number.

Our IVR telephonic system provides callers with a dial pad menu and information to route the call to the most appropriate CSC agents. The prompts allow for caller type, inquiry, and dial pad identification. Our CSC provides callers with the option to obtain interpretation services. We use an established vendor to provide telephonic translation services for ***98% of the languages spoken in the world today***. The CSC agent is cued to bring in an interpreter. Upon receipt of a request to speak to a CSC agent in another language, the caller will be promptly connected with a translator in the required language. The caller is then connected with an interpreter of that language and the CSC agent manages the call using the bi-lingual expert. Our contracted translation service offers several language options, including Braille, to assist the visually impaired. MMA can also provide sign language services through an established relationship with our existing translation vendor. MMA commits to providing language translation services for threshold languages identified by LDH.

Our written materials will include the toll-free and TTY/TDY telephone number of our CSC, as well as instructions regarding how to request auxiliary aids and services, including the provision of materials in alternative formats. We will notify all eligible Enrollees that information is available in alternative formats and that auxiliary aids and services are available at no charge.

- **Initiate Backup systems, infrastructure, and processes to ensure continuity of services.**

MMA has the backup systems, infrastructure, and processes to ensure continuity of services for the Louisiana Medicaid Managed Care Program. All of MMA's CSC services are provided from locations within the United States. Our Louisiana facility will serve as the primary point of contact for all pharmacy-related service requests related to the Louisiana Medicaid Managed Care Program, with additional support from our Glen Allen, Virginia, location for after hours and overflow/business continuity.

Our solution incorporates providing a virtual environment where CSC staff in the primary and backup locations can access all functions, regardless of the CSC in which they work, so that uninterrupted assistance is provided to Enrollees when there are weather-related emergencies or other unexpected occurrences that may impact access to CSC physical locations or MMA's ability to meet CSC standards. Application and telecommunication infrastructures are standardized and redundant to facilitate this virtual environment. We will supply all required information systems, telecommunications, and dedicated personnel to meet and/or exceed LDH's CSC operational requirements.

MMA will designate and maintain a sufficient number of staff to satisfactorily complete CSC tasks within the Louisiana MCO PBM Project scope of work. We are committed to maintaining strict requirements and a comprehensive strategy for ensuring appropriate operational staffing of the CSC. MMA will continuously monitor all LDH-specific performance metrics and will forecast staffing needs for the Louisiana Medicaid Managed Care Program using a combination of historical patterns, business guidance, and emerging trends.

Monthly staffing and hiring requirements will be based on the monthly workload needs, plus shrinkage time (e.g., breaks, training, coaching, etc.). Both long-term and short-term weekly and daily planning will be supported by our call management system, which utilizes algorithms to forecast daily and half hour contacts, average handle time, and staffing requirements using historical patterns, user-inputs, and average speed of answer targets. CSC staff schedules will be maintained in the call management system, and scheduled activities adjusted each day/week to support the half-hourly requirements. Our long-term forecast and staffing plan will be maintained and validated using the call management system's strategic planning application.

The overarching CSC traffic and staffing are managed by our Workforce Management team which utilizes the call management system as a tool to perform long- and short-term forecasting and allows for real-time monitoring and adjustments. This tool provides for efficient scheduling, including breaks and vacations, while also meeting our service levels. The call management system tool allows us to easily manage calls for all types of inquirers from various locations with efficiency. It also forecasts and schedules non-call work, such as faxes, email, and voicemail, if appropriate, return.

Our CSC management team uses the call management system tool to forecast and plan staffing requirements to achieve our performance goals during varying call arrival patterns. The daily and intraday forecasting and real-time monitoring capabilities in these systems give us the ability to make staffing and call routing changes to manage performance across our multi-site virtual service center. CSC staff is constantly monitoring incoming and outbound contacts in queue to balance workload and meet performance metrics for all inquiry types. ***Our long-term, short-term, and real-time planning will allow us to handle expected and unexpected changes to serve the Louisiana Medicaid Managed Care Program effectively and efficiently.***

In addition, CSC staff schedules and shifts will be regularly reviewed for effectiveness, and adjustments made to ensure adequate coverage for supporting the Louisiana Medicaid Managed Care Program across all hours of operation. Real-time performance is managed by viewing call and fax performance metrics and real-time CSC staff schedule adherence. There is a strong partnership between Workforce Management and CSC leadership, resulting in the ability to quickly adjust schedules or work assignments to achieve targets. MMA ensures that coverage is consistent, at appropriate levels, and adjustments are made for seasonality and as work patterns change.

MMA possess the capacity to handle all telephone calls at all times, including times of peak call volume, and to meet LDH's and MCOs' needs and performance expectations with acceptable call completion and abandonment rates. We ensure a flexible staff scalability to effectively manage our call and fax volumes. Our corporate CSC staff is cross-trained in multiple accounts, which allows for an easy transition to a backup CSC, when necessary, to support peak volumes, for extenuating circumstances outside of normal business hours, and for business continuity. This workload balancing process will ensure that the Louisiana Medicaid Managed Care Program has the necessary staff available to it whenever the need arises.

To maintain consistent, high quality customer services during temporary telecommunication disruptions or office closures, MMA has the ability to reroute telephone traffic from any of our CSCs, including after hours, to an alternate CSC to maintain critical customer services. The CSC telephony and core system have full redundancy and automatic roll over. We have the ability to bring up the CSC from any alternative, secure location. Secure VPN access is available to key employees that enables them to work from home, should office facilities be unavailable or unusable.

Rapid Response to Ensure No Disruption of Service

MMA has **proven processes in place to ensure continuity of Enrollee care during emergencies.** In addition to our ability to seamlessly roll over calls to a back-up location, we also have the capability to transition CSC agents to work from home status through secure VPN access. During the **COVID-19 pandemic**, MMA has **enabled 100% of CSC staff,** including approximately 100 agents who support our Government line of business, to **work from home while maintaining and/or exceeding all current Service Level Agreements.**

The CSC leadership team employs different mitigation strategies depending on the nature of the problem. First and foremost, per LDH's guidance, we will establish a temporary IVR message to notify callers that there is an issue. The message will be customized depending on the problem and we can direct a caller to the web and/or email for certain types of inquiries. Additionally, if the issue is localized, MMA has the ability to roll calls to a backup CSC where trained agents will assist with emergency claim and other urgent needs. While the calls are being re-routed, the CSC leadership team monitors the average speed of answer, as well as the projected time for the outage to ensure that callers continue to receive optimal service.

MMA reports system deficiencies that interrupt proper and timely claims payment, including the IVR. We maintain strict protocols, tools, and remediation plans to avoid and/or mitigate service interruptions. Our systems have a series of automated alerts that monitor system health and help avoid

system downtime. Should either a critical alert be initiated, or the CSC be notified of a disruption, a series of immediate actions are taken to restore systems to optimal levels.

Upon Contract termination, the Contractor shall release the toll-free phone numbers and email addresses used during the Contract to another vendor or to LDH for use during a subsequent contract at no additional cost to LDH or the subsequent contractor.

Table 5: Provider Pharmacy Calls

Month	Aetna	AmeriHealth	Healthy Blue	Louisiana HealthCare	United HealthCare
January	711	3555	1528	1822	678
February	535	2944	1097	1598	581
March	583	3549	1460	1668	667
April	549	3069	1442	1522	566
May	553	2530	1280	1586	505
June	538	2833	1315	1484	301

At the Louisiana PBM Services for Medicaid MCOs Contract termination, MMA will, at LDH's direction, release the toll-free telephone numbers and email addresses used during the course of the Contract to another vendor for use during a subsequent Contract at no additional cost to LDH or the subsequent contractor.

8.8.4 CSC Performance Standards (RFP 2.1.14.4)

MMA will meet and/or exceed Louisiana PBM Services for Medicaid MCOs Contract standards for CSC responsiveness as detailed in RFP Section 2.1.14.4. The MMA CSC leadership and account management teams will monitor performance standards to ensure that LDH's requirements are met and/or exceeded. In addition, CSC staff schedules and shifts will be regularly reviewed for effectiveness, and adjustments made to ensure adequate coverage for supporting Louisiana Medicaid Managed Care Program performance guarantees across all hours of operation. Real-time performance is managed by viewing call and fax performance metrics and real-time CSC staff schedule adherence.

The Contractor's Customer Service Center shall meet the following performance standards for all help desks:

- **Answer ninety-five percent (95%) of calls within thirty (30) seconds or direct the call to an automatic call pickup system with IVR options.**

MMA will answer 95% of calls within 30 seconds or direct the call to an automatic call pickup system with IVR options.

- **No more than one percent (1%) of incoming calls receive a busy signal.**

MMA confirms that no more than 1% of incoming calls receive a busy signal.

- **Maintain an average hold time of three (3) minutes or less per call. Hold time, or wait time, includes the measure of time after a caller has requested a live person through the IVR system and before a customer service representative answers the call; plus, the measure of time when a customer service representative places a caller on hold.**

MMA will maintain an average hold time of three minutes or less per call. We acknowledge that hold time (i.e., wait time) includes the measure of time after a caller has requested a live person through the IVR system and before a CSC agent answers the call, plus the measure of time when a CSC agent places a caller on hold.

- **Maintain Abandoned Call rate of not more than five percent (5%).**

MMA will maintain Abandoned Call rate of not more than 5%.

8.9 Oversight and Monitoring (RFP 2.1.@)

Oversight and monitoring: Describe the proposed approach to meet the requirements in Section 2.1.15.

LDH shall provide oversight and monitoring of the Contractor's activities and operations as well as ensure effective collaboration between the Contractor and the MCOs. The Contractor will contract with LDH to enforce the terms and conditions laid out herein; however, LDH will not pay the Contractor directly for any services. All payments will be made under the contracts between the Contractor and the MCOs, and LDH shall not be a party to such contracts.

The MCO may require the Contractor to develop a Corrective Action Plan (CAP) that includes the steps to be taken by the Contractor to obtain compliance with the terms of the Contract. The MCO shall approve and monitor implementation of the CAP through available reporting resources, on-site evaluations, or requested status reports. The CAP shall include a timeframe for anticipated compliance and a date certain for the correction of the non-compliance.

A CAP is not required before the MCO may pursue the application of any other non-compliance action authorized in the Contract, including, but not limited to, assessing penalties in accordance with the table of monetary penalties (Attachment V). Monetary Penalties shall continue until satisfactory correction of the non-compliance has been made as determined by the MCO.

The Contractor shall submit a written description of the assurances and procedures that shall be put in place, such as an independent audit, to prevent patient steering, to ensure no conflicts of interest exist and ensure the confidentiality of proprietary information. These assurances and procedures shall be transmitted to LDH for review and approval prior to the date pharmacy services begin.

MMA acknowledges that LDH will provide oversight and monitoring of all MMA activities and operations and promote collaboration between MMA and the MCOs. MMA understands that LDH will enforce the terms of the contract, however, all payments will be made under the contracts MMA will hold with each of the MCOs.

MMA has served the Medicaid community for five decades and has an outstanding reputation of service to our customers. If an MCO requires a Corrective Action Plan (CAP), MMA will develop and submit a CAP to the MCO. The CAP will identify the cause, the expected impact, the expected time of problem resolution, correct the issue, and take measures to prevent the problem from occurring in the future. Monitoring activities to prevent reoccurrence will also be provided.

MMA acknowledges that the MCO may pursue other avenues for non-compliance action authorized in the MCO contract, including, but not limited to, assessing penalties as identified in the RFP Attachment V: Table of Monetary Penalties. MMA understands that monetary penalties will be assessed until the non-compliance issue has been corrected satisfactorily and resolved as determined by the MCO.

MMA will submit a written plan of our assurances and procedures such as an independent audit, to prevent patient steering, to ensure no conflicts of interest exist, and to ensure the confidentiality of proprietary information. MMA will provide our plan to LDH for review and approval prior to the Operational Start Date.

On-Site Reviews (RFP 2.1.16)

The MCOs, LDH, or LDH's designee may conduct on-site reviews at any time during the term of the Contract to monitor Contractor performance or assess compliance of any contractual requirement.

MMA agrees to open our facility that will be located in Louisiana to MCOs, LDH, or LDH designees for on-site review visits at any time during the term of the contract. The MCOs, LDH, or LDH designees will have to ability to monitor MMA performance and compliance of contract requirements. We utilize a quality work plan and annual program evaluation to monitor performance of our quality management program.

8.10 State and Federal Mandate Compliance (RFP 2.1.17)

Describe the proposed approach to meet the requirements in Section 2.1.17.

MMA's proven approach to providing MCO PBM services will meet all of the compliance-related requirements as described within this RFP and the related documents. ***We have 38 years of experience in providing pharmacy systems and services for Medicaid and other publicly funded government programs.***

Corporate Compliance Department

Magellan has a designated Corporate Compliance Officer (CCO), whose responsibility is to create, implement, and oversee the Corporate Compliance Plan and lead our Corporate Compliance Department. This Department is staffed by attorneys, compliance directors, and research analysts who work together to monitor any new developments and coordinate any necessary implementation of updated compliance requirements. Our Corporate Compliance Department is charged with overseeing ongoing compliance with State and Federal mandates and regulations.

Our Corporate Compliance Department assists our Strategic Business Units (SBUs), such as MMA and other corporate departments in ensuring that the company complies with all applicable laws and regulations. For example, MMA has a formal process in place to stay apprised and responsive to applicable laws and regulations including HIPAA regulatory changes that expand the scope and substance of the existing HIPAA privacy and security requirements. Proposed new laws and changes to existing privacy laws/regulations, including HIPAA, are continuously monitored. Once a new law is passed, the Corporate Compliance Department works with the Pharmacy Privacy Officer or other appropriate department to make certain the new laws are addressed to ensure compliance, appropriate training is provided to staff, if necessary, policies are created/revised, and processes are in place to monitor adherence. An internal auditing department audits corporate departments and regional offices to ensure appropriate compliance measures and procedures are in place.

In addition, our Corporate Compliance Officer is responsible for oversight of our compliance and regulatory program and for ensuring that employees, including any subcontractors, are aware of and adhere to the provisions of our HIPAA privacy and security policies and procedures. Strict workforce adherence to MMA's HIPAA privacy and security policies and procedures is vital to ensure the safeguarding of protected health information and confidential information. We provide mandatory HIPAA and Protected Health Information (PHI), Personally Identifiable Information (PII), and Social Security Information (SSI) training for all employees. It consists of initial training for all new hires within the first 30 days of employment, and annual training refreshers for all employees, including contractors, in-depth training for targeted areas, and remedial training on an as-needed basis.

Compliance with State and Federal Privacy and Security Regulatory Requirements

MMA also meets all State and Federal privacy and security regulatory requirements for protecting data confidentiality, including those defined by the HIPAA Security Rule and HITECH Act. We base our controls and guidelines on the NIST SP 800-53 framework, as well as State and Federal security criteria. Magellan employs the latest technology standards and equipment to protect our critical internal infrastructure, and we are confident that the deployed systems and technology will remain current on an ongoing basis. To address this need, we have implemented technical, physical, and administrative safeguards to enhance physical security, personnel security, and information systems security. Please refer to proposal *Section 8.12, Security and Privacy*, for a complete description of MMA's compliance with State and Federal mandates for security of data.

MMA will provide documentation to certify our compliance with all applicable Federal, State, and departmental regulations, policies, standards, and guidelines, as requested by LDH. Our policies and procedures include restricted access to all MMA systems and applications and end-to-end procedures required for the privacy, protection, and processing of transactions stipulated by our customer contracts. Our written policies and procedures address the use of any PHI and meet all applicable Federal and State requirements, including HIPAA, ARRA, and HITECH requirements.

State and Federal Mandate Compliance:

Compliance includes activities necessary for annual reporting and control activities, as well as compliance with State and Federal requirements. The Contractor shall comply with:

- **All applicable State and Federal laws, rules, regulations, policies, procedures, and manuals, and the State Plan.**

MMA will comply with all applicable State and Federal laws, rules, regulations, policies, procedures, and manuals, and the State Plan in the performance of the Louisiana PBM Services for Medicaid MCOs Contract. Our solution is fully Enterprise Service Bus (ESB)-compatible and complies with all applicable State and Federal laws and regulations.

- **Relevant standard and operating rule mandates for healthcare EDI, particularly those named in HIPAA, including those developed and published by X12, NCPDP, and Health Level Seven International (HL7).**

MMA complies with relevant standard and operating rule mandates for healthcare EDI, particularly those named in HIPAA, including those developed and published by X12, NCPDP, and Health Level Seven International (HL7).

FirstRx is a flexible, business rules-based application that is in full compliance with the HIPAA regulation for transactions and code sets and supports the current, HIPAA-named standards: NCPDP Telecommunication D.0, Batch 1.2, SCRIPT, and Medicaid Subrogation 3.0. ***We have established numerous secure system interfaces to maximize the security and efficiency of the bidirectional flow of information for our customers and offer flexibility on the file formats we accept.*** MMA has developed and tested the HIPAA-compliant transactions we receive and send, including the X12 and NCPDP, as well as the CAQH-CORE and HL7.standards.

We also support other NCPDP standards, where possible, to exchange data consistently and efficiently with other entities, including the Post Adjudication and PA Transfer standards. To remain abreast of all the activity related to the NCPDP standards and the associated code sets, several MMA employees from the Operations and IT teams are NCPDP members and attend the quarterly Work Group conferences.

- **All current and future HIPAA standard Transactions and Code Sets (TCS) in place or mandated by LDH and CMS.**

MMA complies with all current and will comply with all future HIPAA standard TCS in place or mandated by LDH and CMS. We are in full compliance with HIPAA TCS regulations. MMA is also compliant with American National Standards Institute (ANSI) X12N, Version 5010 with the Addenda. In meeting the challenge of complying with TCS requirements, we have completed the development of a new EDI strategy. We have implemented EDIFECS software product (XEngine) for message exchange between software applications, computing platforms, and communications protocols. MMA utilizes XEngine to validate that the messages are X12-compliant and then parses the X12 into individual elements for mapping information to our host systems for processing. Our product suite includes the templates for the HIPAA standard transactions.

- **State and Federal records management policies and retention schedules.**

MMA's solution will make certain that our systems continue to fully comply with Federal and State records management and retention schedules. We provide online access to records and will meet all Louisiana record retention requirements.

Relevant Experience +

Our compliance with Federal requirements is proven by our successful track record in implementing federally-certified PBM systems. MMA employs the latest technology standards and equipment regarding the protection of the critical internal infrastructure and is confident the deployed systems and technology will remain current on an ongoing basis.

- **All State and Federal audit requests.**

MMA will comply with all State and Federal audit requests. We will provide LDH, the U.S. Department of Health and Human Services (HHS) Office of the Inspector General, the HHS CMS, the Auditor of Public Accounts, and any other State and Federal auditors, or any of their duly authorized representatives with access to inspect, copy, and audit contractor documents, including, medical and/or financial records of MMA and its subcontractors that pertain to this contract.

The Contractor shall:

- **Capture and maintain data necessary to meet all legal requirements (e.g., State, Federal, administrative).**

Our solution will capture and maintain data necessary to meet all legal requirements, including State, Federal, and administrative requirements. MMA fully understands the critical importance of maintaining data and system integrity, providing security over private information, protecting data accuracy, preserving an accurate record of all changes made to our systems, and monitoring access to the system. To that end, we have strict oversight and controls in place to ensure compliance by MMA and our subcontractors.

Audit Trails and Logs

We maintain extensive audit trails and logs through stacking of timestamps (not physically deleted). Computer systems handling sensitive information also securely log all events that are significant and relevant to security. Examples of such events include the number of password attempts, attempts to use privileges that have not been authorized, and attempts to modify or disable logging. The audit trail event records include enough detail information to establish what event occurred and who (or what) caused it. The event record specifies:

- Type of event
- When the event occurred (time and day)
- User ID associated with the event
- Program or command used to initiate the event.

All audit/management trails are backed up regularly and stored in a secure location. Audit trails are used for the following:

- Individual Accountability
- Reconstruction of Events
- Intrusion Detection
- Problem Identification.

Claims Tracking

MMA also ensures that for each claim record an audit log records each stage of processing, the date of each stage of claim processing, and any error codes posted. The claim audit trails will be retained in the application database and be retrievable through the application user access points.

Our FirstRx system contains audit trail functionality that allows an authorized user to easily track the life cycle of claims and encounter data, including but not limited to the original submission and all adjustments. FirstRx also contains audit trail functionality that will maintain a history of actions performed by interfaces.

FirstRx maintains historical information of all data code sets, replacements code sets, and modifications to records. Modified records are time stamped with the date and time of change, as well as the user ID and/or load job identifier. Changes are clearly visible in the user interface for user review. For files that are loaded to FirstRx, a load report is available for review and analysis to ensure that records have been added or updated in a timely manner. All records are dated as either effective, terminated, or logically deleted. Records might be past-dated/contain an effective date in the future.

User-Friendly Audit Trails

Our audit trails are easy-to-use, read, and understand. Each changed record is stamped with the username of the person and/or load job identifier in the database making the change, along with the date and time of the change. These are visible in the user interface. Audit trails may require specific codes that help an authorized user to decipher how a field was updated. For example, a field that is updatable by either the system or an authorized user may have code “01” for an LDH data feed change and/or a code of “02” for an internal user. If a code of “02” is present, the audit trail will also indicate the PBM system’s authorized user ID.

If an authorized user is allowed to enter comments regarding the change, MMA guidelines require the use of common language that does not include jargon, abbreviations, or internal acronyms. Fields that typically allow for comments include those accessible by CSC and PA staff. Operations managers regularly review internal comments and provide feedback, as needed.

- **Provide LDH-authorized users access to Contractor facilities for the purposes of audit, review, or physical inspection of system assets and system security, network, and access to any project artifacts, and access to records including any records that are stored offsite, at no additional cost to LDH or the MCOs.**

MMA will provide LDH-authorized users access to our facilities for the purposes of audit, review, or physical inspection of system assets and system security, network, and access to any Louisiana MCO PBM Project artifacts, and access to records including any records that are stored offsite, at no additional cost to LDH or the MCOs. ***MMA will provide a modernized and flexible approach to support LDH as pharmacy programs and policies change.*** We understand that the ability to retain and quickly retrieve documents such as claims-related data, complaints/grievances, correspondence, forms, and reports related to Louisiana Medicaid Managed Care Program activities is critical to LDH.

- **Retain all records and reports relating to this agreement for a period based on LDH policy. When an audit, litigation, or other action involving or requiring access to records is initiated prior to the end of said period, however, records shall be maintained based on the LDH policy following resolution of such action, or longer if such action is still ongoing. Records shall be in a format admissible into evidence in any court of law.**

MMA will retain all records and reports relating to this agreement for a period based on LDH policy. When an audit, litigation, or other action involving or requiring access to records is initiated prior to the end of said period, we will maintain those records based on the LDH policy following resolution of such action, or longer if such action is still ongoing. Records will be retained in a format admissible into evidence in any court of law.

MMA's established policies define our high standards for our maintenance, transport, and retention, retrieval, and ultimately destruction of records in a manner that complies with applicable regulatory requirements and protects confidentiality. Records generated in the course of official business by MMA are not removed from MMA premises other than for secure transportation between MMA facilities, satellite offices or alternative workplaces as needed to facilitate service delivery or to transport records to approved storage facilities.

8.11 Audit (RFP 2.1.18)

Audit: Describe approach to provide an audit program (Section 2.1.18)

MMA has been providing pharmacy audit services for 18 years. We have experience in performing desk and onsite audits, both fully executed by our internal Special Investigations Unit (SIU) Pharmacy personnel and through partnerships with pharmacy audit contractors for multiple State and Federal agency customers throughout all 50 states.

The MMA audit program is designed to strategically convey transparent pharmacy auditing services to ensure optimal network integrity and quality performance. We take a risk-based approach and employ data analytics and clinical expertise to ensure we focus on the areas of highest risk.

As part of our Louisiana pharmacy audit program goals, we will review audit results as a potential source for fraud and abuse leads, focus on quality measures, identification of errors, and compliance with regulatory and contractual requirements, emphasize educational opportunities for network providers, and provide meaningful feedback about identified opportunities for program improvement. We offer LDH our Medicaid-specific experience gained from multiple customers and our experience operating audit programs at a national level as well as customized audit programs.

The Contractor shall have an audit program that includes, at a minimum:

- **The submission of policies of its audit program for approval by LDH.**
- **Coordination with LDH to develop an annual plan detailing the audit of Drug Claims including:**

o **Audits of at least five percent (5%) of pharmacies enrolled in the network.**

o **A strategy for conducting desk and onsite audits of Drug Claims.**

o **Methods for coordinating audit and program integrity efforts with the LDH Program Integrity, Program Operations & Compliance, and Quality & Innovations sections.**

o **Audits to determine Provider compliance with the program policies, procedures and limitations outlined in the Provider Agreement. The Contractor shall not utilize contingency-fee based pharmacy audits.**

MMA recognizes that a competent audit program focuses on more than just audits and recovery of dollars. We will work collaboratively with and LDH to develop and implement an effective and coordinated approach to ensure the program will also focus on patient safety, proactive controls, data analytics, pharmacy education, and effective collaboration. MMA will submit our Audit Program Policy to LDH for review and approval at the beginning of the Louisiana MCO PBM Project.

MMA will employ a full-time, dedicated Audit Pharmacist who is licensed and based in Louisiana. The Audit Pharmacist will be responsible for all audit program activities and will handle the day-to-day audit inquiries. The Audit Pharmacist will be assisted, on an as needed basis, by other SIU personnel in MMA's Corporate Offices. The Audit Pharmacist will:

- Manage the pharmacy audit program to ensure appropriate focus, coordination of activity, and accurate reporting of results
- Meet routinely, or as requested, with LDH Program Integrity, Program Operations and Compliance, and Quality & Innovations sections
- Coordinate with LDH, Medicaid Fraud Control Unit (MFCU), law enforcement, and other State and Federal authorities as necessary.
- Coordinate activities with the Fraud, Waste, and Abuse Investigator

- Initiate Desk or Onsite audits via coordination with
- Review audit results and trends to ensure appropriate actions and interventions occur
- Provide data and reports as required by contract.

MMA, through our Audit Pharmacist, will coordinate all audit activities with LDH and will specifically:

- Be responsible for oversight and implementation of all pharmacy audits and coordination of audit activities with LDH and the MCOs
- Develop an audit plan in coordination with internal MMA staff and LDH to assess, detect, address, and monitor areas of critical and high risk
- Submit for approval our suggested pharmacies for audit and the rationale for selection
- Discuss pharmacies of concern identified by LDH and initiate audits of these pharmacies upon request
- Submit for approval claim level detail of audit results and the proposed amount of overpayment for recovery
- Collaborate with LDH and other agencies in the investigation of pharmacies for potential fraud, waste or abuse
- Coordinate Drug Claim review activities involving Provider or Enrollee Fraud with the Medicaid Fraud Control Unit (MFCS), law enforcement, LDH, and other State and Federal authorities as necessary
- Ensure recoupment is collected in a timely accurate manner and in accordance with State and Federal requirements
- Discuss and implement opportunities for ongoing education of Pharmacy Providers and Enrollees through fax blasts to ensure their knowledge of and compliance with regulatory requirements and best practices.

With MMA's oversight, will perform audits of 5% of active pharmacies enrolled in the Louisiana network. Audits may be initiated in response to specific concerns identified through the data analysis process, for allegations of potentially fraudulent activity, or at the request of LDH. The pharmacy audit program will consist of a combination of desk and onsite audits. Pharmacies will be recommended for audit based upon the results of data mining and data analysis, tips and leads, LDH requests, and other factors. We will analyze claim data:

- At the network level to identify pharmacies that are outliers from their peers
- At the plan level for specific areas of risk or focus

- At the pharmacy level to evaluate their billing practices and dispensing patterns
- At the prescriber level to identify suspicious prescribing patterns or relationships between prescribers and pharmacies
- At the Enrollee level to identify suspicious Enrollee activity or relationships between pharmacies, prescribers, and Enrollees.

A desk audit is a pharmacy audit that is conducted by an auditor via mail. During each desk audit, audits up to 50 unique prescriptions and associated refills, credentials/validates proper licenses, reviews regulatory practice requirements, and reviews a sample of the signatures in the pharmacy's patient signature log (paper or electronic), if applicable. will select pharmacies each quarter for desk audit based on the claims risk assessment (stratification process) and work with LDH to determine the volume of pharmacies to include in the quarterly desk audit cycle.

During each onsite audit, audits 100 or more unique prescriptions and associated refills, credentials/validates proper licenses which includes, but is not limited to, pharmacy (or patient) safety, reviews regulatory practice requirements, verifies applicable State and Federal compliance, reviews a sample of the signatures in the pharmacy's patient signature log, and verify valid licenses for out-of-state pharmacy permits, if applicable.

We track all audit activities based on audit types at the claim and pharmacy level detail. We can report within the stated time frame on all audit activities and summarize the number of audits performed, pending and completed recoupments, and open appeals, as well as data related to discrepancies, discrepant drug trends, and other trends noted during the audit year. We will provide a summary report for each audit period for the items stated above during the specified time frame and in a mutually agreed-upon format.

The Contractor's contracts with pharmacies for other lines of business or other contracts shall not limit its ability or the volume of audits it can perform of that pharmacy or any other pharmacy's Drug Claims. The Contractor shall:

- **Request hard copy prescriptions and any related Drug Claim documentation from Network Providers within thirty (30) Calendar Days of end of quarter of identification of possible billing errors, as directed by LDH, if the Contractor is directed to audit a Network Provider.**
- **Utilize initial Drug Claim review request letters that clearly define the LDH rationale for identified overpayments, including a citation of the applicable statute, rule, regulation, or manual section as directed by LDH.**
- **Perform a desk or onsite Drug Claim review on an ad hoc basis, or if requested to do so by LDH.**
- **Develop a year-end Project Management Report detailing a brief review of the year's Drug Claim review activities broken out by Drug Claim review type. This report is due within forty-five (45) Calendar Days after the end of each calendar year or at a time that is agreeable to LDH. The report shall summarize, at a minimum:**
  - **Any policy and procedure changes the Contractor has implemented or suggested to LDH.**
  - **Number of Drug Claim reviews performed, potential recoupment, actual recoupment amounts, and number of open reconsiderations.**

MMA affirms that our pharmacy contracts for other company lines of business will not impede the ability or volume of performing audits for that pharmacy or other pharmacy's drug claims.

MMA's pharmacy audit vendor, , will initiate audits and request hard copy prescriptions and any related Drug Claim documentation from Network Providers within 30 Calendar Days of end of quarter of identification of possible billing errors, as directed by LDH.

During Requirements Review and Validation meetings, MMA will work in conjunction with LDH to validate our understanding of LDH audit requirements and define the LDH rationale for identified overpayments, including a citation of the applicable statute, rule, regulation, or manual sections. We will send Pharmacy Providers a Drug Claim review request letter that define LDH policies when performing a Drug Claim review.

On an ad hoc basis, MMA affirms to perform a desk or onsite Drug Claim review or if requested by LDH.

MMA will develop and provide LDH with a Project Management Report detailing the Drug Claim review activities on an annual basis. The report will include review activities broken out by Drug Claim review type. MMA will provide LDH with the Project Management Report within 45 Calendar Days after the end of each calendar year, or within a timeframe that is agreed upon by LDH. The Report will include the following information:

- Number of Drug Claims Reviews Performed
- Potential Recoupment
- Actual Recoupment Amount
- Number of Open Reconsiderations
- Policy and Procedure Changes Implemented or Suggested.

The Contractor shall:

- **Ensure that its systems facilitate the auditing of individual Drug Claims. Adequate audit trails shall be provided throughout the systems.**

MMA will provide automated system audit trails to document, identify, and track chronological records and transactions throughout its system(s), including all actions (e.g. additions, deletions, and changes to drug data maintenance, business rules, system configuration, user access, etc.).

As a part of the claim record, all business rules applied to the claim are retained in FirstRx for training and reporting purposes. Additionally, for every addition, update, modification, or logical deletion of a business rule, the record is saved with the system user ID of the user, the current date and time, and a unique sequential rule identifier.

To preserve a full audit trail for every claim, adjudication rules are not physically deleted from FirstRx. They are modified to be marked as terminated or inactivated by being logically deleted. When an existing record is modified, a new record is created from the contents of the original record. This new record is then assigned another sequence number with a full audit history.

FirstRx features a complete audit trail functionality and includes specific time and user stamps for each record update. FirstRx will manage current and historical reference data so that updates do not overlay historical information.

Please refer to proposal *Section 8.3.6 Record Retention* for details on our retention policies.

- **Be responsible for any additional costs incurred by LDH associated with on-site audits or other oversight activities that result when required systems are located outside of the State.**

MMA will be responsible for all costs incurred by LDH associated with on-site audits or other oversight activities when required systems are located outside of the State.

- **Submit an independent SOC 2 Type II system audit:**

  - **The audit shall review system security, system availability, system confidentiality and processing integrity for the Louisiana Medicaid Program line of business.**

  - **The audit period shall be twelve (12) consecutive months, aligning with the Contractor's fiscal year, with no breaks between subsequent audit periods.**

Annual SOC 1, SOC 2, and Sarbanes-Oxley (SOX) audits are conducted to assess the effectiveness of our security programs. MMA recognizes the importance of providing assurance to our partners on the integrity of transactions and operational processing with a financial impact, as well as the security of the processing and storage of their data. MMA will provide LDH with an annual report from an external auditor on the effectiveness of internal controls, including system security, system availability, system confidentiality, and processing integrity.

We have passed multiple external MARS-E audits, as well as obtained our HITRUST certification. MMA performs internal controls and internal auditors independently assess our systems and processes according to SOX as well as Statement on Standards for Attestation Engagements 18 (SSAE 18) SOC 1 reporting requirements to demonstrate MMA's effectiveness of controls and safeguards in place. We provide a SOC 1, Type 2 report (which contains the requirements of a SOC 1, Type 1 report within it) which provides coverage for a 12-month cycle.

MMA's external auditors complete an annual SSAE 18 SOC 1 report over our claims processing functions, demonstrating the accuracy and integrity of claims processing and the effectiveness of those controls. The final report includes controls placed in operations for MMA customers and includes a detailed description of the audit firm's tests of the operating effectiveness of controls. To attest to our data security and privacy, vendor management, risk management, and corporate governance, MMA performs a SOC 2, Type II audit and can provide the report for our customers. Similar to a SOC 1, an independent auditor reports on management's description of a service organization's system and the suitability of the design and operating effectiveness of controls.

Our SOC 2 Type II audit will be performed for the 12 month consecutive period, aligning with our fiscal year with no subsequent breaks between audit periods.

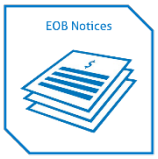
- **Supply LDH with an exact copy of the SOC 2 Type II independent audit no later than six (6) months after the close of the Contractor's fiscal year.**

MMA will provide LDH with an exact copy of the SOC 2 Type II independent audit not later than six months after the close of MMA's fiscal year.

- **Provide a Sampling of Paid Drug Claims.**

- **On a monthly basis, the Contractor shall provide individual explanation of benefits (EOB) notices to a sample group of Enrollees, not more than forty-five (45) Calendar Days from the date of payment, in a manner that complies with 42 CFR §455.20 and §433.116(e). In easily understood language, the required notice shall specify:**

  - **Description of the service furnished.**
  - **The name of the Provider furnishing the service.**
  - **The date on which the service was furnished.**
  - **The amount of the payment made for the service.**
  - **The method for notifying the Contractor of services not rendered.**



MMA, through our audit vendor, will provide Verification of Benefit (VOB) letters to a sampling of Enrollees within 45 days from the date of payment to comply with 42 CFS 455.20 and 433.11(e). The Enrollees will be selected for VOB based upon multiple criteria including the date of the Drug Claim(s), the pharmacy and provider type, and other criteria. Once an Enrollee is selected for VOB, we will typically exclude them from the sample pool for future VOBs for a period of twelve (12) months, so the same Enrollee is not selected more than once in a year and to ensure a different sample of Enrollees are included in future VOB activities.

Our VOBs are easily understood and include a description of the services provided, may include a description or picture of the medication billed, the name of the provider furnishing the service, the date of service, the payment amount made for the service, and the method for notifying the contractor of services not rendered.

o The Contractor shall stratify the paid Drug Claims sample to ensure that all Network Provider types and all Drug Claim types are proportionally represented in the sample pool from the entire range of services available under the Contract. To the extent that the Contractor or LDH considers a particular specialty (or Provider) to warrant scrutiny, the Contractor may over sample the group. The paid Drug Claims sample shall be a minimum of two percent (2%) of paid Drug Claims per month to be reported to LDH on a quarterly basis.

MMA will stratify the paid Drug Claims sample from the entire range of services available to ensure that all Network Provider types and all Drug Claim types are proportionally represented in the sample pool. If MMA or LDH considers a particular specialty or provider should be further investigated, MMA may over sample the group. MMA may also sample Enrollees served by a specific provider in response to results from data analysis, in cases of suspected fraud, or at the request of LDH. MMA affirms to sample a minimum of 2% of the paid Drug Claims per month and provide LDH with a quarterly report of the results.

o The notices may be provided by mail, telephonically, or in person (e.g., case management on-site visits).

MMA will provide VOB letters by mail and may conduct VOB electronically. MMA may also attempt to verify services were rendered to an Enrollee telephonically, or in person.

o The Contractor shall track any responses received from Enrollees and resolve the responses according to its established policies and procedures. The resolution may be effected through Enrollee education, Provider education, payment recovery, or referral to LDH. The Contractor shall use the feedback received to modify or enhance the verification of receipt of paid services sampling methodology.

MMA will track all details of VOB letters and Enrollee responses including the Enrollee identifiers, details of the Drug Claims included in the VOB, the date the VOB letter was generated or the date of the telephonic or in person discussion, the date and details of Enrollee responses, and the date and details of any resolution. MMA will analyze the responses to determine if Enrollee or provider education is warranted, or if specific VOB responses meet the criteria for a referral to LDH or other oversight agencies for suspected fraud, waste, or abuse. MMA will also use the responses and other feedback for enhancing the VOB process and sampling criteria.

o Within three (3) Business Days of receipt of a response from an Enrollee, results indicating that paid services may not have been received shall be referred to the Contractor's Fraud and Abuse department for review and to the LDH Program Integrity contact.

MMA staff will notify our Audit Pharmacist and SIU Department within three business days of receipt of an Enrollee response that indicates that paid services may not have been received. MMA will also notify the LDH Program Integrity contact.

o Reporting shall include, at a minimum, the total number of notices sent to Enrollees, total number of services sent for validation, total number of responses completed, total services requested for validation,

number of services validated, analysis of interventions related to resolution, and number of responses referred to LDH for further review.

MMA will provide reporting, in a mutually agreed upon format, that will include, at a minimum:

- Total number of notices sent to Enrollees
- Total Number of Services Sent for Validation
- Total Number of Responses Completed
- Total Services Requested for Validation
- Number of Services Validated
- Analysis of Interventions Related to Resolution
- Number of Responses Referred to LDH for Review.

- **Process Payment Recoupments as follows:**

MMA uses our FirstFinancial provider payment system to process payment recoupments and pay claims. It allows for the creation and processing of non-claim specific financial transactions including recoupments (by claim or as a lump sum payment), payouts, voids, refunds, liens, and returned check adjustments. We have the capability to hold at the Pharmacy Provider, Pharmacy Provider Chain (group of providers like CVS), or at the claim/transaction level.

Our FirstFinancial system is based on an online Oracle-based COTS claims payment application. We maintain pharmacy provider financial records in FirstFinancial, with the appropriate payment mechanism and provider address information for remittance advices. FirstFinancial interfaces with FirstRx to coordinate payment to pharmacies and can provide denied claim information on remittance advices if necessary. FirstFinancial handles financial transactions, such as provider self-audits, levies, liens, or re-assignments of payments, at either the summary level or at the claim level. We also provide a comprehensive reporting package which supports all financial management activities.

As part of MMA's overall payment processing system for the Louisiana Medicaid Managed Care Program, we have several balancing processes so that all transactions and associated dollars are accounted for. At several points in the payment process, balancing routines validate accurate payment processing for the Louisiana MCO PBM Project. Funding and balancing reports are provided by cycle timeframe to support the payment process. The provider payment cycles for each program can be different. MMA will pay Pharmacy Providers on a weekly basis, or other mutually agreed upon time frame.

Adjustments can be manually or systematically loaded and will be reflected in the next financial cycle. In addition, reversals and recoupments may be processed by an external entity (e.g., transactions submitted by our pharmacy audit partner). MMA will submit adjusted encounters for Drug Claims for recoupments where the full Louisiana Medicaid Program paid amount is not being recouped.

If determination of the recoupment is justified and valid, MMA will provide the Pharmacy Provider the option of remitting the amount or deducting the amount due from future payments. MMA will transfer 100% of the recoupment amount to the appropriate MCO using the process stipulated in the MCO contract.

Our sophisticated systems, effective procedures, and experienced staff enable us to appropriately recoup payments and disburse funds for the payment of claims and State/Federal post-payment transactions. MMA uses FirstFinancial to:

- Operate the Financial Management System in accordance with Generally Accepted Accounting Principles (GAAP)
- Ensure that funds are appropriately disbursed
- Produce accurate and timely provider payments, remittance advices, and financial reports

- Process claim adjustments through the payment cycle if there is a financial impact
- Process recoupments, payment holds, and liens
- Collect and report on accounts payable (AP) balances due
- Process claim-specific financial transactions
- Provide monthly bank reconciliations for each separate AP account.

o **Provide prior written notification of its intent to recoup any payments to LDH for review and approval. Such notification shall include:**

  - **The Enrollee's name, date of birth, and Medicaid identification number.**
  - **The date(s) of health care services rendered.**
  - **A complete listing of the specific Drug Claims and amounts subject to the recoupment.**
  - **The specific reasons for making the recoupment for each of the Drug Claims subject to the recoupment.**
  - **The date the recoupment is proposed to be executed.**
  - **The mailing address or electronic mail address where a Provider may submit a written response.**
  - **When applicable, the date LDH notified the Contractor of the Enrollee's Disenrollment via the ASC X12N 834 Benefit Enrollment and Maintenance Transaction.**
  - **When applicable, the effective date of Disenrollment.**

MMA will provide LDH with written notification for review and approval prior to recouping payments. The notification will include:

- Enrollee's name, date of birth, and Medicaid identification number
- Date of health care services rendered
- Listing of the specific Drug Claims and amounts subject to the recoupment
- Reasons for making the recoupment for each of the Drug Claims subject to the recoupment
- Date the recoupment is proposed to be executed
- Mailing address or electronic mail address where a Provider may submit a written response
- Date LDH notified MMA of the Enrollee's Disenrollment via the ASC X12N 834 Benefit Enrollment and Maintenance Transaction, when applicable
- Effective date of Disenrollment, when applicable.

o **If LDH determines that the recoupment is valid, the Contractor shall provide prior written notification to the Network Provider of its intent to recoup any payment, including the data elements listed above.**

MMA will provide the Network Provider with prior written notification of our intent to recoup any payment when LDH determines that the recoupment is valid. The notification will include the data elements listed above.

o **Before the recoupment is executed, the Provider shall have sixty (60) Calendar Days from receipt of written notification of recoupment to submit a written response to the Contractor as to why the recoupment should not be put into effect on the date specified in the notice. If the Provider fails to submit a written response within the time period provided, the Contractor may execute the recoupment on the date specified in the notice.**

MMA will allow the Provider 60 Calendar Days from receipt of the written notification of recoupment to submit a written response explaining why the recoupment should not be put into effect on the specified

date. If the Provider fails to submit a written response within the allocated time period, MMA will execute the recoupment on the date specified in the notice.

As recoupments get older, MMA will set up an aged receivable in our FirstFinancial Accounts Receivable (AR) module that will expire at 60 Calendar Days. If the Provider fails to submit a written response, recoupment processes will automatically be initiated. Along with this functionality, MMA maintains a standard set of AR module reports to satisfy customer informational needs.

- **Upon receipt by the Contractor of a written response as to why the recoupment should not be put into effect, the Contractor shall, within thirty (30) Calendar Days from the date the written response is received, consider the statement, including any pertinent additional information submitted by the Provider or otherwise available to the Contractor, determine whether the facts justify recoupment, and provide a written notice of determination to each written response that includes the rationale for the determination.**

Within 30 Calendar Days from the date the written Provider response was received, MMA will consider the statement, including additional information submitted by the provider and determine whether the recoupment is justified. The review process will consider applicable contractual and regulatory requirements. MMA will provide a final written notice of determination to each written response including the determination rationale. When a determination is made in support of the provider, the impacted claims will be removed from the recoupment process.

- **If the Contractor determines that the recoupment is valid, the Provider shall remit the amount to the Contractor or permit the Contractor to deduct the amount from future payments due to the Provider.**

If determination of the recoupment is justified and valid, MMA will provide the Provider the option of remitting the amount or deducting the amount due from future payments.

- **Transfer one hundred percent (100%) of its recoupments the appropriate MCO.**

MMA will transfer 100% of the recoupment amount to the appropriate MCO using the process stipulated in the MCO contract.

- **Void encounters for Drug Claims for which the full Louisiana Medicaid Program paid amount is being recouped. For recoupments for which the full Louisiana Medicaid Program paid amount is not being recouped, the Contractor shall submit adjusted encounters for the Drug Claims.**

If a recoupment is forthcoming, MMA will void encounters for Drug Claims for which the full Louisiana Medicaid Program paid amount is being recouped. MMA will submit adjusted encounters for Drug Claims for recoupments where the full Louisiana Medicaid Program paid amount is not being recouped.

MMA processes adjustments for recovery in accordance with NCPDP B2 (reversal) and B1 (billing) transactions in FirstRx and adjusts the claim to the proper paid amount. Reversal transactions will contain a unique claim identification number, as well as a link to the unique claim number of the original claim which was reversed. The claim identification number is sent in the claim file. Our reconciliation process incorporates matching claim reversals and adjustments to originally paid claims so that adjustments are included in the claims file to prevent an imbalance in the claims process.

FirstRx enables end-to-end claim tracking from receipt of the first new day claim, through adjustments and final payment. FirstRx also tracks denied claims. Users can audit and/or look up claim history by a variety of parameters, in solo or combination, including by:

- Enrollee
- Provider
- Prescriber
- Date of service
- Paid Status
- Denied Status

- Original ICN
- Adjustment ICN (partial and full adjustments)
- Adjustment Date
- Adjustment Reason Code.

- **The Contractor must complete all reviews and/or audits of a Drug Claim no later than one (1) year after receipt of a Drug Claim, regardless of whether the Provider participates in the Contractor's network. This includes an "automated" review, which is one for which an analysis of the paid Drug Claim is sufficient to determine the existence of an overpayment, whereas no additional documentation is required to be submitted from the Provider to determine the existence of an overpayment.**
  - **This limitation does not apply in cases of Provider FWA that the Contractor did not discover within the one- (1)-year period following receipt of a Drug Claim via "complex" review.**
  - **This limitation also does not apply when CMS, OIG, HHS, LLA, the Louisiana Department of Justice, the Government Accountability Office (GAO), LDH, and/or any of their designees conclude an examination, audit, or inspection of a Provider more than one (1) year after the Contractor received the Drug Claim.**

MMA will complete all reviews and/or audits within one year after receipt of a Drug Claim, regardless of whether the Provider participates in the Pharmacy Network, including automated reviews where no additional documentation was required from the Provider to determine overpayment. Automated reviews through our and our Audit Vendor's proprietary algorithms and risk scoring will be routinely conducted on Drug Claims received in the previous month or quarter. Audits of Drug Claims will be initiated with a limited lookback period to ensure all audit work can be completed within one year of receipt of the Drug Claim while allowing providers sufficient notice and time to respond to information requests. If FWA is identified, the lookback period for automated reviews and Pharmacy Audit will be expanded to identify the earliest date on which the FWA is believed to have occurred, the estimated number of Drug Claims and Enrollees impacted, and the total dollars at risk.

- **For Enrollees disenrolled due to the invalidation of a duplicate Medicaid ID, the Contractor shall not recover Drug Claim payments under the retroactively disenrolled Medicaid ID if the remaining, valid ID is also linked to the Contractor for the retroactive Disenrollment period. The Contractor shall identify these duplicate Medicaid IDs for a single Enrollee and resolve the duplication so that histories of the duplicate records are linked or merged.**

MMA will not recover Drug Claim payments for Enrollees disenrolled due to the invalidation of a duplicate Medicaid ID. MMA will not recover Drug Claim payments under the retroactively disenrolled Medicaid ID if the remaining, valid ID is also linked to MMA for the retroactive Disenrollment period. MMA will identify these duplicate Medicaid IDs for a single Enrollee and resolve the duplication so that histories of the duplicate records are linked or merged.

Once it has been determined that a merge process is required, our FirstRx application includes automated functionality to initiate Beneficiary merge data loads and includes a GUI screen that triggers when the claims and patient rules (patient exceptions and patient adjudication rules) for a specific internal patient ID (the "old ID") need to be applied to a different internal patient ID (the "retained ID"). The systematic process utilizes the following steps:

1. Inactivates the old patient profile
2. Moves the patient rules and claims to the retained enrollee ID
3. Generates report on the merged data for auditing purposes.

- **The Contractor shall develop and implement a safeguard for automated reviews to prevent subsequent reviews on a Drug Claim when the denial or exception reason is the same as a previous denial or exception reason. The Contractor and its Subcontractors shall not recover from a Provider via automated review for a Drug Claim for which an automated denial was reversed subsequent to Provider dispute, when the denials are for the same reason. For such Drug Claims, the Contractor shall ensure a complex review and consideration of the Drug Claim history or audit trail.**

MMA will develop and implement safeguards for automated reviews to prevent subsequent reviews on a Drug Claim when the denial or exception reason is the same as a previous denial or exception reason. MMA will not recover from a Provider via automated review for a Drug Claim for which an automated denial was reversed subsequent to Provider dispute when the denials are for the same reason. For such Drug Claims, MMA will ensure a complex review and consideration of the Drug Claim history or audit trail.

- **At the Provider's request, the Contractor shall provide an independent review of Drug Claims that are the subject of an Adverse Benefit Determination by the Contractor. The review shall be provided and conducted in accordance with La. R.S. 46:460.81 through 460.90.**

MMA will provide an independent review of Drug Claims that are the subject of an Adverse Benefit Determination by MMA at the Provider's request. MMA will conduct the review in accordance with La. R.S. 46:460.81 through 460.90.

Through our designated Louisiana Medicaid Managed Care Program toll-free telephone line, MMA will provide support to Providers regarding adverse determinations, questions, problems, and issues. Our CSC will support the Louisiana Medicaid Managed Care Program 24/7/365, including all holidays unless otherwise approved by LDH.

MMA routinely ensures that adverse determinations are handled in line with administrative review and the hearings and appeals processes defined by State law. We recognize that a Provider may appeal an adverse determination, such as a PA denial. Our process includes notification to the Provider and a denial letter mailed to the Enrollee. Standard Enrollee PA denial letters will include appeal rights afforded to them through LDH. Letter templates are customizable and provide information on requirements and appeal rights. The Account Team receives a status update on all appeals that are filed with the final determinations.

MMA can support the appeals process in all manners as required by Louisiana Medicaid Managed Care Program policy and all related policy directives by LDH.

- **The Contractor shall not recoup simply on the basis of an encounter being denied.**

MMA will not recoup any payments simply if an encounter is denied.

Fraud, Waste, and Abuse (RFP 2.1.19)

General Provisions (RFP 2.1.19.1)

The Contractor shall:

- **Certify all statements, reports and Drug Claims, financial and otherwise, as true, accurate, and complete. The Contractor shall not submit for payment purposes those Drug Claims, statements, or reports which it knows, or has reason to know, are not properly prepared or payable pursuant to applicable Federal and State laws, regulations, rules, policies, procedures, and manuals, the State Plan, Waivers, the Contract, and the MCO Manual.**

MMA has established processes in place to ensure accuracy and completeness. COO Claudia Soto will certify all statements, reports and Drug Claims, financial and otherwise to be true, accurate and complete. MMA will not submit Drug Claims, statements, or reports which it knows, or has reason to know, are not properly prepared or payable for payment pursuant to applicable Federal and State laws, regulations, rules, policies, procedures, and manuals, the State Plan, Waivers, the Contract, and the MCO Manual.

- **Have programs and procedures pursuant to 42 CFR §438.608(a)(1) to safeguard Louisiana Medicaid Program funds against unnecessary or inappropriate use of PBM Covered Services and against improper payments. The Contractor shall have internal controls and policies and procedures in place that are designed to prevent, detect, and report known or suspected FWA activities.**

MMA programs and procedures are comprehensive and safeguard Louisiana Medicaid Program funds against unnecessary or inappropriate use of PBM Covered Services and against improper payment. Our systems and processes comply with 42 CFR §438.608. MMA has built in internal controls and policies and procedures in place that are designed to prevent, detect, and report known or suspected FWA activities.

- **Have adequate staffing and resources to investigate unusual incidents and develop and implement Corrective Action Plans to assist the Contractor in preventing and detecting potential FWA.**

MMA understands the importance of having experienced and sufficient staff to maintain the Louisiana MCO PBM Project. Our proposed Fraud, Waste, and Abuse Investigator has the minimum qualifications required by the RFP. They will investigate unusual incidents and develop and implement Corrective Action Plans to assist in preventing and detecting potential FWA pursuant to the terms of the Louisiana PBM Services for Medicaid MCO Contract. Our MMA Fraud, Waste, and Abuse Investigator will be dedicated to the Project.

We have two departments, SIU and our Compliance Department, who specialize in overseeing compliance and FWA issues. Our Louisiana dedicated staff is supported by our corporate wide SIU and Compliance Department.

- **Seek to reduce prospective financial loss when fraudulent and/or criminal activity is suspected through pre-payment or post-payment review, audit, or investigation. The Contractor may mitigate financial loss by employing procedures including, but not limited to, pre-payment edits, PA, medical necessity review, verification of services being rendered as billed, payment withhold in full or in part, Corrective Action Plans, termination of the Provider Agreement, or other remedies.**

MMA will pursue to reduce prospective financial loss when fraudulent and/or criminal activity is suspected through pre-payment or post-payment review, audit, or investigation. MMA will mitigate financial loss by employing procedures including, but not limited to, pre-payment edits, PA, medical necessity review, verification of services being rendered as billed, payment withhold in full or in part, Corrective Action Plans, termination of the Provider Agreement, or other remedies.

When we identify suspicious activity, we will collaborate with LDH and the Medicaid Fraud Control Unit (MFCU) to implement quantity limits, maximum dollar limits, payment suspensions, etc.

- **Ensure that the Contract Compliance Officer and CEO or COO meet in person, unless otherwise approved by LDH in writing, with LDH and MFCU at LDH's request to discuss FWA, neglect, and overpayment issues. For purposes of this Section, the Contract Compliance Officer shall serve as the primary point of contact for the Contractor on issues related to FWA prevention.**

MMA understands the importance of building business relationships. Our seasoned team has worked together on previous customer collaborations. Our Contract Compliance Officer, Reina Navarra, CHC, CCP, and COO Claudia Soto will meet in person with LDH and MFCU upon request to discuss FWA, neglect, and overpayment issues. For purposes of this Section, our Louisiana Compliance Officer will serve as the primary point of contact for MMA on issues related to FWA prevention.

Ms. Navarra will work in conjunction with COO Claudia Soto to present any recommendations to LDH and MFCU for approval prior to implementation.

The Contractor, Subcontractors, and Network Providers shall:

- **Comply with all applicable Federal and State laws, regulations, rules, policies, procedures, and manuals relating to FWA in the Louisiana Medicaid Program, including, but not limited to, 42 CFR §§438.1 through 438.608; La. R.S. 46:437.1 through 437.14; 42 CFR §§455.12 through 455.23; LAC 50:I.4101 through 4235; and Sections 1128, 1156, and 1902(a)(68) of the Social Security Act.**

MMA, its subcontractors, and Network Providers will strictly adhere to Federal and State laws and regulations, rules, policies, procedures, and manuals relating to FWA in the Louisiana Medicaid Program, including, but not limited to, 42 CFR §§438.1 through 438.608; La. R.S. 46:437.1 through 437.14; 42 CFR §§455.12 through 455.23; LAC 50:I.4101 through 4235; and Sections 1128, 1156, and 1902(a)(68) of the Social Security Act.

- **Cooperate and assist the State and any State or Federal agency charged with the duty of identifying, investigating, or prosecuting suspected FWA. During Business Hours, CMS, the OIG, HHS, LLA, the Office of the Attorney General, GAO, LDH, and/or any of the designees of the above, and as often as they may deem necessary during the Contract period and for a period of ten (10) years following termination of the Contract or from the date of completion of any audit, whichever is later, shall have the right to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services provided under the terms of the Contract and any other applicable rules. MFCU shall be allowed access to the Contractor's place of business and to all Louisiana Medicaid Program records of the Contractor or any Subcontractor or Network Provider during Business Hours, except under special circumstances determined by the MFCU when after-hours admission shall be allowed.**

MMA will cooperate and assist the State and any State or Federal agency charged with the duty of identifying, investigating, or prosecuting suspected FWA. MMA grants CMS, the OIG, HHS, LLA, the Office of the Attorney General, GAO, LDH, and/or any of the designees of the above, and as often as they may deem necessary during the Contract period and for a period of 10 years following termination of the Contract or from the date of completion of any audit, whichever is later, will be able to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services provided under the terms of the Contract and any other applicable rules during business hours. MFCU will be allowed access to the MMA's place of business and to all Louisiana Medicaid Program MMA records or any Subcontractor or Network Provider during business hours, except under special circumstances determined by the MFCU when after-hours admission shall be allowed.

- **Make all program and financial records and service delivery sites open to the representative or any designees of the above upon request. HHS, OIG, LDH, GAO, LLA, the Office of the Attorney General, and/or the designees of any of the above shall have Timely and reasonable access and the right to examine and make copies, excerpts, or transcripts of all books, documents, papers, and records which are directly pertinent to a specific program for the purpose of making audits and examinations, contact and conduct**

private interviews with Contractor clients, employees, and contractors, and do on-site reviews of all matters relating to service delivery as specified by the Contract.

MMA believes in transparency and will make all program and financial records and service delivery sites open to the representative or any designees of the above upon request. HHS, OIG, LDH, GAO, LLA, the Office of the Attorney General, and/or the designees of any of the above will be granted timely and reasonable access and the right to examine and make copies, excerpts, or transcripts of all books, documents, papers, and records which are directly pertinent to a specific program for the purpose of making audits and examinations, contact and conduct private interviews with Contractor customers, employees, and contractors, and do on-site reviews of all matters relating to service delivery as specified by the Contract.

- **Provide originals and/or copies (at no charge) of all records and information requested. Requests for information shall be compiled in the form and the language requested.**

MMA will provide originals and/or copies (at no charge) of all records and information requested. We will compile the requested information in the form and the language requested.

- **Comply with all Federal requirements (42 CFR Part 1002) on exclusion and debarment screening. Any unallowable funds paid to excluded individuals as full or partial wages and/or benefits shall be refunded to and/or obtained by the State and/or the Contractor dependent upon the entity that identifies the payment of unallowable funds to excluded individuals.**

MMA will comply with all Federal requirements pertaining to 42 CFR Part 1002 on exclusion and debarment screening. Any unallowable funds paid to excluded individuals as full or partial wages and/or benefits will be refunded to and/or obtained by the State and/or MMA dependent upon the entity that identifies the payment of unallowable funds to excluded individuals.

We comply with all exclusion, preclusion, termination, suspension, and debarment requirements as required by Federal and State regulations and customer/client contracts. MMA adheres to Federal law mandates that no payment will be made by any Federal health care program for any items or services furnished by an excluded individual/entity. MMA ensures compliance with the payment prohibition through our standard policy which includes:

- This payment prohibition applies to the excluded individual/entity, anyone who employs or contracts with the excluded individual/entity, any hospital or other provider where the excluded individual/entity provides services, and anyone else employed by the excluded individual/entity. The exclusion applies regardless of who submits the claims and applies to all administrative and management services furnished by the excluded individual/entity.
- The exclusion and the payment prohibition continue to apply to an individual even if he or she changes from one health care profession to another while excluded.
- This payment prohibition applies to all methods of Federal health care program payment, whether from itemized claims, cost reports, fee schedules, capitated payments, a prospective payment system or other bundled payment, or other payment system and applies even if the payment is made to a state agency or a person that is not excluded.
- The prohibition against payment for items or services furnished by excluded employees, members of the Board of Directors, volunteers, contractors, or vendors also extends to payment for administrative and management services not directly related to patient care, but that are a necessary component of providing items and services to beneficiaries, subscribers, or members.
    - This prohibition applies even if the administrative and management services are not separately billable. For example, an excluded individual may not serve in an executive or leadership role (e.g., chief executive officer, chief financial officer, general counsel, director of health

information management, director of human resources, physician practice office manager, etc.) at a provider that furnishes items or services payable by Federal health care programs.

- Also, an excluded individual may not provide other types of administrative and management services, such as health information technology services and support, strategic planning, billing and accounting, staff training, and human resources, unless wholly unrelated to Federal health care programs.
- No Federal program payment may be made to cover an excluded individual's salary, expenses, or fringe benefits, regardless of whether they provide direct patient care.

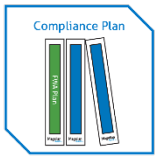
- The OIG may exclude any individual or entity that furnishes, orders, refers for furnishing, or certifies the need for items or services for which payment may be made under Medicare or any of the State health care programs.

The Contractor, its employees, consultants, Subcontractors, and employees of Subcontractors shall cooperate fully and be available in person for interviews, grand jury proceedings, pre-trial conferences, hearings, trials, and in any other investigative or judicial processes.

The Contractor, its employees, consultants, Subcontractors, and employees of Subcontractors shall cooperate fully and be available in person for interviews, grand jury proceedings, pre-trial conferences, hearings, trials, and in any other investigative or judicial processes.

Fraud, Waste, and Abuse Compliance Plan (RFP 2.1.19.2)

In accordance with 42 CFR §438.608(a), the Contractor and Subcontractors, to the extent that the Subcontractor is delegated responsibility by the Contractor for coverage of services and payment of Drug Claims under the Contract, shall implement and maintain a compliance program that includes arrangements and procedures designed to prevent and detect FWA.



MMA will comply with all applicable State and Federal regulations including 42 CFR §438.608(a). MMA and Subcontractors, to the extent that the Subcontractor is delegated responsibility by the Contractor for coverage of services and payment of Drug Claims under the Contract, will implement and maintain a compliance program that includes arrangements and procedures designed to prevent and detect FWA.

The arrangements and procedures of the compliance program shall include all of the following elements:

- **Written policies, procedures, and standards of conduct that articulate the organization's commitment to comply with all applicable requirements and standards under the Contract, and all applicable Federal and State requirements.**

MMA has established written policies, procedures, and standards of conduct that articulate MMA's commitment to comply with all applicable requirements and standards under the Louisiana PBM Services for Medicaid MCO Contract, and all applicable Federal and State requirements.

- **The designation of a Contract Compliance Officer who is responsible for developing and implementing policies, procedures, and practices designed to ensure compliance with the requirements of the Contract and who reports directly to the Chief Executive Officer and the board of directors.**

MMA proposes Reina Navarra, CHC, CCP, as our Louisiana Contract Compliance Officer. Ms. Navarra will be responsible for developing and implementing policies, procedures, and practices designed to ensure compliance with the requirements of the Louisiana PBM Services for Medicaid MCO Contract. She will report directly to the MMA Chief Executive Officer and the board of directors.

- **The establishment of a Regulatory Compliance Committee on the Board of Directors and at the senior management level charged with overseeing the organization's compliance program and its compliance with the requirements under the Contract.**

MMA has an established Regulatory Compliance Committee on our Board of Directors and at the senior management level charged with overseeing MMA's compliance program and its compliance with the requirements under the Contract.

- **A system for training and education for the Contract Compliance Officer, the organization's senior management, and the organization's employees for Federal and State standards and requirements under the Contract. Such training shall include, but not be limited to:**
  - **Annual training of all employees.**
  - **New hire training within thirty (30) Calendar Days of beginning date of employment.**

MMA has 38 years of experience in providing comprehensive pharmacy training and education for our employees including the Contract Compliance Officer, our senior management, and MMA employees regarding Federal and State standards and requirements under the Louisiana PBM Services for Medicaid MCO Contract. MMA has an established process and system for training and education for our Louisiana Compliance Officer, MMA's senior management, and employees for Federal and State standards and requirements under the Contract. Such training shall include, but not be limited to:

- Annual training of all employees.
- New hire training within 30 Calendar Days of beginning date of employment.

MMA draws upon our long experience with many Medicaid government programs and services to ensure the appropriate and complete training and communication for MMA staff assigned to the Louisiana MCO PBM Project. ***MMA's goal is to assist the State in ensuring that each MMA employee has the appropriate skill set to perform their job duties prior to the Operations Phase and receives ongoing education throughout all project phases for both new and existing employees.*** Our Training and Development Department will provide training on our PBS applications via webcast, on-site hands-on classroom facilitation, and computer-based training to help meet all LDH training needs. MMA's training will allow MMA staff to effectively perform the daily tasks and activities on the various aspects of the Louisiana MCO PBM Solution. We provide employees with ongoing Web-based training, as needed, for new and existing employees.

- **Requirement that new employees complete and attest to training modules within thirty (30) Calendar Days of hire related to the following in accordance with applicable Federal and State laws, regulations, rules, and policies:**
  - **Contractor Code of Conduct Training.**
  - **Privacy and Security – Health Insurance Portability and Accountability Act.**
  - **FWA identification and reporting procedures.**
  - **The False Claims Act and employee whistleblower protections.**
  - **Procedures for Timely consistent exchange of information and collaboration with LDH.**
  - **Organizational chart including the Program Integrity Officer and full-time program integrity investigator(s).**
  - **Provisions that comply with 42 CFR §438.608 and §438.610 and all relevant State and Federal laws, regulations, policies, procedures, and guidance (including CMS' Guidelines for Constructing a Compliance Program for Medicaid Managed Care Organizations and Prepaid Networks) issued by LDH, HHS, CMS, and OIG, including updates and amendments to these documents or any such standards established or adopted by the State of Louisiana or its agencies.**

MMA requires that new employees complete and attest to training modules within 30 Calendar Days of hire related to the following in accordance with applicable Federal and State laws, regulations, rules, and policies:

- Contractor Code of Conduct Training.
- Privacy and Security – Health Insurance Portability and Accountability Act.
- FWA identification and reporting procedures.
- The False Claims Act and employee whistleblower protections.
- Procedures for Timely consistent exchange of information and collaboration with LDH.
- Organizational chart including the Program Integrity Officer and full-time program integrity investigator(s).
- Provisions that comply with 42 CFR §438.608 and §438.610 and all relevant State and Federal laws, regulations, policies, procedures, and guidance (including CMS' Guidelines for Constructing a Compliance Program for Medicaid Managed Care Organizations and Prepaid Networks) issued by LDH, HHS, CMS, and OIG, including updates and amendments to these documents or any such standards established or adopted by the State of Louisiana or its agencies.

Training Approach

MMA will use our Learning Management System (LMS), currently Saba, for all MMA employee training needs. With our LMS, MMA is able to easily create, catalog, manage and track all types of learning activities, including web-based, instructor-led, video-based, or file-based courses and classes.

MMA will use the appropriate Instructional Design Model to provide a systematic approach to the design, implementation, and evaluation of all training components. This approach places the needs of the learner at the center of the process. The methodology provides a structure for the changes that stakeholders will see during the Louisiana MCO PBM Project start-up and beyond.

Phase	Tasks
Analysis	Description of the target audience Assessment of stakeholder learning needs Identification of performance objectives
Design	Preparation for instructional content, sequencing, and methods Identification of instructional setting and delivery constraints Development of feedback plan and tools Description of instructional support
Development	Design of training materials, activities, and assessment tools
Implementation	Deliver training so that the audience has the skills needed to perform their tasks
Evaluation	Development of evaluation methods and tools Update training materials and curricula based on learner feedback

MMA pinpoints the target audience when developing training objectives for each training initiative. This allows for a better assessment of the potential audience needs and expectations. The audience determines the setting in which the training will take place, the training priorities, and the training objectives that will be central to the training.

- **Effective lines of communication between the Contract Compliance Officer and the organization's employees.**

MMA understands the importance of clear communication lines. Compliance Officer Reina Navarra, CHC, CCP, will maintain open communication lines with MMA's employees. MMA organizational

structure is designed to serve customers across three levels in our organization. From the top down, LDH will receive MMA executive support for high-level concerns that may require additional resources and time. LDH support personnel communicate and work together with MMA account management Key Personnel who are in direct communication with MMA executive leaders to ensure successful program deployment and maintenance. All three levels of organizational support work in administrative and functional capacities when addressing Louisiana MCO PBM Project requirements and service levels.

- **Enforcement of standards through well-publicized disciplinary guidelines.**

MMA has strict conduct standards and policies regarding compliance with FWA. MMA maintains disciplinary guidelines on our company website and employees are required to take refresher courses annually. MMA maintains strict guidelines for suspected fraud, waste, and abuse (FWA), criminal conduct, physical and electronic security breaches and certain employee misconduct, except issues handled by the Human Resources.

- **Establishment and implementation of procedures and a system with dedicated staff for routine internal monitoring and auditing of compliance risks, prompt response to compliance issues as they are raised, investigation of potential compliance problems as identified in the course of self-evaluation and audits, correction of such problems promptly and thoroughly (or coordination of suspected criminal acts with law enforcement agencies) to reduce the potential for recurrence, and ongoing compliance with the requirements under the Contract.**

MMA will establish and implement Louisiana-specific procedures and a system with dedicated staff for routine internal monitoring and auditing of compliance risks, prompt response to compliance issues as they are raised, investigation of potential compliance problems as identified in the course of self-evaluation and audits, correction of such problems promptly and thoroughly (or coordination of suspected criminal acts with law enforcement agencies) to reduce the potential for recurrence, and ongoing compliance with the requirements under the Contract.

- **Procedures for prompt notification to LDH when information is received about changes in an Enrollee's circumstance that may affect the Enrollee's eligibility for the Louisiana Medicaid Program including changes in the Enrollee's residence and death of an Enrollee.**

MMA has established procedures for prompt notification to LDH if we received client information regarding an Enrollee's circumstance that may affect the Enrollee's eligibility for the Louisiana Medicaid Program including changes in the Enrollee's residence and death of an Enrollee. Eligibility data can only be changed by Enrollee eligibility file or direct Enrollee request. If MMA receives any information that may affect this data, we will contact LDH immediately so that they might affect that change.

- **Procedures for prompt notification to LDH when the information is received about a change in a Network Provider's circumstances that may affect the Network Provider's eligibility to participate in the Louisiana Medicaid Program.**

MMA has established procedures for notification to LDH when information is received about a change in a Network Provider's circumstance that may affect the Network Provider's eligibility to participate in the Louisiana Medicaid Program. MMA's Provider Agreement will require Network Providers to provide any information related to the performance of Louisiana MCO PBM Contract responsibilities as requested by LDH. Our Network Management Team will forward the information received from Network providers to the Account Team immediately. Ms. Soto, our COO, will notify LDH in a mutually agreed-upon format within the mutually agreed upon time frame.

- **Procedures to verify, by sampling or other methods, whether services that have been represented to have been delivered by Network Providers were received by Enrollees and the application of such verification on a regular basis.**

Through our SIU, MMA has established procedures to verify, by sampling, whether services that have been represented to have been delivered by Network Providers were received by Enrollees and the application of such verification on a regular basis.

- **Provision for the suspension of payments to a Network Provider for which the State determines there is a credible allegation of Fraud in accordance with 42 CFR §455.23.**

MMA will suspend payments to Network Provider for which the State determines there is a credible allegation of Fraud in accordance with 42 CFR §455.23.

- **Procedures for a prompt response to detected offenses and for development of corrective action initiatives related to the Contract.**

MMA has established processes and procedures with a prompt response when offenses are detected. MMA will develop corrective action initiatives related to the offense for the Contract and monitor the status of the offense until resolution.

- **Protections to ensure that no individual who reports program integrity related violations or suspected FWA is retaliated against by anyone who is employed by or contracts with the Contractor. The Contractor shall ensure that the identity of individuals reporting violations of the compliance plan shall be held confidential to the extent possible. Anyone who believes that he or she has been retaliated against may report this violation to LDH and/or the U.S. Office of Inspector General.**

MMA adheres to strict policies to protect individuals who report program integrity related violations or suspected FWA. Individuals will not be retaliated against by anyone who is employed by MMA or any of our subcontractors. MMA will hold the identity of individuals reporting violations confidential to the extent possible. Anyone who believes that he or she has been retaliated against may report this violation to LDH and/or the U.S. Office of Inspector General. MMA maintains all our policies and procedures on program integrity violations and retaliations on our companywide website.

- **Procedures for a Network Provider to report to the Contractor when it has received an overpayment, to return the overpayment to the Contractor within sixty (60) Calendar Days of the date on which the overpayment was identified, and to notify the Contractor in writing of the reason for the overpayment.**

Procedures for a Network Provider to report to the Contractor when it has received an overpayment, to return the overpayment to the Contractor within 60 Calendar Days of the date on which the overpayment was identified, and to notify the Contractor in writing of the reason for the overpayment.

- **Procedures for prompt reporting to the State of all overpayments identified and recovered, specifying the overpayments due to potential Fraud.**

MMA will inform the State promptly of all overpayments identified and recovered, specifying the overpayments due to potential Fraud.

- **Detection and prevention of Louisiana Medicaid Program violations and possible FWA overpayments through data matching, trending, statistical analysis, monitoring service and billing patterns, monitoring Drug Claims edits, and other data mining techniques.**

MMA will use data matching, trending, statistical analysis, monitoring service and billing patterns, monitoring Drug Claims edits, and other data mining techniques to detect and prevent Louisiana Medicaid Program violations and possible FWA overpayments

- **Descriptions of specific controls in place for prevention and detection of potential or suspected FWA, including: lists of pre-payment Drug Claims edits, post-payment Drug Claims edits, post-payment Drug Claims**

audit projects, data mining and Provider profiling algorithms, and references in Provider and Enrollee materials relative to identifying and reporting Fraud to the Contractor and law enforcement.

MMA understands that referral-based pay-and-chase approaches to fraud, waste, and abuse (FWA) prevention are resource intensive and less effective than other proactive techniques. Identification of potential FWA through a multi-pronged approach that includes proactive and predictive methodologies provides opportunities for faster identification of possible FWA, improved controls and greater savings through cost avoidance.

The foundation for monitoring and auditing of claims for FWA is the SIU. The SIU is responsible for preventing, detecting, investigating and mitigating claims of fraud, waste, and abuse. Our corporate SIU, managed by our Vice President of SIU Investigations, will provide support to the dedicated Fraud, Waste and Abuse Investigator and Audit Pharmacist, as needed. Our SIU team has extensive experience in identifying cases where fraudulent intent exists—either through a history of prior education regarding the suspect activity or through other fraud identifiers—and referring these cases to law enforcement and/or oversight agencies for successful prosecution.

- **Provisions for the confidential reporting of plan violations, such as a dedicated toll-free hotline to report violations and a clearly designated individual, such as the Contract Compliance Officer, to receive them. Several independent reporting paths shall be created for the reporting of Fraud so that such reports cannot be diverted by supervisors or other personnel.**

MMA's SIU maintains a national toll-free fraud hotline, 800-755-0850, for the reporting of suspected fraud, waste, and abuse. Our national toll-free hotline, 800-915-2108, is also available for reporting plan violations. The hotlines are a published method for employees, Enrollees, Prescribers, Pharmacy Providers, and the public to report suspected fraud, waste, and abuse to the SIU. We maintain this contact information on our Louisiana MCO PBM Web Portal, as well as the Magellan internal website.

Calls that come into our national hotlines are routed to our Contract Compliance Officer Reina Navarra. Ms. Navarra keeps abreast of all plan violations. We maintain comprehensive reporting and documentation of all suspected fraud so that reports are not able to be diverted by supervisors or other personnel.

- **Written policies and procedures for conducting both announced and unannounced site visits and field audits on Providers to ensure services are rendered and billed correctly.**

MMA maintains written policies and procedures for conducting both announced and unannounced site visits and field audits on Providers to ensure services are rendered and billed correctly.

- **Effective implementation of a well-publicized email address for the dedicated purpose of reporting Fraud. This email address must be made available to Enrollees, Providers, employees of the Contractor, Subcontractors, employees of Subcontractors, and the public on the Contractor's website required under the Contract. The Contractor shall implement procedures to review complaints filed in the Fraud reporting email account at least weekly, and investigate and act on such complaints as warranted. The Contractor shall submit to LDH or its designee the FWA Compliance Plan as part of Readiness Review, annually thereafter, and upon updates or modifications for written approval at least thirty (30) Calendar Days in advance of making them effective. LDH, at its sole discretion, may require that the Contractor modify its compliance plan.**

Our SIU accepts referrals via email at SIU@Magellanhealth.com and our Compliance Department accepts plan violations via email at Compliance@magellanhealth.com. The emails are a published method for Enrollees, Prescribers, Pharmacy Providers, subcontractor employees, and the public to report suspected fraud, waste, and abuse to the SIU.

We maintain this contact information on our Louisiana MCO PBM Web Portal, as well as the Magellan internal website. Emails are forwarded to Compliance Officer Ms. Navarra, so she is always kept abreast

of all plan violations. We will review complaints, at a minimum, on a weekly basis, and investigate each complaint as warranted.

MMA will submit our draft FWA Compliance Plan to LDH for review and approval during Requirements Review and Validation meetings at the beginning of the contract. After, updating the plan with LDH feedback, we submit the final FWA Compliance Plan to LDH for review and approval as part of Readiness Review, and annually thereafter. Any updates to the Plan will be submitted to LDH at least 30 Calendar Days in advance of making them effective.

The Contractor shall:

- **Have methods for identification, investigation, and referral of suspected Fraud and Abuse cases (42 CFR §455.13, §455.14, and §455.21) both internally and for Providers and Subcontractors.**

MMA has established methods for identification, investigation, and referral of suspected Fraud and Abuse cases (42 CFR §455.13, §455.14, and §455.21) both internally and for Providers and Subcontractors.

- **Report all tips regarding suspected or confirmed Fraud and/or Abuse to LDH and the appropriate law enforcement agency as follows:**
  - **All tips regarding any potential billing or Drug Claims issue identified through either complaints or internal review received within the previous month shall be reported to LDH Program Integrity monthly.**
  - **Triage and/or substantiate tips and provide updates to MFCU and LDH when the concerns and/or allegations of any tips are authenticated.**
  - **Suspected Fraud and/or Abuse in the administration of the program shall be reported in writing to LDH Program Integrity and MFCU within five (5) Business Days of the Contractor becoming aware of the issue.**
  - **All confirmed or suspected Provider Fraud and/or Abuse shall ~~immediately~~ be reported in writing to LDH Program Integrity and MFCU within 24 hours.**
  - **All confirmed or suspected Enrollee Fraud and/or Abuse shall be reported ~~immediately~~, in writing, to LDH Program Integrity and local law enforcement of the Enrollee's parish of residence within 24 hours.**

MMA will report all tips regarding suspected or confirmed Fraud and/or Abuse to LDH and the appropriate law enforcement agency as follows:

- All tips regarding any potential billing or Drug Claims issue identified through either complaints or internal review received within the previous month will be reported to LDH Program Integrity monthly.
- Triage and/or substantiate tips and provide updates to MFCU and LDH when the concerns and/or allegations of any tips are authenticated.
- Suspected Fraud and/or Abuse in the administration of the program will be reported in writing to LDH Program Integrity and MFCU within five Business Days of the Contractor becoming aware of the issue.
- All confirmed or suspected Provider Fraud and/or Abuse will be reported in writing to LDH Program Integrity and MFCU within 24 hours.
- All confirmed or suspected Enrollee Fraud and/or Abuse will be reported in writing, to LDH Program Integrity and local law enforcement of the Enrollee's parish of residence within 24 hours.

- **Utilize the LDH Provider Fraud Referral Form available in the MCO Manual when making a referral of confirmed or suspected Fraud and/or Abuse.**

MMA will use the LDH Provider Fraud Referral Form available in the MCO Manual when making a referral of confirmed or suspected Fraud and/or Abuse.

- **Promptly perform a preliminary investigation of all incidents of suspected Fraud and/or Abuse. After reporting suspected or confirmed Fraud and/or Abuse, unless prior written approval is obtained from the agency to whom the incident was reported, the Contractor shall not take any of the following actions as they specifically relate to Drug Claims:**
  - **Contact the subject of the investigation about any matters related to the investigation.**
  - **Enter into or attempt to negotiate any settlement or agreement regarding the incident.**
  - **Accept any monetary or other thing of valuable consideration offered by the subject of the investigation in connection with the incident.**

SIU performs preliminary reviews on all referrals promptly to assess the credibility of the allegation. When a referral is validated as potential FWA and meets the criteria for reporting, the SIU will cease all activity unless prior written approval is obtained from the agency to whom the allegation was reported. MMA will not take any of the following actions without approval:

- Contact the subject of the investigation about any matters related to the investigation.
- Enter into or attempt to negotiate any settlement or agreement regarding the incident.
- Accept any monetary or other thing of valuable consideration offered by the subject of the investigation in connection with the incident.

- **Provide the results of its preliminary investigation to LDH or the agency to whom the incident was reported, or to another agency designated by the agency that received the report.**

MMA will provide the results of its preliminary investigation to LDH or the agency to whom the incident was reported, or to another agency designated by the agency that received the report.

- **Suspend payment to a Provider when the State determines there is a credible allegation of Fraud, unless the State determines there is cause for not suspending payments to the Provider pending the investigation. The Contractor is responsible for sending the Provider the required notice and Appeal rights as required by 42 CFR §455.23.**

MMA will suspend payments to a Provider when the State determines there is a credible allegation of Fraud, unless the State determines there is cause for not suspending payments to the Provider pending the investigation. MMS will send the Provider the required notice and Appeal rights as required by 42 CFR §455.23.

Reporting (RFP 2.1.19.4)

Reporting shall include, but is not limited to, the following, as set forth at 42 CFR §455.17:

- **Number of complaints of FWA, neglect, and overpayments made to the Contractor that warrant preliminary investigation (under 42 CFR §455.14).**
- **Number of complaints reported to the Contract Compliance Officer.**
- **For each complaint that warrants full investigation conducted in accordance with 42 CFR §455.15 and §455.16, the Contractor shall provide LDH, at a minimum, the following:**
  - **Provider Name and ID number.**
  - **Source of complaint.**
  - **Type of Provider.**
  - **Nature of complaint.**
  - **Approximate amount of dollars involved if applicable.**
  - **Legal and administrative disposition of the case and any other information necessary to describe the activity regarding the complainant.**

The Contractor shall report the following information to each MCO:

- **All audits performed and overpayments identified and recovered each month by the Contractor and Subcontractors. [See 42 CFR §438.608(d)(3).]**
- **Overpayments made by the MCO to the Contractor within sixty (60) Calendar Days from the date the overpayment was identified.**
- **All unsolicited Provider refunds received each month, including any payments submitted to the Contractor and/or Subcontractors by Providers for overpayments identified through self-audit and/or self-disclosure.**

MMA will submit reports to LDH, in a mutually agreed upon format, that include, at a minimum:

- Number of complaints of FWA, neglect, and overpayments made to the Contractor that warrant preliminary investigation
- Number of complaints reported to the Contract Compliance Officer
- For each complaint that warrants full investigation conducted in accordance with 42 CFR §455.15 and §455.16, MMA will provide LDH, at a minimum, the following:
  - Provider Name and ID number.
  - Source of complaint.
  - Type of Provider.
  - Nature of complaint.
  - Approximate amount of dollars involved if applicable.
  - Legal and administrative disposition of the case and any other information necessary to describe the activity regarding the complainant.

MMA will report the following information to each MCO:

- All audits performed and overpayments identified by and amounts recovered each month by MMA.

- Overpayments made by the MCO to MMA within sixty Calendar Days from the date the overpayment was identified.
- All unsolicited Provider refunds received each month, including any payments submitted to MMA by Providers for overpayments identified through self-audit and/or self-disclosure.

Rights of Review and Recovery by Contractor and LDH (RFP 2.1.20)

The Contractor shall:

- **Have the right to audit, review, and investigate Network Providers and Enrollees for a one (1) year period from the date of payment of a Drug Claim via "automated" review. An automated review is one for which an analysis of the paid Drug Claims is sufficient to determine the existence of an overpayment, whereas no additional documentation is required to be submitted from the Provider to determine the existence of an overpayment.**

MMA will audit, review, and investigate Network Providers and Enrollees for a one year period from the date of payment of a Drug Claim via "automated" review. MMA acknowledges than an automated review is one for which an analysis of the paid Drug Claims is sufficient to determine the existence of an overpayment, whereas no additional documentation is required to be submitted from the Provider to determine the existence of an overpayment.

- **Not recover from Providers via automated review for Drug Claims older than one (1) year unless authorized in writing by LDH. All recoveries shall be prior approved by LDH.**

MMA will not recover from Providers via automated review for Drug Claims older than one year unless authorized in writing by LDH. All recoveries shall be prior approved by LDH.

- **Transfer one hundred percent (100%) of its recoveries the appropriate MCO.**

When an overpayment is recovered, MMA will transfer 100% of its recoveries to the appropriate MCO.

- **Void encounters for Drug Claims for which the full Louisiana Medicaid Program paid amount is being recouped. For recoupments for which the full Louisiana Medicaid Program paid amount is not being recouped, the Contractor shall submit adjusted encounters for the Drug Claims.**

MMA will void encounters for Drug Claims for which the full Louisiana Medicaid Program paid amount is being recouped. For recoupments for which the full Louisiana Medicaid Program paid amount is not being recouped, the Contractor shall submit adjusted encounters for the Drug Claims.

- **Have the right to audit, review and investigate Network Providers and Enrollees for a five (5) year period from the DOS of a Drug Claim via "complex" review. A complex review is one for which the review of medical, financial, and/or other records, including those onsite, were necessary to determine the existence of an improper payment. The Contractor must ensure that all recoveries are accurately reflected in Drug Claims and encounters for rate setting purposes, thereby "returning" the overpayment to LDH.**
  - **All complex reviews shall be completed within ten (10) months (three hundred (300) Calendar Days) of the date the case was opened unless an extension is authorized by LDH. This review period is inclusive of all Provider notifications, health plan document reviews, and includes any Provider Appeal or rebuttal process.**

MMA will conduct complex reviews with a 'look back' period of 5 years from the date of service. We will attempt to conclude all complex reviews within 300 calendar days of the date the case was opened and will request an extension from LDH in the event the review cannot be concluded in the established time frame.

- **Ensure compliance with all requirements of La. R.S. 46:460.72-460.73, including the requirement to void all Drug Claims and encounters associated with FWA for the purpose of reducing PMPM rates, thereby returning**

overpayments to the State. The Contractor shall comply with the timelines specified in the MCO Manual for voiding such encounters.

MMA will ensure compliance with all requirements of La. R.S. 46:460.72-460.73, including the requirement to void all Drug Claims and encounters associated with FWA for the purpose of reducing PMPM rates, thereby returning overpayments to the State. MMA will comply with the timelines specified in the MCO Manual for voiding such encounters.

MMA is able to void/reverse claims and encounters identified as FWA.

LDH or its designee will notify the Contractor when it is prohibited from taking any actions to recoup or withhold improperly paid funds already paid or potentially due to a Provider when the issues, services, or Drug Claims upon which the recoupment or withhold are based meet one (1) or more of the following criteria:

- **The improperly paid funds have already been recovered by the State of Louisiana, either by Louisiana Medicaid Program directly or as part of a resolution of a State or Federal investigation, audit, and/or lawsuit including, but not limited to, False Claims Act cases.**
- **When the issues, services, or Drug Claims that are the basis of the recoupment or withhold are the subject of pending State or Federal investigation, audit, and/or lawsuit.**

Such prohibition shall be limited to a specific Provider(s), for specific dates, and for specific issues, services, or Drug Claims. In the event that the Contractor obtains funds in cases where recovery, recoupment, or withhold is prohibited, LDH may recover the funds from the Contractor.

When notified by LDH or its designee, MMA will not take any actions to recoup or withhold improperly paid funds already paid or potentially due to a Provider when the issues, services, or Drug Claims upon which the recoupment or withhold are based meet one or more of the above criteria for the specific Provider(s), for specific dates, and for specific issues, services, or Drug Claims. In the event that MMA obtains funds in cases where recovery, recoupment, or withhold is prohibited, LDH may recover the funds.

Contact with a Provider shall be prohibited in instances resulting from suspected or confirmed Fraud and/or Abuse that the Contractor has identified and submitted a referral of Fraud to LDH and MFCU or other appropriate law enforcement agency, until approved by LDH in writing.

MMA will not have contact with a Provider where prohibited in instances resulting from suspected or confirmed Fraud and/or Abuse that MMA has identified and submitted a referral of Fraud to LDH and MFCU or other appropriate law enforcement agency, until approved by LDH in writing.

If the Contractor fails to collect at least a portion of an identified recovery within three hundred sixty-five (365) Calendar Days from the date LDH approved proceeding with the recoupment, unless an extension or exception is authorized in writing by LDH, and the Contractor has documented recovery efforts deemed sufficient by LDH upon review, including formally initiating collection efforts, LDH or its designee may recover the overpayment from the Provider and said funds shall be retained by the State. Exception reasons may include, but are not limited to, Contractor cooperation with LDH or other government agencies, termination of the Provider Agreement with the Provider, or dissolution of the Provider's business.

If MMA fails to collect at least a portion of an identified recovery within 365 Calendar Days from the date LDH approved proceeding with the recoupment, unless an extension or exception is authorized in writing by LDH, and MMA has documented recovery efforts deemed sufficient by LDH upon review, including formally initiating collection efforts, LDH or its designee may recover the overpayment from the Provider and said funds shall be retained by the State. Exception reasons may include, but are not limited to, MMA cooperation with LDH or other government agencies, termination of the Provider Agreement with the Provider, or dissolution of the Provider's business.

LDH or its designee shall have the right to audit, review, and investigate Network Providers and Enrollees via "complex" or "automated" review. LDH shall not initiate its own review of the same Drug Claims for a Network

Provider that has been identified by the Contractor as under a review approved by LDH. LDH shall track open LDH and Contractor reviews to ensure audit coordination.

MMA acknowledges LDH or its designee shall have the right to audit, review, and investigate Network Providers and Enrollees via "complex" or "automated" review and that LDH shall not initiate its own review of the same Drug Claims for a Network Provider that has been identified by MMA as under a review approved by LDH. LDH shall track open LDH and MMA reviews to ensure audit coordination.

The MCOs shall have the right to audit, review, and investigate their Enrollees and MCO Network Providers via "complex" or "automated" review. An MCO may recover from the Contractor, via a deduction from the Contractor's payment, any Provider overpayments identified by the MCO. The Contractor may pursue recovery from the Provider as a result of the MCO-identified overpayment.

MMA acknowledges the MCOs shall have the right to audit, review, and investigate their Enrollees and MCO Network Providers via "complex" or "automated" review. An MCO may recover any Provider overpayments identified by the MCO from MMA, via a deduction from MMA's payment. MMA may pursue recovery from the Provider as a result of the MCO-identified overpayment.

In the event LDH or its designee initiates a review on a Network Provider, a notification shall be sent to the Contractor Special Investigation Unit (SIU) designee. The LDH notification of the intent to review shall include Provider name, NPI, city, and Provider type, allegation or issue being reviewed, procedure codes or NDCs under review, date range for DOS under review, and amount paid. The Contractor shall have ten (10) Business Days to indicate whether the Drug Claims were corrected or adjusted prior to the date of the notification from LDH. If LDH does not receive a response from the Contractor within ten (10) Business Days, LDH may proceed with its review.

MMA acknowledges that in the event LDH or its designee initiates a review on a Network Provider, a notification shall be sent to the MMA SIU designee. The LDH notification of the intent to review shall include Provider name, NPI, city, and Provider type, allegation or issue being reviewed, procedure codes or NDCs under review, date range for DOS under review, and amount paid. MMA will respond within 10 Business Days to indicate whether the Drug Claims were corrected or adjusted prior to the date of the notification from LDH. If LDH does not receive a response from MMA within 10 Business Days, LDH may proceed with its review.

In the event LDH or its designee investigates, reviews, or audits a Network Provider or Enrollee, the Contractor shall comply with document and Drug Claims requests from LDH or its designee within fourteen (14) Calendar Days of the request, unless another time period is agreed to in writing by the Contractor and LDH or its designee.

MMA will comply with document and Drug Claims requests from LDH or its designee within 14 Calendar Days of the request, unless another time period is agreed to in writing by MMA and LDH or its designee in the event LDH or its designee investigates, reviews, or audits a Network Provider or Enrollee.

LDH shall notify the Contractor and the Network Provider concurrently of overpayments identified by the State or its designee.

MMA acknowledges that LDH will notify MMA and the Network Provider concurrently of overpayments identified by the State or its designee.

Upon the conclusion of Provider rebuttals and Appeals, if applicable, LDH or its designee shall notify the Contractor of the overpayment. The Contractor shall correct or initiate its own review on the identified encounters within fourteen (14) Calendar Days of notification from LDH. The Contractor shall submit confirmation that the corrections have been completed.

MMA acknowledges, upon the conclusion of Provider rebuttals and Appeals, if applicable, LDH or its designee will notify MMA of the overpayment. MMA will correct or initiate its own review on the identified encounters within 14 Calendar Days of notification from LDH. MMA will submit confirmation that the corrections have been completed.

There shall be no Provider improper payment recovery request of the Contractor applicable for the dates of service occurring before the Operational Start Date or for Providers that are not in the Network.

MMA will not recover payments for dates of service before the operational start date or for providers that are not in the network.

The Contractor and its Subcontractors shall retain all data, information, and documentation specified in 42 CFR §438.608 for a period of no less than ten (10) years following termination of the Contract.

MMA and its Subcontractors will retain all data, information, and documentation specified in 42 CFR §438.608 for a period of no less than 10 years following termination of the Contract.

Prohibited Affiliations (RFP 2.1.21)

In accordance with 42 CFR §438.610, the Contractor and Subcontractors are prohibited from knowingly having a relationship with:

Magellan has an established policy for the reporting and review of actual, potential or perceived conflicts of interest so that employees do not have any investment, association or other interest which may interfere with, or have the appearance of interfering with, the employee's exercise of independent judgment concerning Magellan, its business and best interests.

As it is impossible to describe every actual, potential, or perceived conflict of interest, Magellan relies on the commitment of its employees to exercise good judgment, to seek advice when appropriate, and to adhere to the highest ethical standards in the conduct of their professional and personal affairs. We maintain the following standards for any activity that is inconsistent with or opposed to Magellan's interest, or even gives the appearance of impropriety:

- Common Sources of Conflicts
- Significant Financial Interests
- Gifts, Meals, and Invitations for Entertainment
- Educational Events & Seminars
- Outside Employment and Activities
- Honoraria
- Required Disclosure and Review Procedure.

Additionally, Magellan maintains an established policy to identify and manage Organizational Conflict of Interest (OCI) in a manner consistent with contractual obligations, and applicable State and Federal law/regulations. Analysis of such conflicts, at an entity level, is required to identify specific potential, actual, or perceived OCI. The management of OCI allows Magellan the opportunity to continue work for the customer, while mitigating or eliminating any potential bias or unfair advantage that may affect or be perceived to affect efforts to compete for and perform contracts.

We categorize our standards according to the following three categories of OCI:

- Unequal Access: Unequal access may occur if Magellan gains access to non-public information (e.g., budgets and budget information, statements of work (SOWs), evaluation criteria, negotiated rebate information, etc.) through its performance of a customer contract. We would have an unfair competitive advantage through obtaining information not generally available to other competitors, as this could assist in winning the contract over competitors.
- Impaired Objectivity: Impaired objectivity may occur when evaluating or assessing performance of products and/or services and others within the same organization. This also may involve evaluating products and/or services of competitors.
- Biased Ground Rules: Biased ground rules may occur when Magellan is preparing or writing specifications or work statements that are used in a funding opportunity.

- **An individual or entity that is (or is affiliated with a person/entity that is) debarred, suspended, or otherwise excluded from participating in procurement activities under the Federal Acquisition Regulation (FAR) or from participating in non-procurement activities under regulations issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549.**

MMA and our subcontractors, in accordance with 42 CFR §438.610, will not knowingly have a relationship with an individual or entity that is (or is affiliated with a person/entity that is) debarred, suspended, or otherwise excluded from participating in procurement activities under the Federal Acquisition Regulation (FAR) or from participating in non-procurement activities under regulations issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549.

- **An individual or entity that is excluded from participation in any Federal health care program under 42 USC §1320a-7 and §1320a-7a.**

MMA and our subcontractors, in accordance with 42 CFR §438.610, will not knowingly have a relationship with an individual or entity that is excluded from participation in any Federal health care program under 42 USC §1320a-7 and §1320a-7a.

The Contractor shall not have a contract for the administration, management, or provision of medical services (or the establishment of policies or provision of operational support for such services), either directly or indirectly, with:

- **An individual convicted of crimes described in 42 USC §1320a-7(b)(8)(B).**

MMA will not hold a contract for the administration, management, or provision of medical services (or the establishment of policies or provision of operational support for such services), either directly or indirectly, with an individual convicted of crimes described in 42 USC §1320a-7(b)(8)(B).

- **Any individual or entity that is (or is affiliated with a person/entity that is) debarred, suspended, or excluded from participating in procurement activities under the FAR or from participating in non-procurement activities under regulation issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549.**

MMA will not hold a contract for the administration, management, or provision of medical services (or the establishment of policies or provision of operational support for such services), either directly or indirectly, with any individual or entity that is (or is affiliated with a person/entity that is) debarred, suspended, or excluded from participating in procurement activities under the FAR or from participating in non-procurement activities under regulation issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549.

- **Any individual or entity that is excluded from participation in any Federal health care program under 42 USC §1320a-7 and §1320a-7a.**

MMA will not hold a contract for the administration, management, or provision of medical services (or the establishment of policies or provision of operational support for such services), either directly or indirectly, with any individual or entity that is excluded from participation in any Federal health care program under 42 USC §1320a-7 and §1320a-7a.

The Contractor is prohibited from employing or contracting, directly or indirectly, for the furnishing of health care, utilization review, medical social work, or administrative services with:

- **Any individual or entity that is (or is affiliated with a person/entity that is) debarred, suspended, or excluded from participating in procurement activities under the FAR or from participating in non-procurement activities under regulation issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549.**

MMA will not employ or contract, directly or indirectly, for the furnishing of health care, utilization review, medical social work, or administrative services with any individual or entity that is (or is affiliated with a person/entity that is) debarred, suspended, or excluded from participating in procurement

activities under the FAR or from participating in non-procurement activities under regulation issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549.

- **Any individual or entity that is excluded from participation in any Federal health care program under 42 USC §1320a-7 and §1320a-7a.**

MMA will not employ or contract, directly or indirectly, for the furnishing of health care, utilization review, medical social work, or administrative services with any individual or entity that is excluded from participation in any Federal health care program under 42 USC §1320a-7 and §1320a-7a.

- **Any individual or entity that would (or is affiliated with a person/entity that would) provide those services through an individual or entity debarred, suspended, or excluded from participating in procurement activities under the FAR or from participating in non-procurement activities under regulation issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549.**

MMA will not employ or contract, directly or indirectly, for the furnishing of health care, utilization review, medical social work, or administrative services with any individual or entity that would (or is affiliated with a person/entity that would) provide those services through an individual or entity debarred, suspended, or excluded from participating in procurement activities under the FAR or from participating in non-procurement activities under regulation issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549.

- **Any individual or entity that would provide those services through an individual or entity excluded from participation in any Federal health care program under 42 USC §1320a-7 and §1320a-7a.**

MMA will not employ or contract, directly or indirectly, for the furnishing of health care, utilization review, medical social work, or administrative services with any individual or entity that would provide those services through an individual or entity excluded from participation in any Federal health care program under 42 USC §1320a-7 and §1320a-7a.

The Contractor is prohibited from being controlled by a sanctioned individual under 42 USC §1320a-7(b)(8).

MMA is not controlled by a sanctioned individual under 42 USC §1320a-7(b)(8).

If LDH finds the Contractor is not in compliance with 42 CFR §438.610(a) and (b), LDH:

- **Shall notify the Secretary of the U.S. Department of Health and Human Services (HHS) of the noncompliance.**
- **May continue an existing agreement with the Contractor unless the Secretary of HHS directs otherwise.**
- **May not renew or otherwise extend the duration of an existing agreement with the Contractor unless the Secretary of HHS provides to LDH and to Congress a written statement describing compelling reasons that exist for renewing or extending the agreement despite the prohibited affiliations.**
- **Nothing in this section shall be construed to limit or otherwise affect any remedies available to the U.S. under 42 USC §1320a-7, §1320a-7a, and §1320a-7b.**

MMA meets Federal and State Laws including 42 CFR §438.610(a) and (b). MMA understands if we do not comply with this requirement, LDH will perform the following:

- Will notify the Secretary of the U.S. Department of Health and Human Services (HHS) of the noncompliance.
- May continue an existing agreement with MMA unless the Secretary of HHS directs otherwise.
- May not renew or otherwise extend the duration of an existing agreement with MMA unless the Secretary of HHS provides LDH and Congress a written statement describing compelling reasons that exist for renewing or extending the agreement despite the prohibited affiliations.
- MMA acknowledges that nothing in this section will be construed to limit or otherwise affect any remedies available to the U.S. under 42 USC §1320a-7, §1320a-7a, and §1320a-7b.

The Contractor and Subcontractors shall comply with all applicable provisions of 42 CFR §438.608 and §438.610 pertaining to debarment and/or suspension including written disclosure to LDH of any prohibited affiliation. The Contractor and its Subcontractors shall screen all employees, contractors, and Network Providers to determine whether they have been excluded from participation in Medicare, Medicaid, the Children's Health Insurance Program, and/or any Federal health care programs. To help make this determination, the Contractor shall conduct screenings to comply with the requirements set forth at 42 CFR §455.436.

MMA and our subcontractors will comply with all applicable provisions of 42 CFR §438.608 and §438.610 pertaining to debarment and/or suspension including written disclosure to LDH of any prohibited affiliation. MMA and our subcontractors will screen all employees, contractors, and Network Providers to determine whether they have been excluded from participation in Medicare, Medicaid, the Children's Health Insurance Program, and/or any Federal health care programs. To help make this determination, the Contractor shall conduct screenings to comply with the requirements set forth at 42 CFR §455.436.

The Contractor and its Subcontractors shall conduct a search of the OIG LEIE, Louisiana Adverse Actions List Search, SAM, and other applicable sites as may be determined by LDH, monthly to capture exclusions and reinstatements that have occurred since the previous search. Any and all exclusion information discovered shall be reported to LDH within three (3) Business Days. Any individual or entity that employs or contracts with an excluded Provider/individual cannot claim reimbursement from the Louisiana Medicaid Program for any items or services furnished, authorized, or prescribed by the excluded Provider or individual. This is a prohibited affiliation. This prohibition applies even when the Louisiana Medicaid Program payment itself is made to another Provider who is not excluded. [See 42 USC §1320a-7a(a)(6) and 42 CFR §1003.102(a)(2).]

MMA and our subcontractors will conduct a search of the OIG LEIE, Louisiana Adverse Actions List Search, SAM, and other applicable sites as may be determined by LDH, monthly to capture exclusions and reinstatements that have occurred since the previous search. Any and all exclusion information discovered will be reported to LDH within three Business Days. Any individual or entity that employs or contracts with an excluded Provider/individual cannot claim reimbursement from the Louisiana Medicaid Program for any items or services furnished, authorized, or prescribed by the excluded Provider or individual. This is a prohibited affiliation. This prohibition applies even when the Louisiana Medicaid Program payment itself is made to another Provider who is not excluded. [See 42 USC §1320a-7a(a)(6) and 42 CFR §1003.102(a)(2).]

An individual who is an Affiliate of a prohibited person or entity described above can include:

- **A director, officer, or partner of the Contractor.**
- **A Subcontractor.**
- **A person with an employment, consulting or other arrangement with the Contractor for the provision of items and services which are significant and material to the Contractor's obligations under the Contract.**
- **A Network Provider.**

MMA acknowledges that an individual who is an Affiliate of a prohibited person or entity as described above can include:

- A director, officer, or partner of the Contractor.
- A Subcontractor.
- A person with an employment, consulting or other arrangement with the Contractor for the provision of items and services which are significant and material to the Contractor's obligations under the Contract.
- A Network Provider.

The Contractor shall:

- **Notify LDH within three (3) Business Days of the time it receives notice that action is being taken against the Contractor or its employee, Network Provider, Subcontractor, or employee of a Subcontractor under the provisions of 42 USC §§1320a through 1320b, which could result in exclusion, debarment, or suspension of the Contractor, Network Provider, or a Subcontractor from the Medicaid or CHIP program, or any program listed in Executive Order 12549.**
- **Report to LDH, within three (3) Business Days, when it has discovered that its employee, Network Provider, Subcontractor, or employee of a Subcontractor has been excluded, suspended, or debarred from any state or Federal health care benefit program via the designated LDH Program Integrity contact.**

MMA will meet the following requirements:

- Notify LDH within three Business Days of the time it receives notice that action is being taken against the Contractor or its employee, Network Provider, Subcontractor, or employee of a Subcontractor under the provisions of 42 USC §§1320a through 1320b, which could result in exclusion, debarment, or suspension of the Contractor, Network Provider, or a Subcontractor from the Medicaid or CHIP program, or any program listed in Executive Order 12549.
- Report to LDH, within three Business Days, when it has discovered that its employee, Network Provider, Subcontractor, or employee of a Subcontractor has been excluded, suspended, or debarred from any state or Federal health care benefit program via the designated LDH Program Integrity contact.

The Contractor, through its Contract Compliance Officer, shall attest monthly to LDH that it has screened all employees and Subcontractors as specified in the Debarment/Suspension/Exclusion section to capture all exclusions.

MMA's Contract Compliance Officer will attest monthly to LDH that it has screened all employees and Subcontractors as specified in the Debarment/Suspension/Exclusion section to capture all exclusions.

The Contractor and Subcontractors shall retain the data, information, and documentation specified in 42 CFR §438.410, for a period of no less than ten (10) years following termination of the Contract.

MMA and our Subcontractors will retain the data, information, and documentation specified in 42 CFR §438.410, for a period of no less than 10 years following termination of the Contract.

Program Integrity Requirements (RF 2.1.22)

The Contractor shall:

- **Notify LDH upon contact by any investigative authorities conducting Fraud and/or Abuse investigations, except in situations where investigative authorities make it illegal to provide such notice. The Contractor, and where applicable any Subcontractors, shall cooperate fully with the agencies that conduct investigations; full cooperation includes, but is not limited to, Timely exchange of information and strategies for addressing Fraud and Abuse, as well as allowing prompt direct access to information, free copies of documents, and other available information related to program violations, while maintaining the confidentiality of any investigation. The Contractor shall make knowledgeable employees available at no charge to support any investigation, court, or administrative proceeding.**
- **Notify LDH in writing upon receipt of any voluntary Provider disclosures resulting in receipt of overpayments in excess of twenty-five thousand dollars ($25,000), even if there is no suspicion of fraudulent activity.**
- **Report annually to LDH, in a form and format specified by LDH, on the Contractor's recoveries of overpayments in accordance with 42 CFR §438.608.**

MMA will:

- Notify LDH upon contact by any investigative authorities conducting FWA investigations, except in situations where investigative authorities make it illegal to provide such notice. MMA and our Subcontractors will cooperate fully with the agencies that conduct investigations. MMA will make knowledgeable employees available at no charge to support any investigation, court, or administrative proceeding.
- Notify LDH in writing upon receipt of any voluntary Provider disclosures resulting in receipt of overpayments in excess of $25,000, even if there is no suspicion of fraudulent activity.
- Report annually to LDH, in a form and format specified by LDH, on MMA's recoveries of overpayments in accordance with 42 CFR §438.608.

8.12 Security and Privacy (RFP 2.1.23)

Security and privacy: Describe the proposed approach to meet the requirements in Section 2.1.23

MMA will fully comply with all confidentiality and security requirements as required by the RFP. In the following narrative, we detail our approach for meeting and/or exceeding all Security and Privacy requirements detailed in RFP Section 1.8.8, as well as all Scope of Work requirements RFP Scope of Work, Section 2.1.23 Security and Privacy.

MMA recognizes the importance of privacy and confidentiality for our customers and their Beneficiaries—it is a key principle of our business. Managing our MCO PBM Solution requires collection of Protected Health Information (PHI) as part of the Enrollee's medical record, application or certification process, and claims processing. MMA works with our Legal Counsel in order to determine the best language when communicating to Pharmacy Providers, Prescribers, Enrollees/Beneficiaries, LDH, and internal MMA staff.

MMA has taken a multi-layered approach to security based on the National Institute of Standards and Technology (NIST) Special Publication (SP) 800-53 framework. Our Corporate Office of Information Security (OIS) ensures that customers' health information is protected as it rests in our systems and when it is exchanged via electronic means.

We meet all State and Federal privacy and security regulatory requirements for protecting data confidentiality, including those defined by the HIPAA Security Rule and HITECH Act. We base our controls and guidelines on the NIST SP 800-53 framework, as well as State and Federal security criteria. Magellan employs the latest technology standards and equipment to protect our critical internal infrastructure, and we are confident that the deployed systems and technology will remain current on an ongoing basis. To address this need, we have implemented technical, physical, and administrative safeguards to enhance physical security, personnel security, and information systems security.

Our organization is also HITRUST certified. Certification is completed annually, and a copy of the assessment can be provided. The HITRUST Alliance HITRUST CSF (common security framework) is a certifiable framework that provides organizations with a comprehensive, flexible, and efficient approach to regulatory compliance and risk management. Both HITRUST CSF and Service Organization Controls 2 (SOC 2) controls leverage security controls of the NIST SP 800-53 framework.

The Contractor shall:

- **Comply with all Federal and State privacy and data security requirements.**

MMA affirms that we meet all Federal and State regulatory requirements and guidelines for protecting data confidentiality and security, including those defined by the HIPAA Security Rule and HITECH Act. Our standard processes adhere to industry best practices for the systems and functions required to support this RFP.

We base our controls and guidelines on the NIST SP 800-53 framework, as well as State and Federal security criteria. Magellan employs the latest technology standards and equipment to protect our critical internal infrastructure, and we are confident that the controls on our deployed systems and technology will remain current on an ongoing basis. To address this need, we have implemented technical, physical, and administrative safeguards to enhance physical security, personnel security, and information systems security.

Our organization is also HITRUST certified. Certification is completed annually, and a copy of the assessment can be provided. The HITRUST Alliance HITRUST CSF is a certifiable framework that provides organizations with a comprehensive, flexible, and efficient approach to regulatory compliance and risk management. Both HITRUST CSF and Service Organization Controls 2 (SOC 2) controls leverage security controls of the NIST SP 800-53 framework.

- **Develop and implement written policies and procedures that restrict the use and disclosure of Louisiana Medicaid Program data, including, but not limited to, Protected Health Information (PHI), Personally Identifiable Information (PII), State Sensitive Information (SSI), and other information concerning Enrollees to purposes directly connected with the performance of the requirements in the Contract.**

MMA has established written policies, procedures that demonstrate compliance with the use and disclosure of Louisiana Medicaid Managed Care Program data requirements and standards, as well as Federal and State requirements. We will work with LDH at the beginning and throughout the Louisiana PBM Services for Medicaid MCO Contract to ensure Louisiana-specific requirements and needs regarding Protected Health Information (PHI), Personally Identifiable Information (PII), State Sensitive Information (SSI), and other information concerning Enrollees are fully met during the performance of the requirements in the Contract.

- **Establish and maintain physical, technical, and administrative safeguards to prevent unauthorized access to PHI, PII, and SSI.**

Our Office of Information Security, under the direction of the Chief Information Security Officer (CISO), provides the direction and technical expertise to ensure that information is properly protected. This includes consideration of the confidentiality, integrity, and availability of both the information and the systems that house it. OIS acts as a liaison on information security matters between all MMA departments and divisions and is the focal point for all information security activities throughout MMA. OIS executes the following activities and tasks:

- Security risk assessments and audits
- Remediation and Corrective Action Plans
- Evaluation of vendor security products
- In-house system development projects
- Security control implementations
- Review of security audit logs
- Investigation of security incidents
- Other activities necessary to ensure a secure environment.

MMA employs physical, technical, and administrative security controls to reduce exposure and risk of cyber events and incidents to all of our systems and services. These controls include technical controls and security architecture, corporate policies, and employee training. MMA routinely conducts security assessments and vulnerability testing, prepares necessary incident responses, and helps teams to resolve any issues or risks found in a timely manner.

All MMA employees are required to understand and comply with HIPAA and other Federal and State laws applicable to the protection of confidential health information. To that end, MMA has policies and procedures in place to address the protection and privacy of Beneficiary information that is used or disclosed by MMA in any format.

MMA's policies and procedures are designed to protect Beneficiary confidentiality by:

- Establishing strict guidelines for how Beneficiary information may be used and disclosed
- Requiring all employees to be familiar with the process for responding to unauthorized uses and disclosures of confidential Beneficiary information
- Requiring MMA employees and visitors to sign statements concerning the confidentiality of Beneficiary information, the release of confidential information, and communication requirements
- Using and requiring an "Authorization to Use or Disclosure of Protected Health Information" form and other forms that comply with applicable State and Federal laws and customer-specific requirements

- Monitoring provider adherence to privacy and confidentiality requirements during site visits, quality reviews, and routine contact
- Monitoring Beneficiary feedback through the complaint process, Beneficiary satisfaction survey results, and quality audits
- Complying with applicable State and Federal laws and accrediting organization confidentiality standards
- Establishing mechanisms for timely and appropriate responses to Beneficiary rights issues, including, but not limited to, Beneficiary requests for confidential communications; access to Protected Health Information; amendments to Protected Health Information; and accounting of disclosures
- Implementing technical barriers to systems by requiring authorization and passwords to access systems containing confidential information
- Requiring the minimum necessary information for routine uses and disclosures of health information.

- **Encrypt Louisiana Medicaid Program data to FIPS 140-2 standards when at rest or in transit.**

MMA incorporates confidential information with EMC's DeDuplication engine for data-at-rest encryption for PII and PHI that is on the Data Domain backup storage devices; this provides in-line, software-based data encryption. DeDuplication D@RE is validated for FIPS 140-2, which incorporates AES XTS 256-bit data-at-rest or in transit encryption. MMA uses SSL at a minimum of 128-bit encryption and optimally 256-bit encryption based on the new 2048-bit global root.

MMA will develop and maintain a secure and continuous connection with, and interface with Louisiana Medicaid Managed Care Program application systems as required. MMA ensures that all interfaces are real-time, where applicable. Our PBM Solution ensures all data exchanges (real-time, near real-time, and batch) involving trading partners are executed in a secure, timely, and accurate manner and in full compliance with State and Federal laws and all CMS MITA and industry-wide standards.

- **Ensure that Contractor owned resources are compliant with industry standard physical and procedural safeguards (NIST SP 800-114, NIST SP 800-66, NIST 800-53A, ISO 17788, etc.) for confidential information (HITECH, HIPAA Part 164).**

MMA owned resources are compliant with industry standard physical and procedural safeguards (NIST 800-53A) that meet all State and Federal privacy and security regulatory requirements for protecting data confidentiality (HITECH, HIPAA Part 164), including those defined by the HIPAA Security Rule and HITECH Act. We base our controls and guidelines on the NIST SP 800-53 framework, as well as State and Federal security criteria.

- **Comply with all regulatory requirements that would apply to the State, when required to carry out an obligation of the State under 45 CFR Part 164, Subpart E.**

MMA has built in processes in place and complies with all HIPAA Privacy and Security Standards Subpart C of 45 CFR Parts 164, Subpart E, as well as 160 and 162 that will apply to the State when MMA carries out obligations under the Louisiana PBM Services for Medicaid MCO Contract. ***We adhere to the controls and guidelines of NIST SP 800-61 series. We are also compliant with Federal Information Security Management Act (FISMA) Moderate requirements.*** Our compliance with federal requirements is proven by our successful track record in implementing federally certified PBM systems.

MMA recognizes the importance of providing assurance to its partners on the integrity of transactions and operational processing with a financial impact, as well as the security of the processing and storage of its data. ***Annual SOC2 and SOX audits are conducted to assess the effectiveness of the controls in place and to develop and deploy control improvement plans, when appropriate and necessary.*** MMA

will provide LDH with an annual reporting from an external auditor on the effectiveness of internal controls. We affirm that we will provide this reporting at system go live, and annually thereafter.

Prevention of Breaches

MMA meets all State and Federal privacy and security policy, including NIST SP 800-61. Our IT Security Department maintains corporate-level policies, such as Unauthorized Uses and Disclosures of Protected Health Information, that outline our processes for security incident reporting. IT Security identifies, tracks, and remediates security incidents.

MMA understands its responsibility to protect LDH's sensitive information from breaches or other risks. We will report any PHI/PII/SSI breaches of unsecured information as required by 45 CFR 164.410. MMA will report breaches in data access as outlined by LDH. The LDH-specific requirements will be determined, documented, and agreed to during the requirements validation and design sessions with authorized LDH staff.

A "breach" is an unauthorized acquisition, access, use, or disclosure of PHI which compromises the security or privacy of the PHI. "Unauthorized" means in a manner not permitted under the HIPAA Privacy Rule. All unauthorized uses or disclosures are presumed to be breaches unless Magellan can demonstrate that there is a low probability that the PHI has been compromised. We weigh the following elements and perform a risk assessment that includes:

- The nature and the extent of the PHI involved, including the types of identifiers and the likelihood of re-identification
- The unauthorized person who used the PHI or who the disclosure was made to
- Whether the PHI was actually acquired or viewed
- The extent to which the risk to the PHI has been mitigated.

Magellan's Compliance/Privacy Department maintains corporate-level policies, such as Unauthorized Uses and Disclosures of Protected Health Information, that manage all aspects of privacy from an operations standpoint to help facilitate this responsibility. ***Once an unauthorized use or disclosure has been reported to the HIPAA RCD, our Louisiana Compliance Officer, Reina Navarra, CHC, CCP, works in conjunction with the Corporate Compliance/Privacy Department to undertake a risk assessment in order to determine whether the unauthorized use or disclosure also constitutes a breach.***

Our risk assessment is documented by the Corporate Compliance/Privacy Department via a Risk Assessment for Breach Determination Form to demonstrate why any particular unauthorized use or disclosure is (or is not) also a breach. Compliance Officer Reina Navarra is kept abreast of all findings. If the Risk Assessment determines that a breach has occurred, LDH will be notified of the breach without unreasonable delay within the mutually agreed upon schedule identified during requirements review and validation, and in no case later than 60 calendar days after discovery. Ms. Navarra will notify LDH of any instances of a potential PHI breach. MMA will meet any Louisiana-specific requirements pertaining to breaches of personal information.

MMA mitigates, to the extent practicable, the harmful effects that are known to Magellan of a use or disclosure of PHI in violation of Magellan's policies and procedures and the requirements set forth in 45 CFR Parts 160 and 164 of the HIPAA regulations. We also apply appropriate sanctions against employees who fail to comply with policies and the related HIPAA regulations.

- **Provide network connectivity for the LDH-approved personnel at its offices and facilities during the term of the Contract, at the Contractor's expense. This can be secure guest Wi-Fi or some other LDH-approved method.**

MMA will provide secure network connectivity for LDH approved personnel at our offices and facilities throughout all phases of the contract at our expense.

- **Comply and cooperate with any HIPAA privacy related requests.**

MMA will comply and cooperate with any HIPAA privacy related requests. MMA is well versed in HIPAA requirements and will exclude all PHI or other confidential information or information in documentation that will jeopardize the security of the State's infrastructure. Magellan's Corporate Compliance Department works in conjunction with each business unit to monitor on-going compliance efforts and maintain various reporting mechanisms that are required by law or requested by clients. Below we have provided additional details on how we maintain compliance with the various provisions of HIPAA regulations.

Privacy

Louisiana Medicaid Managed Care Program Beneficiary information will be maintained confidential and private because our policies meet or exceed State and Federal regulations. Policies that detail compliance with HIPAA's privacy requirements include:

- Authorization to Use and Disclose PHI
- General Rules for Uses & Disclosures of PHI
- Uses & Disclosures of PHI for Treatment, Payment, & Health Care Operations
- Oral & Written Transmission of PHI
- Enrollee Right to Request Privacy Protection of PHI
- Enrollee Right to Request Access to PHI
- Enrollee Right to Request Amendment of PHI
- Enrollee Right to Request an Accounting of Disclosure of PHI
- Verification Policy
- Enrollee Representation
- Notice of Privacy Practices
- Minimum Necessary Uses and Disclosures of PHI
- Uses & Disclosures of PHI Requiring No Permission from the Enrollee
- Uses & Disclosures of PHI for Marketing, Fundraising, and Underwriting
- Uses & Disclosures for Specialized Government Functions
- Uses & Disclosures of PHI Requiring Prior Internal Approval
- Uses & Disclosures of PHI for Judicial & Administrative Proceedings
- Limited Data Set and De-Identification of PHI
- Unauthorized Uses and Disclosures of PHI.

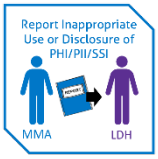
These policies touch on some of the following areas.

Confidential Communications: Policies, procedures, and workflows exist to address confidential communications. In addition, we will partner with LDH to implement procedures to coordinate requests for alternative addresses or methods of communicating PHI.

Accounting of Disclosures: Enrollees have the right to know when their PHI was disclosed for up to six years prior to the date in which the request is made. To provide accurate information to members, a database was developed that tracks disclosures for which members have a right to an accounting. We will also perform routine audits conducted by our Corporate Compliance Department.

Right of Access and Amendment: Customers have a right to inspect and request that we amend or correct any perceived errors. Clients can also request that their access be furnished by sending a copy to another person specifically designated by the Beneficiary including identifying the designated individual and how/where to send the copy of the PHI. MMA has procedures in place to protect these Beneficiary rights. In sum, MMA currently complies with all applicable federal and state laws regarding the confidentiality of PHI. MMA provides HIPAA training to its staff with an emphasis on patient privacy and confidentiality. In cases where the clinical staff believes that HIPAA may be pre-empted by state law or where HIPAA pre-empts state law, they refer their questions to the company's Legal Department. The Legal Department answers the questions based on a pre-emption analysis to ensure we are in compliance with the more stringent of the two laws.

- **Determine, report, and respond to any actual, attempted, or suspected theft of, accidental disclosure of, loss of, or inability to account for any PHI, PII, or SSI.**



MMA understands and strictly adheres to the various state laws regarding notification should a security breach occur. Additionally, we are required to report system security breaches back to our customers per the contract and the business associate agreement. The MMA Account Team will notify LDH within 72 hours from the time a security breach was determined. ***When a security/potential privacy breach occurs, MMA's Privacy Officer provides our COO, Claudia Soto, with a disclosure of PHI report form that outlines the specifics of what PHI was disclosed and the circumstances of the disclosure. This form is then sent to LDH as notification that a potential PHI breach has occurred.***

To ensure compliance with Privacy requirements, the Contractor shall:

- **Cooperate with any attempt by LDH to monitor the Contractor's compliance as requested by LDH.**

MMA will cooperate with LDH in any manner if LDH requests monitoring of MMA compliance.

- **Comply with data handling privacy requirements associated with HIPAA and as further defined by The United States Department of Health and Human Services Privacy Requirements, when handling confidential employee or citizen data associated with PHI and/or PII.**

MMA complies with HIPAA data handling privacy requirements as defined by the United States Department of Health and Human Services Privacy Requirements when handling employee or citizen data associated with PHI and/or PII that is deemed confidential. MMA agrees it will not use Beneficiary information for commercial purposes and will not publish any information about Louisiana Medicaid Managed Care Program Beneficiaries without LDH review and written permission. MMA does not sell or receive any fees from any outside entities, nor do we share customer data with external entities. Rather, MMA may use aggregated customer data to better serve those customers and prospects as outlined below.

We use aggregated customer data in two primary ways:

- To analyze, aggregate, and share your particular utilization experience with you, pointing out particular trends in your data and opportunities to enhance the cost and quality of your pharmacy program, with particular emphasis on cost and utilization
- To identify aggregate trends in your data and in industry-specific data.

MMA aggregates data within our data mart to identify trends and opportunities to enhance the cost and quality of your pharmacy program at an aggregate level. These data support innovation and program enhancement. We only share PHI in accordance with, and as permitted by, the terms of our business associate agreement with our customers and the HIPAA Privacy Rule, including the HITECH Act and Omnibus Rule.

- **Provide the capability to restrict distribution of data and information that is deemed sensitive, confidential, or personal (e.g., PHI/PII/SSI) in situations where it would normally be distributed, based on LDH-defined business rules.**

MMA will comply with all LDH-defined business rules and restrict distribution of data and information that LDH deems sensitive, confidential, or personal, such as PHI/PII/SSI.

- **Comply with all applicable State and Federal requirements, including, but not limited to, La. R.S. 40:1165.1, La. R.S. 13:3734, La. R.S. 46:56, 45 CFR Parts 160 through 164, and 42 CFR §431.300, §431.302, §431.305, and §431.306.**

MMA will comply with all applicable State and Federal requirements, including, but not limited to, La. R.S. 40:1165.1, La. R.S. 13:3734, La. R.S. 46:56, 45 CFR Parts 160 through 164, and 42 CFR §431.300, §431.302, §431.305, and §431.306.

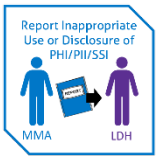
- **Ensure PHI/PII/SSI is not used or disclosed except as authorized by LDH or as otherwise required under HIPAA regulations, State and Federal Medicaid confidentiality requirements, and any other applicable State or Federal requirements.**

Our security controls are documented in our policies and procedures to ensure the proper management, use, and disclosure of PHI/PII/SSI and confidential information while administering healthcare benefits and providing an appropriate level of customer service. ***Our written policies and procedures address the use of any PHI/PII/SSI and meet all applicable Federal and State security and privacy rules and guidelines.*** MMA Privacy Officer Joseph McKee, RPh, JD, is responsible for oversight of our overall compliance and regulatory program and for ensuring that employees, including any subcontractors, are aware of and adhere to the provisions of our HIPAA privacy and security policies and procedures.

- **Implement safeguards and comply with Subpart C of 45 CFR Part 164 pertaining to electronic PHI/PII/SSI to prevent the impermissible use or disclosure of PHI/PII/SSI on paper or electronic Drug Claims.**

MMA has built in safeguards in place and complies with all HIPAA Privacy and Security Standards promulgated by CMS under Subpart C of 45 CFR Parts 160, 162, and 164, as well as with the applicable Internal Revenue Service safeguards requirements for Federal Tax Return Information as established in IRS Publication 1075. Our standard policies and procedures prevent the unauthorized use or disclosure of PHI/PII/SII.

- **Report to LDH any inappropriate use or disclosure of PHI/PII/SSI, in accordance with applicable State and Federal requirements.**
  - **Detail the process that shall be used to meet reporting requirements for inappropriate use or disclosure of PHI/PII/SSI.**



MMA takes responsibility for investigating and responding to, and mitigating the effects of, unauthorized uses and disclosures of protected health information (PHI). We have policies and guidelines in place that meet HIPAA regulations. MMA will report any inappropriate use or disclosure of PHI/PII/SSI to LDH according to State and federal guidelines. ***MMA has a centralized database that is used to track accountable disclosures that are made throughout the company. Our process is monitored and audited by our Corporate Compliance Department.*** Our customers can get reports generated from this database on a schedule or upon request. We also have established processes that we follow outlined in our Unauthorized Uses and Disclosures of Protected Health Information policy document.

Each Magellan employee is expected to promptly report any perceived or alleged unauthorized use or disclosure of PHI/PII/SSI of which the employee becomes aware. These include any use or disclosure of PHI that is not consistent with our privacy policies. This also includes any unauthorized use or disclosure made by a business associate of Magellan.

If an employee discovers an unauthorized use or disclosure of PHI/PII/SSI, they are expected to report the incident on the same day to one of the following:

- The employee's immediate manager or the manager's supervisor
- The MMA Privacy Officer (PO)
- The Magellan Chief Privacy Officer (CPO)
- The HIPAA Regional Compliance Director (HIPAA RCD).

Managers and supervisors who become aware of an unauthorized use or disclosure of PHI from an employee are required to report the disclosure on the same business day to the Privacy Officer. Our Privacy Officer discusses the incident with the supervisor and as needed, the employee who discovered the unauthorized use or disclosure. ***All local efforts to investigate the unauthorized use or disclosure in support of the HIPAA RCD are led by the Privacy Officer. The Privacy Officer coordinates efforts with the appropriate Magellan entity/operating unit staff and affected departments to develop a Remediation Plan.*** The Remediation Plan does not include PHI or any identifiers pertaining to the member or members. If LDH requires additional information including PHI, Magellan provides the information upon request. The Remediation Plan contains, at a minimum, the following:

- A description of the disclosure that occurred
- The cause(s) of the unauthorized disclosure including if the member returned or destroyed the PHI disclosed
- A remedial action plan that includes how to prevent the incident from reoccurring
- The PO's contact information in the event HIPAA RCD or LDH has questions.

Based on the information provided, the Privacy Officer reports the unauthorized use or disclosure on the same business day to the HIPAA RCD using the Disclosure of PHI Form and providing a copy of the PHI that was disclosed.

The Disclosure of PHI Form is used to inform the LDH designated contact and corporate compliance of the disclosure and to have it added to the central accounting of disclosures database. The form contains all necessary and applicable fields for entry of the relevant information into the central accounting database.

At the direction of the Chief Privacy Officer, through his or her designee, the Privacy Officer enters the unauthorized disclosure in Magellan's Accounting of Disclosure Database (AOD) in accordance with 45 CFR 164.528. Also, at the direction of the Chief Privacy Officer, through his or her designee, the Privacy Officer notifies the appropriate account management team to inform the customer of the unauthorized use or disclosure of PHI.

Our Account Team will be responsible for notifying LDH of the unauthorized use or disclosure. COO Claudia Soto will contact LDH in order to determine where to send the unauthorized use or disclosure information, if this information is not already present in the Business Associate Agreement between the parties. The Account Team obtains the Remediation Plan from the Privacy Officer, and provides to LDH which serves as the LDH notification. However, if LDH requests additional information, we provide additional information from the Disclosure of PHI Form.

All MMA employees cooperate with all unauthorized use or disclosure investigations sponsored by the Corporate Compliance Department. MMA mitigates any harmful effect that we know of PHI/PII/SSI obtained throughout the life of the contract in a manner not provided for by this contract or by applicable law. We also monitor our subcontractors carefully and hold them to the Magellan Corporate Privacy and Security standards.

- **Report to LDH any breaches of unsecured PHI/PII/SSI as required in 45 CFR §164.410, in accordance with applicable State and Federal requirements.**
  - **Detail the process that shall be used to meet this requirement in compliance with NIST SP 800-61.**

MMA understands its responsibility to protect LDH's sensitive information from breaches or other risks. We will report any PHI/PII/SSI breaches of unsecured information as required by 45 CFR 164.410. MMA will report breaches in data access as outlined by LDH. The LDH-specific requirements will be determined, documented, and agreed to during the Requirements Review and Validation meetings with authorized LDH staff.

Magellan's Compliance/Privacy Department maintains corporate-level policies, such as Unauthorized Uses and Disclosures of Protected Health Information, that manage all aspects of privacy from an operations standpoint to help facilitate this responsibility. Once an unauthorized use or disclosure has been reported to the HIPAA RCD, the Corporate Compliance/Privacy Department undertakes a risk assessment in order to determine whether the unauthorized use or disclosure also constitutes a breach.

A "breach" is an unauthorized acquisition, access, use, or disclosure of PHI which compromises the security or privacy of the PHI. "Unauthorized" means in a manner not permitted under the HIPAA Privacy Rule. All unauthorized uses or disclosures are presumed to be breaches unless Magellan can demonstrate that there is a low probability that the PHI has been compromised. We weigh the following elements and perform a risk assessment that includes:

- The nature and the extent of the PHI involved, including the types of identifiers and the likelihood of re-identification
- The unauthorized person who used the PHI or who the disclosure was made to
- Whether the PHI was actually acquired or viewed
- The extent to which the risk to the PHI has been mitigated.

Our risk assessment is documented by the Corporate Compliance/Privacy Department via a Risk Assessment for Breach Determination Form to demonstrate why any particular unauthorized use or disclosure is (or is not) also a breach. If the Risk Assessment determines that a breach has occurred, LDH will be notified of the breach without unreasonable delay within the mutually agreed upon schedule identified during requirements review and validation, and in no case later than sixty (60) calendar days after discovery. The Account Team will notify LDH of any instances of a potential PHI breach. MMA will meet any LDH-specific requirements pertaining to breaches of personal information.

MMA mitigates, to the extent practicable, the harmful effects that are known to Magellan of a use or disclosure of PHI in violation of Magellan's policies and procedures and the requirements set forth in 45 CFR Parts 160 and 164 of the HIPAA regulations. We also apply appropriate sanctions against employees who fail to comply with policies and the related HIPAA regulations.

- **Report to LDH any security incident wherein the Contractor has knowledge or reasonably shall have knowledge under the circumstances, in accordance with applicable State and Federal requirements**

In accordance with State and Federal laws and regulations, MMA will report security incidents and potential breaches in data access regulations to LDH within 72 hours of determination. Our Security Officer will report any PHI/PII/SSI breaches of unsecured information as required by 45 CFR 164.410 and in compliance with NIST SP 800-61 to COO Claudia Soto. Ms. Soto will notify LDH upon receipt of notification of any security incident.

- **Obtain and provide to LDH a written agreement from all of its agents and Subcontractors that create, receive, maintain, or transmit PHI/PII/SSI from or on behalf of the Contractor, stating their compliance with 45 CFR §164.502(e)(1) and §164.308(b), as applicable.**

MMA will obtain and provide a written agreement to LDH from all of our agents and subcontractors are involved with the creation, receipt, maintenance, and transmission of PHI/PII/SSI from or on our behalf. This agreement will state their compliance with 45 CFR §164.502(e)(1) and §164.308(b). MMA takes a proactive approach to managing our relationships with our subcontractors. Once a subcontractor is selected, we immediately begin negotiating a contract that outlines the level of service to be provided. Before engaging a subcontractor, we sign a BAA that outlines the necessary procedures that the subcontractor must follow when creating, receiving, maintaining, or transmitting PHI/PII/SSI when acting on our behalf or LDH.

The BAA affirms their agreement to comply with 45 CFR §164.502(e)(1) and §164.308(b). For each customer where we engage the use of a subcontractor, an amendment is drafted that details the services to be provided, the privacy and security procedures to be followed, and the service level agreements that must be met to help ensure compliance with the Louisiana PBM Services for Medicaid MCO Contract. MMA remains accountable for the ongoing performance of its subcontractors for the length of the contract.

- **Make available to LDH such information as LDH may require to fulfill its obligations to provide access to or provide a copy of any information or documents with respect to PHI/PII/SSI pursuant to HIPAA and regulations promulgated pursuant thereto, including, but not limited to, 45 CFR §164.524 and §164.528 and any amendments thereof.**

According to HIPAA and regulations promulgated by the United States Department of Health and Human Services, including, but not limited to 45 CFR §164.524 and §164.528 and any amendments thereto, MMA will make available to LDH any information pertaining to PHI/PII/SSI required by LDH to fulfill its obligations available to LDH by providing access or providing a copy of the information or the documents.

- **Make any amendments to PHI/PII/SSI as directed, or agreed to, by LDH pursuant to 45 CFR §164.526, or take other steps as necessary to satisfy LDH's obligations thereunder. In the event that the Contractor receives a request for amendment directly from an individual, agent, or Subcontractor, the Contractor shall immediately notify LDH prior to making any such amendment(s) and shall only make such amendments upon the approval of LDH at its sole discretion and authority. Absent such express written authority, Contractor shall not make any such amendments to PHI/PII/SSI. The Contractor's authority to amend information is explicitly limited to information created by the Contractor.**

MMA understands and agrees to promptly make any amendment(s) to PHI/PII/SSI as mutually agreed upon during requirements review and validation sessions in a Designated Record Set pursuant to 45 CFR §164.526. MMA affirms that we will take the necessary steps to meet LDH's obligations under 45 CFR Subpart 164.526. We will notify LDH immediately if we receive a request for amendment from an individual, agent, or subcontractor before we make an amendment. We affirm that we only have authority to amend information that we created.

- **Cooperate with LDH in responding to any HIPAA privacy related requests.**

MMA will collaborate with LDH to respond to any HIPAA privacy requests. MMA is fully compliant with the HIPAA Standards for Privacy, Electronic Transactions and Security. Our Corporate Compliance Department monitors on-going compliance efforts and maintains various reporting mechanisms to assist LDH in responding to any HIPAA privacy requests.

- **Make available to LDH and the Secretary of the U.S. Department of Health and Human Services any and all internal practices, documentation, books, and records related to the use and disclosure of PHI/PII/SSI**

received from LDH or PHI/PII/SSI created or received on behalf of LDH. Such access is for the purposes of determining compliance with the HIPAA Rules.

MMA recognizes that we are a key business partner with our customers and will provide all of our internal practices, documentation, books, and records related to the use and disclosure of PHI/PII/SSI received from LDH or created or received on LDH's behalf in accordance with the relevant requirements of all State and Federal privacy and security regulatory requirements for protecting member information. We will uphold the State's privacy guarantees and will adhere to all applicable Louisiana privacy and security laws. MMA has safeguards in place to ensure State and Federal security and privacy policies are upheld and compliant with the HIPAA rules.

- **Provide the ability to identify information as confidential (e.g., PHI/PII/SSI), and only make it accessible to authorized users.**

MMA's pharmacy solution identifies confidential information such as PHI/PII/SSI and only makes it available to authorized users. Our strict user security features allow LDH and MMA to tightly control access to data. We employ a configurable, user, and role-based security layer that permits users to perform only the data access functions for which they are expressly authorized. Our user ID-specific and role-based security meets recommended security levels for HIPAA privacy and security.

- **Ensure that all data considered to be PHI/PII/SSI is secured while in transit and at rest (via encryption or an industry standard method of secure file transport).**

MMA's solution ensures that all PHI/PII/SSI data is secured in transit and at REST through encryption and our industry standard SFTP. We recognize that we are a key business partner with our customers and will provide all our services in accordance with the relevant requirements of all State and Federal privacy and security regulatory requirements for protecting member information.

MMA employ a range of proactive measures to guard against data corruption, data breaches/hacks, hard disk failures, and to help ensure the integrity of PHI and other confidential data as it moves through or rests in our systems. MMA will protect PHI/PII/SSI and the member's right to privacy as directed by HIPAA and other State and Federal regulations and statutes for information that MMA creates, receives, maintains, or transmits on behalf of LDH.

- **Ensure that any published electronic or printed documentation, (e.g., systems, user, training), does not contain any PHI/PII/SSI.**

Internal MMA policies and procedures ensure that all published electronic or printed documentation, such as systems, user, training, contains dummy data or is masked and does not disclose any PHI/PII/SII sensitive information.

- **Cooperate with LDH in responding to all privacy related requests dealing with the rights of the individual under the HIPAA regulations.**

MMA will cooperate with LDH to respond to all privacy related requests dealing with individual rights under the HIPAA regulations. MMA is fully compliant with the HIPAA Standards for Privacy, Electronic Transactions and Security. Our Corporate Compliance Department maintains various reporting mechanisms to assist LDH in responding to any HIPAA privacy requests.

The Contractor's system shall inform a user of the applicable privacy policy and terms of service prior to granting access.

MMA's solution has established corporate-level processes and procedures that include the process for informing users of privacy policy and terms of service, before granting permission to access. Across our company, we maintain thousands of unique interfaces, all containing information that must meet HIPAA

privacy and security rules and guidelines and uses industry standards. MMA will work with LDH to determine the desired type, format, and frequency of interface.

8.13 Reporting and Quality Assurance (RFP 2.1.24)

Reporting and quality assurance: Describe the ability to provide standardized and ad hoc reporting.

With 50 years of experience providing reporting and quality assurance services for our Medicaid customers, since the inception of our first Medicaid contract in 1972, we are well prepared to not only meet, but to exceed LDH's reporting and quality assurance requirements. We provide our proven reporting and quality assurance services for 26 existing Medicaid PBM and PDL customers, including Louisiana, and four Managed Medicaid customers. MMA is also in the process of implementing our solution for the Nevada Medicaid pharmacy and ADAP (NMAP) programs.

We recently implemented the complex California Medi-Cal Rx Program that included ***coordinating with 26 MCOs, 10 PBMs, and 20 data supply entities to capture and document reporting and quality assurance requirements.*** In addition, MMA coordinated with three MCOs for the Tennessee TennCare Program to provide reporting and quality assurance services. We will incorporate what we have learned from these experiences to ensure a successful implementation for the Louisiana MCO PBM Project. This experience and level of expertise has provided MMA with a thorough understanding of the analytics and quality assurance needs of Medicaid agencies.

Using MRx Explore, our proprietary flexible business intelligence (BI) and analytics product, we provide a comprehensive suite of reports and tools specifically for the Medicaid population and refine that offering, as needed, to further support any unique needs of the Louisiana Medicaid Managed Care Program. MRx Explore provides a suite of dashboards, a robust package of pre-existing proprietary standard interactive reports, and a comprehensive proprietary self-service ad hoc reporting tool that allows authorized users to create customized ad hoc reports using a catalog of data elements and parameters. During the implementation period, MMA will train authorized LDH and MCO staff on using our reporting tool to run these reports. ***MRx Explore provides a suite of more than 100 standard reports and dashboards and a suite of more than 16 additional reports to support the growing need for opioid usage monitoring. We offer a sophisticated reporting solution that provides information on different facets of pharmacy data.*** We also provide access to our pre-existing proprietary self-service query building tool, Report Studio. MMA will provide five MRx Explore user licenses to each MCO, as well as five licenses for LDH users.

Proven PDL Reporting Package Already Provides Benefit to LDH

MMA has already demonstrated the value of our reporting through the standard PDL quarterly reports we provide LDH as part of our PDL, and Rebate Administration contract. These reports include:

- PDL Supplemental Rebate & Market Shift Report
- Quarterly Rebate Activity Summary
- Quarterly PDL Compliance Report Executive Summary and Detail Reports
- Class Market Share Report
- Year-to-Year Change in Market Share
- Top 25 Report.

MRx Explore

MRx Explore provides analytical and reporting capabilities enabling users to easily view drug usage and cost metrics for the Louisiana Medicaid populations. MMA provides standard reports, as well as access to our proprietary ad hoc self-service query reporting tool, Report Studio, that allows authorized users to create customized ad hoc reports using a catalog of data elements and parameters available through MRx Explore. MRx Explore draws program data from a dimensionally-designed and analytically-tuned Pharmacy Data Warehouse (PDW) containing key data points for the core applications that MMA uses to support Louisiana MCO PBM Project operations. The BI layer utilizes the PDW to extend an array of tools that include both dashboards and interactive reports to enable designated users to have ready access to

management and operational program information to support the needs of the program. MRx Explore is refreshed with data from transactional systems each day. The web-based interface enables reports, dashboards, and analytical tools to be accessed easily and through a highly intuitive user interface. LDH-designated users will have secure access to MRx Explore. Many of the available reports in the standard reporting package can be exported to other formats such as HTML, Excel, and PDF to support portability of information for a variety of users. Our dedicated Lead Data Analyst will use MRx Explore, as well as other tools to create reports for LDH and the MCOs.

Our reports draw upon a robust set of data from various sources of the program operation. The previous days processed claims and Enrollee membership activity are transferred into our Data Warehouse daily by 9:00 am Central Standard Time (CST) to be available for reporting and analysis purposes. Our BI solution includes:

- Trend and Dashboard information that supports the decision and policy making functions for various pharmacy operations
- A robust suite of standard, parameter-driven management reports
- Graphical representations of data that can easily be used in presentation materials
- A team of knowledgeable and industry expert data and reporting analysts available to develop and create additional standard, parameterized, or ad hoc reports in an agreed-upon time frame or as mutually agreed upon.

Our MRx Explore Standard Reporting Package covers all facets of pharmacy program operations. Our standard reporting package consists of:

- Dashboards
- Interactive Reports
- Self-Service Report Studio.

Dashboards

Our dashboards provide rich visualizations of predetermined metrics that make critical information easily accessible via a single screen. The dashboards are designed to deliver actionable reporting solutions to our users that allow them to get a birds-eye view of their program's performance. The dashboards are set to show 13 months of rolling information. All of our dashboards are also available as interactive reports, which provides the user the flexibility to run reports for different date ranges. Reports are housed on a secure website that administrators can view at their convenience. Our dashboards are updated on a monthly basis with aggregated data reflecting program information through the previous month. All dashboards can be viewed in a report, visualization, or geo format. Examples of our dashboards include:

- **Overview Dashboard:** The Overview tab is designed as a one-stop shop to get a look at overall program performance with over 30 key metrics. A performance comparison is provided to allow the user to see the change from the previous year or previous period.
- **Plan Dashboard:** The Plan tab dives further into the program highlighting claim counts, amounts, and percentages broken out by claim status.
- **Product Dashboard:** The Product tab allows users to see detailed information on the drug mix of their program.
- **Patient Dashboard:** The Patient tab is designed to give users insight into the claim demographics in their program.

- **Prescriber Dashboard:** The Prescriber tab provides comprehensive details on the plan with a prescriber focus.
- **Pharmacy Dashboard:** The Pharmacy tab provides users with a view into the pharmacies providing medications to Clients within their program.

In *Figures 8.13-1* and *8.13-2* we provide samples of our dashboards.

Interactive Reports

Our standard reporting suite provides interactive reports that cover all facets of pharmacy program operations. Authorized users are able to access and produce reports, depending on the services that we are providing. Our standard reporting package consists of:

- Dashboards
- Claims Reporting
- Drug Reporting
- Prescriber and Pharmacy Reporting
- Program Integrity Reporting
- Beneficiary Reporting
- Utilization Reporting
- Prospective and Retrospective DUR Reporting
- Rebate Reporting when we are providing that service
- Self-Service Report Studio.

In *Figure 8.13-3*, we provide the tab listing all of the available standard reports that can be run within the MRx Explore tool. Reports are broken into sections to mirror the Dashboards.

Self-Service Report Studio

MRx Explore offers an easy-to-use one-stop shop for users to access our flexible self-service report building tool. MRx Explore provides a user-friendly interface that enables authorized users to create

queries and reports to support numerous informational needs and is flexible, easy to use, and offers users a variety of features for building custom reports. Authorized users are able to access MRx Explore Report Studio through standard web browsers from any workstation that can connect to the internet.

The self-service tool is made up of calculations, attributes, and filters for a report user to dynamically add/modify parameters to an ad hoc report for analysis. The self-service tool enables the user to build reports using a robust catalog of data attributes to simplify the report building process. Self-service reports can also be saved to a user's workspace for future use and shared with other users having the same security settings. Through our established Training and Development Department, MMA provides training to LDH authorized users and other LDH-designated authorized users on our MRx Explore BI reporting tool.

Please refer to *Appendix B* for our MRx Explore Standard Reporting Package.

Reporting Innovations

In partnership with our customers, MMA continuously invests in expanding the capabilities and offerings of our reporting solution to meet customer-specific needs. We use innovative technology to ensure we offer business solutions that will meet future information needs, in accordance with industry standards.

MMA continually updates MRx Explore so that it offers optimal data visualization and an easy-to-navigate user interface, including the following enhanced reporting and visualization features:

- Contextualized smart search for anything—reports, folders, and dashboards
- Highly intuitive interface that helps users quickly author content
- Single interface to create ad hoc or pixel perfect reports.

We provide corporate resources to support both information and analytic support to meet LDH current and future program needs. During implementation, authorized LDH staff will be trained to run these reports, if so desired. MRx Explore provides LDH with a best-in-class reporting solution for the Louisiana Medicaid Managed Care Program

In the following narrative, we detail our approach to meeting and/or exceeding all Scope of Work requirements identified in RFP Section 2.1.24.

The Contractor shall implement a regular and timely evaluation of its systems and processes to promote accuracy and quality. This evaluation includes a methodology of continuous improvement for the identification of incorrect and inappropriate Adjudication results stemming from Provider error, incorrect system configuration, and intentional FWA.

MMA will conduct regular plan performance reviews. We perform scheduled QA reviews throughout the year and report on issues brought to our attention.

We promote quality planning, operational QA, QC through reviews, rigorous testing processes, an effective problem incident reporting structure, and efficient corrective action plans where needed. In addition, we will modify activities based on lessons learned and feedback from LDH.

We review paid claims to help identify and eliminate pharmacy billing errors, to verify pharmacy compliance with regulatory and contractual requirements, and to identify opportunities for additional controls and education. Our process includes extensive monitoring and auditing of provider utilization and claims. We support our auditing capabilities with:

- Proprietary algorithms
- Application of standard analytical models
- Input from clinical and other MRx personnel

- Monitoring of publicly available information
- Leads obtained from information sharing initiatives
- Scheme-focused analysis
- Results of past audits.

Our approach to performance reviews and audits supports our commitment to fulfilling all contractual requirements and to cooperating effectively with State and Federal investigations. We take any allegation of fraud and abuse seriously, and to combat this, MMA has a fraud and abuse program. Our program's internal controls, policies, and procedures include the following:

- Conducting an annual overall risk assessment to identify areas of potential fraud and abuse and developing a work plan designed to prevent, detect, and report known or suspected fraud and abuse activities
- Conducting data mining and analysis for specific schemes, in response to leads and tips and to identify potential fraud and abuse by Beneficiaries, Prescribers, Pharmacies, or others
- Managing the pharmacy audit program to validate appropriate focus, coordination of activity, and accurate reporting of results and to initiate audits
- Initiating investigations of suspected fraud and abuse
- All MMA staff members are required to report suspected provider fraud or abuse immediately to our SIU
- Those cases which have definite indicators of fraud, waste, or abuse or other objective evidence of fraud, waste, or abuse, regardless of the number of indicators
- Any referral which involves contact with, or by, an informant
- Suspicious information obtained from third party sources, such as National Health Care Anti-Fraud Association (NHCAA), police reports, State Boards, FBI, or Fraud Bureaus, etc.

Through our quality assurance and management processes, we protect the integrity of the Louisiana MCO PBM Project and its Beneficiaries by detecting, identifying, and deterring fraud, waste, and abuse by conducting audits of internal and external sources of information. The mission of our total fraud program is the aggressive pursuit of suspected healthcare fraud, waste, and abuse across all Magellan services. Magellan's SIU, on behalf of MMA, investigates all incidents of suspected or confirmed fraud and abuse. Magellan's SIU resides within our corporate Internal Audit Department and is managed by our Vice President of SIU Investigations, who reports to the Senior Vice President, Internal Audit and SIU.

The SIU uses a commercial case management system to capture and track investigations. Procedures for investigation, documentation, evidence handling, and reporting exist to guide investigators in creating an accurate work product. SIU management reviews all cases recommended for closure to validate a thorough and objective investigation, with complete and accurate documentation.

The Contractor shall be capable of transmitting all data that is relevant for analytical purposes to LDH on a regular schedule in XML format. Final determination of relevant data will be made by LDH based on collaboration between both parties. The schedule for transmission of the data will be established by LDH and dependent on the needs of LDH related to the data being transmitted. XML files for this purpose shall be transmitted via Secure File Transfer Protocol (SFTP) to LDH. Any other data or method of transmission used for this purpose shall be via written agreement by both parties.

Through MRx Explore, our BI reporting solution, users are able to retrieve information for analytical purposes from our suite of reports as often as they need. MRx Explore has a mechanism to allow these

same users to schedule reports to be run on a regular or recurring basis. Also a feature of MRx Explore is the ability to output reports in an XML format, among other formats including HTML and PDF. MRx Explore provides LDH with analytical and reporting capabilities enabling users to easily view drug usage and cost metrics for the Louisiana Medicaid Managed Care Program. MRx Explore provides a suite of more than 100 standard reports and dashboards, as well as access to our proprietary ad hoc self-service query reporting tool, Report Studio, that allows authorized users to create customized ad hoc reports using a catalog of data elements and parameters available through MRx Explore.

MRx Explore draws program data from a dimensionally-designed and analytically-tuned PDW containing key data points for the core applications that MMA uses to support PBM operations. The BI layer utilizes the PDW to extend an array of tools that include both dashboards and interactive reports to enable designated users to have ready access to management and operational information to support the needs of the program. MRx Explore is refreshed with data from transactional systems each day, the web-based interface enables reports, dashboards, and analytical tools to be accessed easily and through a highly intuitive user interface. MMA will provide reports, if requested, through our online shared document repository.

Our reports draw upon a robust set of data from various sources of the program operation, some of which update throughout the day. The previous days processed claims and Enrollee membership activity are transferred into our PDW daily by 9:00 am Central Standard Time (CST) to be available for reporting and analysis purposes. MMA acknowledges that any other data or method of transmission used for this purpose will be via written agreement by both parties.

For large volume data, MMA establishes secure data interface transfers for automated data exchange, including eligibility files, transaction files, invoice/billing files, and reports, with all our customers. We have extensive experience establishing interfaces and data exchanges with our many customers' diverse systems. We will develop and maintain a secured and continuous EDI connection with and interface with the Louisiana Medicaid Managed Care Program management application systems as required.

MMA will transmit all large volume data that is relevant for analytical purposes to LDH on a mutually agreed upon regular schedule in a flat file via secure file transfer protocol (SFTP or FTP-S). MMA will work in conjunction with LDH at the beginning of the contract to review and validate our understanding of LDH defined relevant data. During Requirements Review and Validation meetings, MMA will review and obtain LDH approval for a mutually agreed upon schedule of transmission for the data that will be determined based on the data being transmitted.

Our data management processes are monitored using our enterprise file transfer management tool, MOVEit. MOVEit jobs are secured and run over SFTP or FTP-S to ensure the privacy and security of information. Our interfaces will be built using our Informatica tool, which offers the ability for our technical staff to create a robust data exchange process that can be easily modified to address future enhancements in any portion of the project. MMA understands that any other data or method of transmission will be used if mutually agreed upon by both LDH and MMA.

Master data management enables strategies to be implemented that ensure data is maintained in a central fashion, that a source of truth exists for critical subject areas, and that this source of truth feeds any ancillary or downstream solutions, as well as those solutions that may be dependent on reference data, such as Drug Reference.

As an established PBM, MMA offers methods of communication that are fully compliant with State and Federal standards. ***We maintain more than 4,600 unique interfaces companywide that meet HIPAA privacy and security rules and guidelines.*** Our interfaces use industry standards such as NCPDP, HIPAA x12, XML, HL7, and CSV for interoperability

and data integration needs. We provide interfacing functionality for a variety of ADAP management application systems.

Our data transfer infrastructure tools will process 100% (as measured against data being sent accurately and in accordance with business rules in place) of both inbound and outbound files accurately based on approved business requirements. MMA provides an acknowledgement file to LDH after every file transfer that contains any errors or other pertinent information for each file received.

The ability to effectively manage data and the synchronization between the systems that support the overall MMA MCO PBM Solution is an important factor that contributes to program efficiency and to the quality of care and outcomes for Louisiana Beneficiaries.

Along with the periodic review of Drug Claim submissions performed to identify unintended errors, an effort shall be made to cooperatively work with the Provider to adjust the Drug Claim and its payment to match the actual prescribed and dispensed product, quantity, and other relevant data.

Our Louisiana Account Team uses a high-touch management approach for our MCO PBM Solution. The Account Team runs reports on a daily basis looking for high dollar claim, package size inconsistency, etc. If a problem or issue is found with the Drug Claim submission, the Account Team member will reach out to the Pharmacy Provider. MMA staff will direct the Pharmacy Provider as to the problem and how to resolve the issue and direct the pharmacy to resubmit the claim.

Clinical reviews shall also be executed to promote collaborative and innovative management of the pharmacy benefit and enhanced outcomes for Enrollees, requiring the Contractor's staff to work along with LDH and MCO clinical staff as they cooperatively analyze pharmacy benefit coverage and decisions. Monthly reports shall be delivered to LDH and the MCOs ten (10) Business Days after the end of the month.

Our Clinical Pharmacy Director, Tina Hawkins, PharmD will perform clinical reviews and work in collaboration with LDH and MCO clinical staff to ensure management of Louisiana Medicaid Program pharmacy benefit and enhanced outcomes for Enrollees. The MMA Lead Data Analyst will work in conjunction with LDH and the MCOs to develop or compile reports and submit to COO Claudio Soto who will perform a review for accuracy and quality prior to submission. Together, MMA will work with LDH and MCO to analyze coverage and decisions for the pharmacy benefit. COO Claudia Soto will review reports for accuracy and submit monthly reports to LDH and the MCO within 10 Business Days after the end of the month.

The Contractor shall develop and maintain systems and processes to thoroughly review and report upon the following aspects of Drug Claims review:

- **Internal quality assurance and continuous improvement of its operations.**
- **Periodic review of Drug Claims submissions to identify errors, whether intentional or not, that shall be corrected to adjust the Drug Claim and its payment to match the actual prescribed and dispensed product, quantity, and other relevant data.**

MMA has established systems and processes that we will customize to meet LDH and MCO requirements to provide a mechanism for review and reporting upon the Drug Claims review requirements listed above. Our Account Team reviews reports daily to identify Drug Claims with possible issues and adjust the Drug Claim and its payment to match the actual prescribed and dispensed product, quantity, and other relevant data. Our Provider/Enrollee Relations Manager will contact the Pharmacy Provider to provide training and provide instructions on resubmission of the Drug Claim. This ensures the Pharmacy Provider will be able to submit the Drug Claim correctly in the future.

The Contractor shall:

- **Provide a robust reporting package based on specifications provided by LDH and the MCOs.**

MMA proposes our robust BI reporting solution, MRx Explore, to support Louisiana MCO PBM Project reporting requirements. MMA will work in conjunction with LDH and the MCOs to define and document any unique pharmacy program reporting needs that cannot be satisfied with MRx Explore, our mature and well defined reporting solution. MMA will uniquely create reporting solutions that will be based on LDH requirements gathering during Requirements Review and Validation meetings at the beginning of the contract. We will utilize our standard and ad hoc reporting solutions to support timely access to accurate data, ongoing program analytics, and predictive modeling activities. In *Figure 8.13-4*, we provide examples of some of the reports in our standard reporting package.

Please refer to proposal *Appendix B* for our MRx Explore Standard Reporting Package.

- **Accommodate new reports or modifications to existing reports at the request of the MCOs and LDH, at no additional cost.**

MMA's intellectual capital is comprised of two well-established reporting teams including, our COAR Department (staffed by pharmacists, biostatisticians, and healthcare analysts) and our BI Team. The Louisiana MCOs and LDH will have access to COAR resources and our technology team for outcome analyses, drug trend forecasting and analysis, strategic planning, and ad hoc reporting requests. MMA will support new report requests and modifications to existing reports for LDH and the MCOs at no additional cost.

Our experienced Lead Data Analyst will provide robust reporting services to meet the Louisiana MCO PBM Project reporting and analytical needs and support regular and ad hoc reporting requests for the

Louisiana Medicaid Managed Care Program. They will also provide reports in response to ad hoc reporting requests received in an agreed-upon format and timeframe schedule.

The Lead Data Analyst will be supported by our BI and COAR Departments and will be responsible for authoring reports and queries to produce and deliver reporting results as requested. The Lead Data Analysist will leverage the expertise and knowledge of both the BI and COAR Departments, two well established departments, to satisfy reporting requirements and needs. We have also included an additional Data Analyst as part of our staff for this contract. These two analysts will address the anticipated volume of reporting requests through coordination with LDH to determine prioritization in an effort to ensure timely turnaround.

- **Ensure the Drug Claims summary report is timely, accurate, and complete.**

Using our established quality assurance protocols, our Lead Data Analyst will review the Drug Claims Summary Report to ensure accuracy and completeness and deliver to LDH in a timely manner.

- **Produce specific reports as required by applicable State and Federal requirements, including, but not limited to, reporting to qualify for the appropriate levels of Federal matching funds.**

MMA affirms that we will comply with all applicable State and Federal requirements to produce reports, including but not limited to reporting to qualify for the appropriate levels of Federal matching funds.

- **Deliver reports with content and in a format and schedule approved by LDH (e.g., record selection, field inclusion, sort, grouping) and that can be available electronically in a format that can be downloaded and manipulated easily (e.g., Microsoft Excel).**

During Requirement Review and Validation meetings, MMA will collaborate with LDH to gather MCO PBM project report requirements, including content and format. MMA provides a Requirements Specification Document (RSD) for Reporting to LDH for review and approval that contains all report specifications.

Our reporting solution is available electronically through our web-based real-time MRx Explore reporting application. Reports can be downloaded and saved in multiple formats, including Microsoft Word, Excel, HTML, XML, and PDF. MRx Explore offers an easy-to-use one-stop shop for accessing our reporting suite, as well as our flexible self-service query building tool for building custom reports that is readily accessible and well organized. It enables users the ability to manipulate data to create queries and reports to support numerous informational needs.

- **Deliver standing and ad hoc reports that are correct, complete, and comply with Contract requirements.**

MMA will deliver standard and ad hoc reports that are correct, complete, and comply with the Louisiana PBM Services for Medicaid MCOs Contract requirements. Our Account Team, led by our Louisiana COO, Claudia Soto, reviews all reports for correctness, completion, and to ensure compliance with Contract requirements.

- **Provide a secure web-based report repository or equivalent where all reports are stored in an organized manner and easily accessed online by the MCOs and LDH staff to view, print, copy, and download.**

MMA will provide secure, password-protected, online access to MRx Explore, our web-based reporting repository, to LDH-designated staff. MRx Explore provides real-time, web-based connection to all pharmacy reports. MCO and LDH staff are able to view, print, copy, and download all reports. MRx Explore also includes a self-service query building tool. In addition, for ad hoc and batch generated reports, a secure shared online repository will be established for LDH and the MCOs enabling designated users from each organization to retrieve batch generated and ad hoc reports that are created in support of program operations.

- **Provide functionality to produce reports for LDH's current (or future) program categories and other coverage groups or Drug Claim types (e.g., programs, batch claim submitter, e-prescriptions/ compounds/ home infusion claims, and eligibility data elements such as Enrollee age grouping, eligibility category, etc.).**

Our MRx Explore reporting solution offers a comprehensive and robust reporting suite that includes a variety of reports to meet Louisiana MCO PBM Project needs. Our reporting solutions provides both information and analytic support to meet LDH current and future program needs. We understand the dynamic Medicaid industry and that customer requirements and needs will change according to state, legislative, and federal requirements. MMA continuously invests in expanding our reporting solution to meet customer-specific needs including program categories, coverage groups, or claim types, such as programs, batch claim submitter, electronic prescriptions/compounds/home infusion claims, Beneficiary age grouping, and other eligibility elements. Our current offering provides standard reports including:

- Dashboards
- Claims Reporting
- Drug Reporting
- Prescriber and Pharmacy Reporting
- Program Integrity Reporting
- Beneficiary Reporting
- Utilization Reporting
- Prospective and Retrospective DUR Reporting
- Rebate Reporting when we are providing that service
- Self-Service Report Studio.

- **Comply with all LDH and MCO data requests and reports, such as, the Annual CMS DUR Report, the CMS-64 report, reports required by the Louisiana legislature, drug rebate processing, retroactive drug utilization reporting, program integrity functions, CMS T-MSIS reporting and other ad hoc reports.**

MMA will comply with all LDH and MCO data requests and reports required for the Louisiana MCO PBM Project, such as the Annual CMS DUR Report, the CMS-64 report, reports required by the Louisiana legislature, drug rebate processing, retroactive drug utilization reporting, program integrity functions, CMS T-MSIS reporting, and other ad hoc reports.

Our reporting solution maintains compliance with all federal CMS reporting requirements including those that are part of CMS certification as documented in the Medicaid Enterprise Certification Toolkit (MECT) checklist. MMA will also provide data interfaces with the pharmacy specific data to complete the CMS-64 Report. We produce the information necessary to complete the annual CMS DUR Report. With decades of Medicaid reporting experience that dates back to 1972, with the onset of our first Medicaid fiscal agent contract with the Commonwealth of Virginia, MMA understands that Louisiana Medicaid Managed Care Program stakeholders will need access to pharmacy data.

- **Develop, deliver, and execute a QA Plan, subject to LDH's approval, within thirty (30) Calendar Days of contract effective date. Minimally, this plan shall include quality oversight, monitoring, and monthly reporting on the Contractor's activities. These reports shall clearly demonstrate the Contractor's compliance with contract requirements and performance guarantees with attention to continuous quality improvement. The QA Plan shall be updated on an annual basis or more frequently if requested by LDH.**

MMA will provide LDH with a Quality Assurance (QA) Plan within 30 days of the Contract effective date for review and approval. Our QA Plan reflects the policies, procedures, and frameworks to assure that relevant Contract and performance oversight and monitoring is conducted to meet the terms of the Contract.

We are committed to the highest level of QA practices and provide LDH with monthly reports to validate that pharmacy services and deliverables fully meet expectations and requirements. The areas addressed by the QA Plan include, but are not limited to, quality oversight, monitoring, and MMA activity reporting. The QA Plan is updated annually or when program changes require updates; all updates will be reviewed and approved by LDH.

Our QA practices require that processes must be clearly communicated through collaboration with LDH through regular meetings, documented, strictly adhered to, regularly measured, and reported on for ongoing quality improvement. This basic QA approach is embedded within all operations and processes and ensures the accuracy of Louisiana MCO PBM Project requirements.

Quality Assurance Approach

With 50 years of experience providing quality assurance services for our customers, including 38 years of PBM experience, MMA is well prepared to meet LDH's QA Plan requirements using our established quality assurance processes and procedures. We are committed to the highest level of Quality Assurance (QA) practices to ensure accuracy of the drug file, claims processing, and the other systems that make up our Louisiana MCO PBM Solution. We will validate that the deliverables and services delivered to Louisiana MCO PBM Project for pharmacy services fully meet LDH expectations and requirements. These practices require that processes must be clearly communicated through collaboration with LDH through regular meetings, documented, strictly adhered to, regularly measured, and continuously improved through our defined ongoing improvement process. Using our established enterprise QA Plan, MMA will develop a Louisiana QA Plan that defines monitoring parameters and includes an annual evaluation of our performance.

MMA holds full International Organization for Standardization (ISO), ISO Version 9001:2015 certification for the design and delivery of pharmacy benefit administration for government contracts. Through the ISO process, our organization's operations were examined in each area listed above to ensure that we are delivering healthcare in a manner consistent with nationally high standards. This certification is effective from March 1, 2021, to March 1, 2024.

The ISO 9001 certification is a quality management system standard that was developed by ISO, which is an international association of governmental and nongovernmental organizations. This standard is utilized to certify quality management systems that focus on continuous improvement, customer satisfaction and the active involvement of both management and employees in a process-based approach.

This certification is evidence of our dedication to maintaining quality with a strong focus on continuous improvement.

In *Figure 8.13-5*, we illustrate the seven principles of ISO quality management.

Figure 8.13-5: Seven Principles of Quality Management ISO 9001:2015 (Source: ISO)

Our QA program, which consists of Quality Assurance and Quality Controls, is led by our Vice President of Quality. In addition, MMA will work with other LDH-designated vendors on quality assurance as directed by LDH. Oversight of our QA program is the responsibility of our Quality Improvement Committee (QIC) which is co-chaired by our Medical Director and Senior Manager of Quality.

The QIC meets semi-annually to review compliance with standards and results and assigns initiatives to improve quality. The QIC has direct oversight of the QA program and reports to the Board of Directors. Quality Assurance activities regularly monitor performance and compliance of each business process, and staff is assigned to conduct the QA process who are independent of those performing the work. QA activities are defined by a series of documents, which are reviewed and updated annually.

Our Quality Management and Compliance Auditing process describes how adherence to policies, standards, regulations, laws, and contractual requirements are identified, tracked, monitored, and meet compliance requirements. It will ensure that all PBM operations are managed in a manner that is compliant with HIPAA and other Federal and State regulations, laws, and/or policies that govern security and privacy. It describes the types and frequency of audits and the format and content of audit reports.

Quality Monitoring

Monitoring of all quality objectives rely on reporting and trending of quantifiable evidence to identify opportunities for continuous quality improvement as well as validation of quality initiatives. Reporting is accomplished through a series of quality scorecards that track performance guarantees, key performance indicators (KPIs), and accreditation required measures, as well as compliance to state and federal regulations.

Quality metrics have targets/goals established based on customer-specific performance guarantees and are tracked as required.; customer specific reports are available upon request. Our proven solution has been built upon a foundation that consists of strong project management practices and disciplines, a deep pool of highly qualified and experienced personnel and a commitment to strong communication and collaboration with our customers, and all project stakeholders ensuring the highly successful delivery of our PBM Solution.

MMA leverages quality standards for everything from test strategies to operational readiness preparation. We follow a proven quality assurance process that is used successfully throughout our organization and is committed to maintaining the highest levels of quality.

To ensure quality outcomes, we engage in rigorous improvement practices that require that processes be clearly documented, repeatable, strictly adhered to, constantly measured, and continuously improved through our defined ongoing improvement process.

This focus is built into our pharmacy services operations through organizational structures, planning methods, workflow analysis, training, auditing, and metrics definition related directly to clinical outcomes, performance requirements, and project and contract management methodologies.

Our quality management program is based on the Plan-Do-Check-Act (PDCA) Cycle. Our systematic approach includes pursuit of new ways of thinking; thorough knowledge and understanding of each customer and their requirements and focusing on a proactive approach of prevention of errors, improved clinical outcomes, defects and rework, rather than reactive correction. Through our Voice of the Customer satisfaction survey, MMA monitors government business customer satisfaction.

An integral part of our organizational philosophy that ensures the accuracy, quality, and timeliness of our internal processes and data and reports, is continuous quality improvement (CQI). ***MMA has developed a Quality Management Program that includes a systematic approach to quality planning, quality control, and quality assurance that includes a comprehensive QA Plan to serve as a roadmap for quality assurance and management services.*** The focus of our quality management strategy for LDH will be to promote quality planning, operational QA, and QC through reviews, rigorous testing processes, an effective problem incident reporting structure, and efficient corrective action plans where needed.

The sound project management processes and tools we employ, and the disciplined systems development/integration and delivery methodologies we execute support these objectives. Our CQI methodology includes a four-step process for improving existing process problems with unknown causes illustrated in *Figure 8.13-6*.

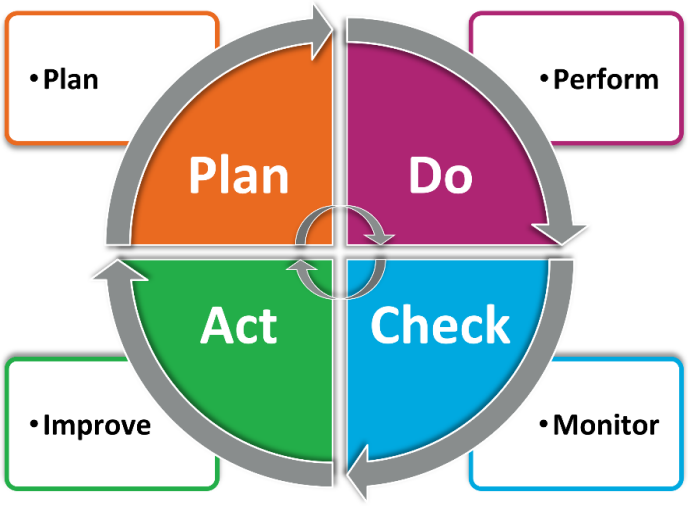


Figure 8.13-6: Plan, Do, Check, Act Cycle

- **Provide a monthly performance status report that includes:**
  - **Activities and operational statistics.**
  - **Issues and recommendations regarding current policies, procedures, and focus areas.**

- **Top 100 prescriptions paid by dollar amount, therapeutic class, and by drug entity (name, form, and strength).**
- **Provide data for all LDH monthly and quarterly reporting requirements.**

COO Claudia Soto will provide LDH with a Monthly Performance Status Report that includes activities and operational statistics, issues and recommendations regarding current policies, procedures, and focus areas, and Top 100 prescriptions paid by dollar amount, therapeutic class, and by drug entity (name, form, and strength). The Performance Status Report will include the data for all LDH monthly and quarterly reporting requirements. Tina Hawkins, PharmD, our Clinical Pharmacy Director, reviews clinical program data and makes clinical recommendations regarding edits, prior authorization (PA) criteria, etc. to improve program performance and submits the report to our COO.

MMA will meet with LDH during Requirements Review and Validation meetings at the beginning of the contract to review and validate all RFP requirements, including the requirements for the monthly Performance Status Report. We will collaborate with LDH to determine the format, including the LDH-required data elements, of the Performance Status Report. MMA will develop a report to meet LDH needs and submit for review and approval prior to submitting to production. We will provide this report to LDH 15 Calendar Days after the end of the calendar month.

Our Monthly Performance Status Report will provide LDH with overall program performance with a variety of LDH-defined statistics and metrics, such as pharmacy claims processed to evaluate the overall health of the Louisiana Medicaid Managed Care Program. Our Monthly Performance Status Report will report on more than 30 key metrics. A comparison is available to view the change from the previous reporting period. If a variance or deficiency is depicted, the root cause is identified and corrective action plans are implemented to correct the deficiency, and measures taken to prevent the problem from occurring in the future. Using our MRx Explore standard reports, MMA is able to draw information from our standardized reports and dashboards to develop the monthly Performance Status Report. Through the following dashboards, we have PBM operational and management information that we can leverage to include in the customized Performance Status Report:

- **Overview Dashboard:** Includes overall program performance with over 30 key metrics. A performance comparison is provided to see the change from the previous year or previous period.
- **Plan Dashboard:** Drills further into the program highlighting claim counts, amounts, and percentages broken out by claim status.
- **Product Dashboard:** Includes detailed information on the drug mix of their program.
- **Patient Dashboard:** Includes claim demographics in the program to provide further insight.
- **Prescriber Dashboard:** Provides comprehensive details on the plan with a prescriber focus.
- **Pharmacy Dashboard:** Providers users with insight into the pharmacies providing medications to Enrollees within their program.

- **Develop and maintain, on a quarterly basis, an LDH-approved non-proprietary Drug Claim processing and procedure manual to be published on the Louisiana Medicaid website, MCO website and on the Contractor's website as a Provider reference. This manual shall explain how to bill Drug Claims for proper reimbursement.**

MMA currently provides information on the claim review function in our procedure manual which is created through collaboration between appropriate MMA internal teams. The provider manual includes details explaining how to bill Drug Claims for proper reimbursement to avoid any overpayments, as well as an explanation of all claim review processes. We will customize the manual to reflect Louisiana Medicaid Managed Care Program-specific processes. This assists Pharmacy Providers to bill correctly for claims and avoids billing issues. MMA will make the procedure manual available through the Louisiana

Medicaid website, MCO website and on the MMA Web Portal as a Provider reference. We have the ability to provide this information through multiple media, depending on LDH's needs and requirements. MMA will develop, maintain, and publish the LDH-approved manual on a quarterly basis within 30 calendar days of the end of each calendar quarter.

- **Assign a resource to analyze probable erroneous payments/Drug Claims processing errors within one (1) Business Day of being brought to LDH's attention by Providers, identified through the Contractor's quality process, pharmacy audit, or any other source.**

MMA's proposed Lead Data Analyst and Provider/Enrollee Relations Manager will work together to analyze possible erroneous payments/Drug Claims processing errors within one Business Day after a Provider brings the error to LDH's attention. Our Lead Data Analyst will pull the reports for our Provider/Enrollee Relations Manager to review. Our Provider/Enrollee Relations Manager will also analyze Audit Reports.

- **Recommend changes to LDH to clarify policy, add edits or other Drug Claims processing controls as issues are identified through Drug Claim review.**

COO Claudia Soto will coordinate with the appropriate internal teams to review findings from the claims review process. Ms. Soto will make recommendations to LDH to clarify policy, add edits, or claims processing controls as issues are identified through claim review, as well as on an ongoing basis. After the Provider/Enrollee Relations Manager performs the Drug Claim Review, they will bring any issues to our Account Team who will implement an edit when necessary with LDH approval following our Change Control Process.

- **Recommend to LDH changes that can prevent payments to Providers that are inconsistent with Medicaid policies or accepted standards of practice.**

MMA possesses extensive experience with Medicaid policies. We will provide LDH with an experienced and dedicated staff who are up-to-date on current Medicaid policy and current best practice guidelines. Ms. Soto and/or our Clinical Pharmacy Director, Tina Hawkins, PharmD, will recommend to LDH changes that can prevent payments to Pharmacy Providers that are inconsistent with Medicaid policies, as well as accepted standards of practice. For example, clinical protocols can be used for the purpose of screening claims to identify prescribing patterns that are inconsistent with evidence-based, best practice guidelines.

- **Identify Drug Claims subjected to audit and recovery functions.**

Our Fraud, Waste, and Abuse Investigator will provide a report of all Drug Claims audited by including any overpayment identified, and the overpayment recovery status, in a mutually agreed upon format.

- **Provide LDH, on a quarterly basis and in a format as required by LDH, a report detailing the results of contacts of Network Providers where Drug Claims data appeared questionable.**

MMA's SIU uses a commercial case management system to capture and track investigations including all allegations of potential FWA and their outcomes. A report of these records can be provided to LDH on a quarterly basis.

- **Conduct and report a quarterly systematic review of all paid Drug Claims to identify and determine overpayments.**

MMA will provide a quarterly report to LDH of all paid Drug Claims identified as overpaid.

MMA's proposed Lead Data Analyst and Provider/Enrollee Relations Manager collaborate daily to analyze possible erroneous payments/Drug Claims processing errors within one Business Day after adjudication to identify incorrect Drug Claims processing.

Our Special Investigations Unit (SIU) oversees the review and audit of all paid Drug Claims to determine pharmacies and Drug Claims to audit for potential overpayments and non-compliance with applicable regulations.

- **Implement a high-dollar Drug Claim review process for high-cost Specialty Drugs or other therapies as directed by LDH, including Zolgensma and other high cost, low utilization Drug Claims and gene therapies.**

MMA will work with LDH to determine the high-cost threshold for Specialty Drugs or other therapies. FirstRx will be configured to deny claims that will pay over the threshold. PA will be instituted and overrides will be granted for claims that are being billed appropriately based on clinical review.

- **Conduct daily systematic review no later than one (1) Business Day after Adjudication to identify and determine inaccurate Drug Claims processing. The Contractor shall send notification within one (1) Business Day to the Provider that includes the error found in next day review, the reason the Drug Claim was determined to be in error, how to reverse and/or re-submit the Drug Claim and suggestions to prevent the error in the future. Subsequent follow up and documentation shall be presented to LDH for approval.**

MMA's proposed Lead Data Analyst and Provider/Enrollee Relations Manager collaborate to analyze possible erroneous payments/Drug Claims processing errors within one Business Day after adjudication to identify incorrect Drug Claims processing. MMA will send the Pharmacy Provider a notification within one Business Day that includes the issue/error from the previous day, the reason the Drug Claim was determined to be an error, instructions on how to reverse and/or re-submit the Drug Claim, and recommendations to avoid the error in the future. MMA will provide LDH with subsequent information and follow-up attempts for review and approval. This ensures the Provider has been trained and knows how to submit the Drug Claims correctly in the future.

- **Provide the capability to perform or participate in onsite reviews of pharmacies, utilizing a process and timeline mutually agreed upon by the Contractor and LDH.**

MMA's Audit Pharmacist, audit vendor, and Fraud, Waste, and Abuse Investigator will coordinate with LDH to perform, or participate in, onsite audits and/or reviews utilizing a mutually agreed upon process and timeline.

- **Produce all operational reports necessary to facilitate comprehensive oversight by LDH, including summary "dashboards" that show current and trending activities within the system.**

Leveraging the extensive capabilities offered by our MRx Explore reporting tool, authorized users are able to have ready access to management and operational program information. MRx Explore provides an operational view of many facets of the Louisiana Medicaid Managed Care Program. Interactive Reports are categorized by Claims, Drugs, Prescriber and Pharmacy, Program Integrity, Beneficiary, and Utilization.

- **Present data, including configurable dashboards and key aggregated current and historical operational data for analysis.**

Our dashboards provide rich visualizations of predetermined metrics that make critical information easily accessible via a single screen. MRx Explore dashboards can be configured by changing filters and provide key aggregated current and historical operational data for analytical purposes. All MRx Explore

dashboards can be downloaded in HTML, XML, PDL and other formats and downloaded and saved for future use.

- **Provide the capability to report unduplicated data, based on LDH-defined criteria (e.g., days' supply, units, Enrollees, Providers).**

The MMA Louisiana MCO PBM Solution provides data that are not duplicated based on LDH-specific criteria including days supply, units, Enrollees, and Providers. MMA will work with LDH during Requirements Review and Validation meetings to identify all LDH criteria requirements.

- **Produce a monthly executive level dashboard summary report for Drug Claims processed to be delivered to LDH ten (10) Business Days from the end of the previous month.**

MMA will provide LDH with a dashboard summary report for Drug Claims processed during the previous month within 10 Business Days from the end of the month. MMA will meet with LDH during Requirements Review and Validation meetings at the beginning of the contract to review and validate all RFP requirements, including the requirements for the dashboard summary report. We will collaborate with LDH to determine the format, including the LDH-required data elements, of the executive level dashboard. MMA will customize the report to meet LDH needs and submit for review and approval prior to submitting the executive level dashboard for production.

- **Produce a monthly report for all Drug Claims paid for Specialty Drugs. This report shall include a breakdown of drugs dispensed and shall be broken down by LDH-identified criteria.**

MMA will provide a Specialty Drugs Claims Report to LDH on a monthly basis. MMA has an existing report for Specialty Drugs that includes a breakdown of drugs dispensed. We will meet with LDH at the beginning of the contract to ensure our existing report meets LDH requirements and needs and ensure LDH-required criteria is included. MMA will perform any customization to the report, if necessary. We will provide this report to LDH 15 Calendar Days after the end of each month.

- **Produce a monthly report for all Drug Claims processed under the 340B program to ensure compliance with the LDH 340B policy.**

MMA will work with LDH to identify 340B claims and provide standard summary and detail level reporting based on monthly claims activity to support LDH 340B policy and compliance requirements. MMA will meet with LDH during implementation planning and requirements review meetings to validate 340B requirements and required data elements needed for claims reporting.

- **Provide a monthly report summarizing TPL/dual eligible Drug Claims, identified at the point of sale, either through TPL codes submitted on the Drug Claim or via eligibility file or real-time TPL identification software.**

MMA will provide LDH with a monthly TPL/Other Insurance Claims Report that summaries all Drug Claims where TPL/dual eligible Drug Claims, identified at the POS through TPL codes submitted on the Drug Claim or via the eligibility file or via real-time TPL identification software. MMA has existing TPL reports as part of our MRx Explore reporting solution. We will meet with LDH at the beginning of the contract to ensure one of our existing reports meets LDH requirements and needs. MMA will perform any customization to the report, if necessary. We will provide this report to LDH 15 Calendar Days after the end of each month.

- **Produce a monthly report detailing morphine milligram equivalents (MME) which reports any Enrollees who are potential outliers and exceed the MME recommendations.**

MRx Explore provides a suite of 16 reports to support the growing need for opioid usage monitoring, including MME reports to report on Enrollees who are potential outliers and exceed MME recommendations. We will provide LDH with the Morphine Milligram Equivalents Claims Report on a monthly basis 15 Calendar Days after the end of each month.

- **Require the COO or designee to provide attestation and review all reports before they are submitted to LDH. The COO shall carefully and fully review the report and determine it to be free of errors and correct for its intended purpose.**

COO Claudia Soto will provide attestation and review all reports before submission to LDH. Ms. Soto will review all reports carefully to ensure the report is free of errors and correct.

- **Produce a monthly ProDUR summary report with LDH-approved content (e.g., the reason for service code broken down by severity, count, and amount paid).**

MMA will provide LDH with our Standard Monthly ProDUR reports, including the ProDUR Summary Report, that are generated on a monthly schedule and made available through our online shared document repository. These reports will contain ProDUR metrics based on pre-defined criteria. The ProDUR Summary Report will include LDH-approved content such as Prospective Payment System (PPS), Prior Authorization/Medical Certification Code (PAMC) and submission Clarification Code (SCC) such as reason for service code by severity, count, and amount paid. The report includes defined exclusions for all claims processed for the entire Louisiana Medicaid population for each program month.

MMA will meet with LDH during Requirements Review and Validation meetings at the beginning of the contract to review and validate all RFP requirements, including this requirement for a monthly ProDUR Summary Report. We will collaborate with LDH to determine the format, including the LDH-required data elements, of the ProDUR Summary. MMA will develop a report to meet LDH needs and submit for review and approval prior to submitting to production. We will provide this report to LDH 15 Calendar Days after the end of the month.

- **Produce a monthly ProDUR paid savings report with LDH-approved content (e.g., Drug Claim detail for ProDUR related reversals and associated savings).**

MMA will provide LDH with our Standard ProDUR Paid Savings Report which will be generated on a monthly schedule and made available through our online shared document repository. This report will contain ProDUR metrics based on pre-defined criteria relating to Drug Claim detail for ProDUR related reversals and associated savings. We will provide this report to LDH 15 Calendar Days after the end of each month.

- **Create a PDL Quarterly Operations Report that shall include at a minimum: PA approval and denial statistics related to PDL classes and non-PDL drugs, most common reasons for denial of each class, statistics related to PDL compliance in each class, utilization and costs statistics related to the drugs in each PDL class, and any other information requested by LDH. The Contractor shall provide the PDL Quarterly Operations Report within thirty (30) Calendar Days of the end of the quarter.**

MMA provides LDH with multiple PA reports available in MRx Explore. The PA reports provide summarization metrics on the disposition of our processed authorization requests in order to show the counts and quickly determine percentages of requests that involved changes to existing authorization or new requests that were approved or denied. In addition, our reports provide information on the various clinical decision rules that were utilized by Customer Service Center (CSC) staff in the process of adjudicating and arriving at a decision for the requests received. For example, PAs can be categorized and reported on based on the rationale for the PA requirement, such as the product not being on a PDL.

MMA will meet with LDH during Requirements Review and Validation meetings at the beginning of the contract to review and validate all RFP requirements, including the requirements for the PDL Quarterly Operations Report. We will collaborate with LDH to determine the format, including the LDH-required data elements, of the PDL Quarterly Operations Report. MMA will develop a report to meet LDH needs and submit for review and approval prior to submitting to production. We will provide this report to LDH 30 Calendar Days after the end of the quarter.

Refer to *Figure 8.13-7* for a report sample depicting PA summary information currently available through MRx Explore.

Our reports take advantage of a robust set of data from the various aspects of the program operation which are collated and curated into our central data warehouse overnight, following the conclusion of each business day.

- **Provide recommendations for drugs and/or drug classes to be added to the automated pharmacy PA tool, and pre-analysis and post-analysis data and ProDUR recommendations.**

Our Clinical Pharmacy Director, Tina Hawkins, PharmD, will review clinical data, PA statistics, perform pre-analysis and post-analysis data and provide ProDUR recommendation for drugs and/or drug classes to be added to our AutoPA functionality in FirstRx. Before making recommendations, Dr. Hawkins will evaluate the potential impact of the change prior to implementation. She will also benchmark the data against pre-analysis implementation. After, Dr. Hawkins provides recommendations to LDH she will perform a post-analysis data review to ensure the success of the recommendation.

- **Provide reports that clearly show trends over time, highlighting any identified problem areas in terms of both cost and volume.**

Clinical Pharmacy Director Dr. Hawkins will work in conjunction with COO Claudia Soto to analyze data and provide reports to LDH that provide trends over time, highlighting any identified problem areas in terms of cost and volume.

MMA will meet with LDH during Requirements Review and Validation meetings at the beginning of the contract to review and validate all RFP requirements, including the requirements for the PBM Claim

Trends Report and the PBM Drug Rate Payment Report. We will collaborate with LDH to determine the format, including the LDH-required data elements, of the two reports. MMA will develop the reports to meet LDH needs and submit for review and approval prior to submitting to production. We will provide this report to LDH 30 Calendar Days after the end of each quarter.

- **Develop a robust peer-to-peer counseling program to oversee drug therapy, improve Enrollee care and support DUR activities.**

MMA has provided Medication Therapy Management (MTM) services which includes peer-to-peer counseling, oversees drug therapy appropriateness, and improves Enrollee care since 2010. We offer LDH a Medicaid-centric peer-to-peer counseling program that can be designed and customized to meet LDH requirements and needs. ***Our proposed comprehensive peer-to-peer counseling solution looks to improve areas of need that will be customized specifically for the Louisiana Medicaid Managed Care Program by providing a prescriber counseling program to ensure appropriate drug therapy, improve Enrollee care, and support DUR activities. Our program was developed in cooperation with licensed and practicing pharmacists and physicians and is designed to work with pharmacy, and/or medical data; however, both data sets are preferred to optimize program impact and outcomes.*** MMA utilizes decades of clinical program experience to optimize population management for our customers.

Navigate Whole Health – An Innovative Solution to Peer-to-Peer Counseling

MTM optimizes medication use to improve therapeutic outcomes and enhance patient care by providing services utilizing the skills of a clinical pharmacist. The five core elements of MTM service include:

- Medication Therapy Review
- Personal Medication Record
- Medication-Related Action Plan
- Intervention and/or Referral
- Documentation and Follow-Up.

Although these elements are essential components of our prescriber peer-to-peer counseling solution, their sequence and delivery can be customized to meet LDH needs. With the burden of new emerging therapies, a whole Enrollee approach to medication therapy management is necessary to effectively change and positively impact prescriber trends to positively impact Enrollee outcomes. Navigate Whole Health's approach to Prescriber education and counseling provides customized medication therapy management and identifies opportunities for intervention.

Furthermore, collaboration between the clinical pharmacist and other members of the healthcare team ensures appropriate follow up to oversee drug therapy, improve the overall quality of Enrollee care, and support DUR activities.

Navigate Whole Health offers a unique approach to optimize therapeutic outcomes and promote safe, effective medication use. Our proprietary analytics model leverages medical and pharmacy claims data to identify opportunities to intervene on behalf of Medicaid, and Medicaid/Medicare populations receiving treatment for cardiovascular, endocrine, substance use disorders, HIV as well as comorbid behavioral health. Advanced clinical protocols identify inappropriate medication utilization including clinical measures defined by HRSA guidelines, as well as opportunities to improve drug therapy adherence and preventing adverse events.

Ensuring Compliance Medication Regimens

Beyond standard reviews to identify therapeutic duplications and appropriate dosing, our protocols also identify complex medication concerns including inappropriate drug regimen, medication nonadherence, and potential interactions across multiple disease states. These data are then utilized to facilitate Prescriber consultations and continuous medication therapy monitoring. Our experienced clinical pharmacists engage Prescribers through multimodal personalized consultations to discuss medication-related problems and provide ongoing education around best practice prescribing. Throughout this process, we focus on building partnerships with physicians and other healthcare practitioners to ultimately influence prescribing patterns, achieve targeted outcomes, and assist in the coordination of Enrollee care across multiple disciplines, including the community pharmacy setting.

Our outcomes reporting system continues to capture data and evaluate changes in medication therapy post-intervention. The data are then analyzed by our dedicated analytics team to show closed gaps in care and cost savings associated with clinical interventions. An outcomes analysis report is generated and presented to the LDH twice per year. In *Figure 8.13-8*, we show our high-touch academic detailing approach that focuses on improving best practices for Medicaid PBM customers, as well as our other government customers.

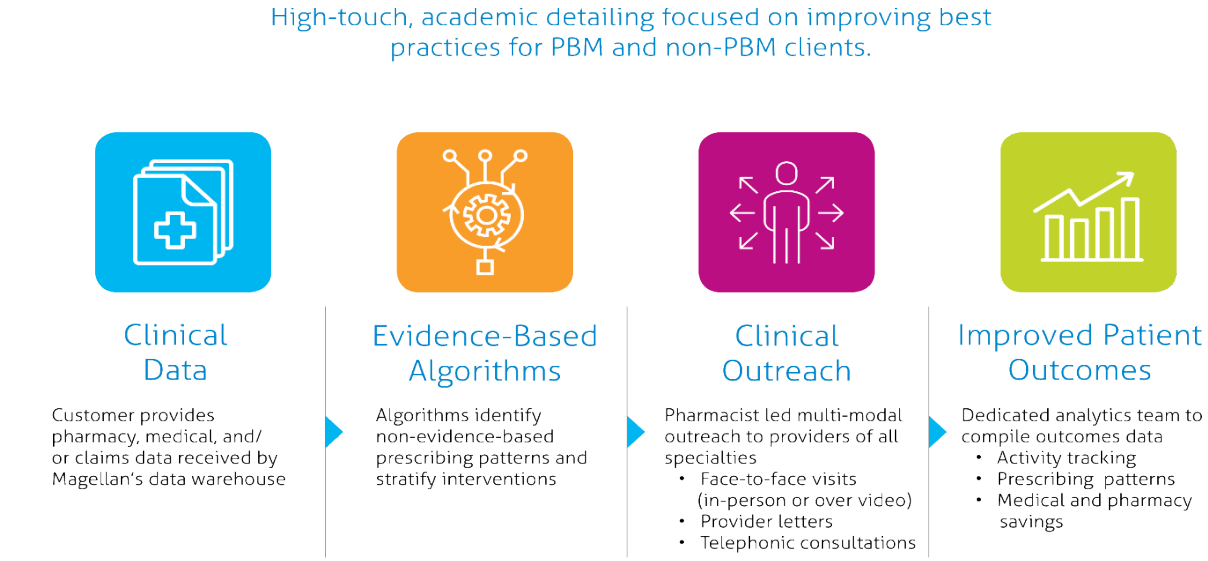


Figure 8.13-8: High-Touch Academic Detailing Focused on Improving Best Practices

Program Goals

Our proprietary clinical protocols were developed by a multi-disciplinary team, utilizing the latest clinical literature and best clinical practice experience. Our team includes a wide range of specialties including HIV, psychiatry, internal medicine, cardiology, and clinical pharmacy practice. Our program can be customized to meet the various needs of your population, ranging from HIV medication management to opioid utilization and behavioral health prescribing. Example clinical protocols include:

- Potential Drug Interactions with ART Therapy, including concurrent utilization of proton pump inhibitors, statins, and antipsychotics with ART
- Inappropriate Medication Dosing
- Utilization of Psychotropic Medications in Foster Care Children
- Polypharmacy- Interclass and Intraclass

- Formulary Optimization
- High Dose Opioid Utilization
- High Risk Opioid and Benzodiazepine Utilization
- Concurrent Opioid and Antipsychotic Utilization in Pediatrics
- Laboratory Best Practice Guidelines
- Gaps in Care for Physical Health Conditions
- HIV Antiretroviral (ART) Adherence
- Inappropriate HIV Regimens such as tenofovir alafenamide plus tenofovir disoproxil; un-boosted darunavir/saquinavir/tipranavir.

Through our advanced clinical protocols, best practice guidelines, and active partnership with Prescribers, Live Vibrantly Whole Health improves medication management and clinical outcomes. Proven results include:

- Increased proportion of days covered (PDC) for Enrollees receiving interventions for antiretrovirals and medications to treat other comorbidities
- Decreased pill burden
- Discontinuation of outdated prescriptions at the pharmacy provider level to reduce unintended concurrent medication use
- Improved client understanding of individual treatment plan and goals through case management.

MMA improves best practices and outcomes to protect and promote health for Louisiana Medicaid Managed Care Program Enrollees. Live Vibrantly Whole Health offers LDH a high-touch, academic detailing solution that is focused on improving best practice prescribing.

- **Provide peer-based profiling to alert Prescribers of their ranking within their specialty.**

Our Standard MRx Explore Reporting Package provides LDH authorized users with a suite of Prescriber reports including a Provider Profiling Report. MMA provides standard reports, as well as access to our proprietary ad hoc self-service query reporting tool, Report Studio, that allows authorized users to create customized ad hoc reports using a catalog of data elements and parameters available through MRx Explore, such as drugs, cost, claims, patient. Reports are available using a report, visualization, or geographical format.

Our Provider Profiling Report provides a high-level overview of Prescribers and associated claims data. This report contains summary level data at a Prescriber level and allows drill down capabilities to a claim level detail. In the following table, we provide the data elements and description in the report.

In the following table we provide the report prompts for the Provider Profiling Report.

In *Figure 8.13-9*, we provide a sample of our Provider Profiling Report.

In addition, we provide the following prescriber reports through MRx Explore:

- Drug Detail of Prescribers
- Prescriber & Pharmacy Reporting
- Prescribers by Volume v. Amount Paid
- Prescribers to Claims Ratio
- Utilization Impact by Prescriber
- Top Prescribers by % Controlled Rx
- Generic Efficiency Rates by Prescriber
- Pharmacy DAW1 Code Submission Report – Top Prescribers
- Prescriber Shopping Report
- Prescriber Shopping Report – Controlled Substances.

Our Lead Data Analyst will work in conjunction with LDH and MCO staff during Requirements Review and Validation meetings at the beginning of the contract to validate our understanding of the necessary Provider Profiling Report elements and fields. After receiving feedback and input, our Lead Data Analyst will customize a report to supplement our existing Provider Profiling Report is necessary. The draft supplemental report will be submitted to LDH for review and approval to ensure that all LDH and MCO needs are being met.

- **On a monthly basis, the Contractor shall submit a Drug Claims payment accuracy percentage report to LDH. The report shall be based on an audit conducted by the Contractor. The audit shall be conducted by an entity or staff independent of Drug Claims management, and shall utilize a randomly selected sample of all processed and paid Drug Claims upon initial submission in each month. A minimum sample consisting of two hundred (200) to two hundred fifty (250) Drug Claims per month, based on financial stratification, shall be selected from the entire population of electronic and paper Drug Claims processed or paid upon initial submission.**

On a monthly basis, MMA will submit a Drug Claims payment accuracy percentage report to LDH that is based on audits conducted by MMA internal auditors who are tasked with ensuring claims processing accuracy. MMA conducts audits using randomly selected sample of all processed and paid Drug Claims upon initial submission in each month. We use samples selected from the entire population of electronic and paper Drug Claims processed or paid upon initial submission. We will audit 200 to 250 Drug Claims per month, based on financial stratification.

  - **The Minimum attributes to be tested for each Drug Claim selected shall include:**
    - **Drug Claim data is correctly entered into the Drug Claims processing system.**

The MMA Claim Auditor ensures that Drug Claim data was correctly entered into the FirstRx POS claims processing system by validating the following drug components:

- NDC (National Drug Code)
- GSN (Generic Code Sequence Number)
- HSN [Hierarchical Ingredient Code List (HICL) Sequence Number]
- Date ranges based on release date
- Other/Miscellaneous edits.

Drug coverage and limits including the following are validated:

- Verify drug is covered by plan benefit and payment was applied appropriately
- Verify that the drug quantity has not exceeded plan limit
- Verify the day supply plan limit
- Verify the refill plan limit
- Verify the prescription plan limit

- Verify the expectable override applies to any drug and/or plan limit(s).

    - **Drug Claim is associated with the correct Provider.**

The Claim Auditor validates the Pharmacy Provider is enrolled in the Louisiana Medicaid Managed Care Program and part of the Louisiana Pharmacy Provider Network. Validation to ensure the submitted drug requires a prior authorization is performed by reviewing LDH's formulary, clinical criteria and claims history and to determine if a prior authorization was obtained. Our Claim Auditor also validates the dates of coverage.

    - **Enrollee eligibility at processing date was correctly applied.**

MMA verifies that Enrollee eligibility on the processing date was correctly applied by checking:

- Submitted Last Name
- Submitted First Name
- Submitted Date of Birth (DOB)
- Enrollee Identification Number
- Start and Term Dates.

    - **Allowed payment amount agrees with contracted rate.**

The Claim Auditor validates that the payment amount corresponds with the contracted rate. The auditor validates the payment has processed through the system and the amount allowed has accurately applied the appropriate ingredient cost.

    - **Duplicate payment of the same Drug Claim has not occurred.**

Our FirstRx claims processing system will automatically reject a duplicate claim at the time of submission when the exact drug components, date of service, and Enrollee identification number are submitted

    - **Denial reason is applied appropriately.**

Our Claim Auditor validates the claim denial/rejection reason is valid and applied appropriately according to the benefit design. The auditor verifies the drug claim utilizing the Medication History tab in FirstRx and validates the following information is included:

- Denied/rejected claim appears on this tab
- Drug Utilization Evaluation (DUE) edit Check Window, click the appropriate DUE code
- DUE edit Encounter Tab populates the claim information pertaining to the denial/rejection reason.

    - **Co-payments are considered and applied, if applicable.**

The Claim Auditor validates the following co-payment information:

- Other Payer ID Submitted
- Other Payer ID Qualifier
- Other Payer Amount Paid submitted
- Other Paid Qualifier
- Patient Responsibility Amount Qualifier
- Patient Responsibility Amount
- Coverage Type
- Date
- Reject Count
- Amount Paid Count
- Benefit Stage Count
- Reject Code
- Benefit Stage Qualifier

- Benefit Stage Amount.
    - **Effect of modifier codes were correctly applied.**

In accordance with the State's response to Question #22, Addendum 4, dated March 16, 2022, MMA understands that an NDC is required on all Physician Administered Drug claims and will be considered during drug claim review. MMA validates the effects of modifier codes to ensure HCPCS were mapped properly and paid correctly.

- **Proper coding.**

Our Claim Auditor perform audits on paid claims based on the changes generated by the Benefit Change Form (BCF) within our Change Control Process.

The Claim Auditor utilizes the Case tracking tool to monitor case tickets that have been resolved by the Benefit Configuration Team. These cases describe the changes that have been placed into production by the Benefit Configuration Team and all communications related to the Case are tracked in the tracking tool.

- **The results of testing at a minimum should be documented to include:**
    - **Results for each attribute tested for each Drug Claim selected.**

Our Test Team builds scenarios around each attribute for the Drug Claim selected. We test each attribute for the specified scenario and document the results. MMA will provide LDH with a pass/fail result for each scenario tested.

- **Amount of overpayment or underpayment for each Drug Claim processed or paid in error.**

When a claim audit is performed and the results identify a financial error has occurred, COO Claudia Soto will coordinate efforts with the Claims Department and the Impact Analyst Department to determine:

- Total number of all claims impacted
- Reversal of all claims paid in error to ensure accurate financial recovery
- Reprocessing of all claims impacted to adjudicate accurately under the corrected benefits

- **Explanation of the erroneous processing for each Drug Claim processed or paid in error.**

Our Claim Auditor provides detailed documentation surrounding the error in the SharePoint audit platform which ensures accuracy in reporting.

- **Determination if the error is the result of a keying error or the result of error in the configuration or table maintenance of the Drug Claims processing system.**

The Claim Auditor provides the root cause analysis for the documented error and confirms the appropriate individuals are notified for correcting the error.

- **Drug Claims processed or paid in error have been corrected.**

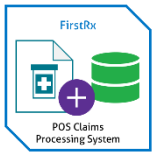
Our Claim Auditor is responsible for timely resolution ensuring an error has been corrected and documents the resolution process details.

8.14 Emergencies and Disaster Planning (RFP 2.1.25)

Emergencies and disaster planning: Describe the proposed approach to meet the requirements in Section 2.1.25.

In the event of an emergency, as determined by LDH, LDH shall have the authority to require the Contractor to implement any necessary configuration modifications to pharmacy requirements within seventy-two (72) hours of notification.

In the event of an emergency, as determined by LDH, MMA affirms that LDH will have the authority to require the implementation of any necessary configuration modifications within 72 hours of notification. MMA has established and proven processes in place to address natural and man-made emergencies, natural disasters including, but not limited to, hurricanes and tropical storms, as well pandemics.



FirstRx, our proprietary point-of-sale (POS) claims adjudication system, ***is a highly configurable and flexible business rules-based pharmacy claims processing application*** that serves the complex, ever-changing Medicaid market. Our system supports online benefit configuration and claims adjudication in real time, 24/7/365, as well as encounter claim loads/pricing. FirstRx accepts pharmacy claims via real-time and batch submission, web claims submission, and manually entered paper claims. Through FirstRx, we are able to make implement configuration modifications for the Louisiana Medicaid Managed Care Program.

MMA has an established Change Control Process to accommodate changes as directed by LDH. When urgent situations are identified, COO Claudia Soto and POS Programmer Amy Quinn, CPhT work in conjunction with LDH to understand and implement changes to the Louisiana Medicaid pharmacy requirements as expeditiously as possible. MMA's benefits and adjudication rule change requests are configurable nearly eliminating the need for software development allowing MMA to take immediate action to address critical Enrollee health needs. The QA Team monitors the Change Control Process to the extent that FirstRx system behavior reflects customer requirement documentation.

Proven and Effective Enrollee Support in Emergency Situations

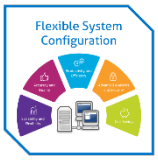
For our Florida Medicaid FFS PBM customer, MMA implements processes to lift early refill edits to ensure Enrollees have access to their medications when Emergency Orders are released by the Governor. Override edits are implemented within 24-48 hours of the Emergency Order notification, pending customer final approval. Once, implemented, Providers have the ability to immediately utilize the emergency 3-day override via POS adjudication. MMA provides a deployment notification to State staff within 1 hour of implementation. To ensure the above protocol is followed during weekends and holidays, MMA notifies the State of designated on-call MMA team members.

MMA is experienced in critical situations as we have supported our customers with urgent configuration needs due to wildfires, hurricanes, and floods. In these situations, configuration was updated and deployed in hours to enable pharmacies to use industry standard codes to override identified edits, such as early refill or other ProDUR edits, quantity, etc. MMA has the ability to implement necessary configuration modifications to pharmacy requirements prior to an emergency situation to ensure access of care for Enrollees. When a Governor nationwide declares a State of Emergency due to an impending natural disaster, MMA is able to follow NCPDP Guidelines for Emergency Preparedness to implement the following edits prior to the event:

- Emergency Preparedness – Refill Too Soon Override
- Emergency Preparedness – Refill Limit Override
- Emergency Preparedness – PA Requirement Override
- Emergency Preparedness – Accumulated Quantity Override
- Emergency Preparedness – Step Therapy Override.

MMA instituted patient-centric changes to increase access to medications/COVID vaccination, ensure safe medication use, and decrease COVID exposure risk in FirstRx. In *Figure 8.14-1*, we illustrate the POS edits that we implemented for our customers.

Figure 8.14-1: MMA COVID Experience with POS Edits



MMA accommodates changes, both urgent and non-urgent, and reacts with appropriate urgency depending on the situation. MMA will often suggest additional, clarifying messaging for review and approval. FirstRx provides the flexibility to support up to the industry standard allowed 3,000 characters to support messaging and/or additional messaging, which can be modified quickly. ***We encourage the use of messaging to the fullest extent possible to communicate information to the Pharmacy Provider.*** Providing the Pharmacy Provider with as much information as possible via NCPDP messaging capabilities enables quicker understanding, reaction, and resolution.

The configurability of FirstRx allows the responsive and quick support of Medicaid programs with customized edits, including those required for natural disasters and public health emergencies such as COVID-19. ***For example, we simultaneously implemented COVID-19 emergency edits for our Medicaid PBM customers, as well as our other government customers.*** FirstRx can be configured to allow a 72-hour supply of a covered outpatient drug in an emergency situation, or when a prescription is for a drug awaiting PA and MMA cannot reach the prescribing physician.

MMA acted quickly and implemented COVID-19 edits as a result of emergency orders put into place by Governors nationwide, such as suspension of early refill edits for all drugs except opioids, waiving of copays for all drugs, removal of quantity limits for rescue inhalers, and expansion of drugs eligible for 90-day supply.

MMA has been able to expeditiously implement the edits shown in the following table for different state Medicaid POS customers, based on CMS guidance related to COVID-19.

POS	Purpose
Varying COVID-19 Early Refill Procedures Based on Customer Needs	▪ Bypassed early refill edits on all claims. ▪ Bypassed early refill edits on all claims except opioids and/or controlled substances. ▪ Configured the system to allow pharmacies to enter Reason for Service code "ER" for any claim where, based on days' supply, <= 50% of the previous fill remained. For these instances, we were able to apply a message at POS which stated, "For COVID19 early refill required, if 50% utilized, enter DUE response codes with reason for service code ER." To ensure customers are able to appropriately receive federal funding, MRx is providing customers with reporting that shows which claims were affected by these changes.
COVID-19 ICD-10 Overrides	On March 18, 2020, the Centers for Disease Control (CDC) announced that a new ICD-10-CM code for COVID-19 would become effective April 1, 2020. ▪ The new ICD-10-CM code was quickly incorporated into our POS system for all customers. ▪ Some of our State Medicaid agencies updated their plan design to allow pharmacies to enter the COVID-19 ICD-10 code on the claim so that Beneficiaries would receive a $0 copay.

Emergency edits have had to be put in and then removed quickly to meet state requirements, and these edits differ from state-to-state. For example, MMA assisted our Medicaid customers with receiving pandemic-related federal reimbursements. For our District of Columbia and Virginia Medicaid customers, we implemented customized FirstRx edits that enable pharmacies to be reimbursed for COVID-19 testing. When the COVID-19 vaccine became available, MMA was ready to configure the FirstRx system quickly and responsively to adjudicate claims for the vaccine.

Within twenty-four (24) hours from LDH's request, the Contractor shall alter or remove Point of Sale, PA, or other pharmacy requirements as determined by LDH, in a manner that may be Statewide or limited to certain ZIP codes or parishes. For an emergency, specific changes shall be determined by LDH and may include:

- **Point of Sale Edits, including, but not limited to, altering early refill and refill too soon edits to an educational alert (message to pharmacy only, no denial at Point of Sale) or altering early refill and refill too soon edits set to deny so that they return an override code to be utilized by the pharmacy if needed to bypass the edit, without the requirement of a phone call to the helpdesk.**
- **Prior Authorization requirements, including, but not limited to, altering PA denials to an educational alert (message to pharmacy only, no denial at Point of Sale) as well as extending the expiration date of currently approved PA to a date requested by LDH.**
- **Quantity limitation, including, but not limited to, allowing dispensing of a ninety (90) Calendar Day supply for medications specified by LDH.**
- **Copays, including, but not limited to, waiving Enrollee copays for Drug Claims. Copayment amounts shall be added back to the pharmacy reimbursement.**
- **Signatures, including, but not limited to, removing the requirement of a signature for pick-up or delivery.**
- **Lock-In restrictions, including, but not limited to, removing pharmacy Lock-In restrictions or both pharmacy and Prescriber lock-in restrictions including on a case-by-case basis.**
- **Any other change LDH deems necessary to respond to the emergency and protect Enrollee's health.**

COO Claudia Soto will collaborate with our Clinical Pharmacy Director, Dr. Hawkins and POS Programmer Amy Quinn to implement, modify, or remove POS, PA, or other pharmacy requirements. MMA will complete the request within 24 hours after LDH request. MMA has the ability to make configuration changes Statewide or limited to certain ZIP codes or parishes quickly and efficiently.

FirstRx allows customization based on LDH authority and affords the flexibility to define, store, and modify benefit packages for inclusion/exclusion based on specific criteria as a result of an emergency. ***FirstRx is highly flexible, we can establish parameters limiting an Enrollee to a single Pharmacy Provider or up to five Pharmacy Providers; a single Prescriber or up to five Prescribers; or set parameters limiting the Enrollee to certain ZIP codes or parishes.*** Furthermore, at a more granular level, we can lock the Enrollee into the use of specific pharmacies for certain types of drugs only, such as narcotics or specialty pharmacy drugs.

Excellence in service is not simply responding quickly and accurately to update and complete system updates and modifications due to disasters and emergencies—it requires being responsive to and collaborative with LDH needs and partnering with Enrollees to address their concerns and providing them with assistance during emergency situations. ***In December 2021, when multiple tornadoes touched down throughout the Commonwealth of Kentucky, MMA set up a disaster hotline for any residents impacted by the devastation. They were able to receive crisis counseling to help them maneuver through the crisis.***

In case, of an emergency, MMA will complete specific changes as directed by LDH to the following:

- **Point-of-Sale Edits**, including, but not limited to, altering early refill and refill too soon edits to an educational alert (message to pharmacy only, no denial at Point of Sale) or altering early refill and refill too soon edits set to deny so that they return an override code to be utilized by the pharmacy if needed to bypass the edit, without the requirement of a phone call to the helpdesk.
- **Prior Authorization requirements,** including, but not limited to, altering PA denials to an educational alert (message to pharmacy only, no denial at Point of Sale) as well as extending the expiration date of currently approved PA to a date requested by LDH.

- **Quantity limitations,** including, but not limited to, allowing dispensing of a ninety (90) Calendar Day supply for medications specified by LDH.
- **Copays,** including, but not limited to, waiving Enrollee copays for Drug Claims. Copayment amounts shall be added back to the pharmacy reimbursement.
- **Signatures,** including, but not limited to, removing the requirement of a signature for pick-up or delivery.
- **Lock-In restrictions,** including, but not limited to, removing pharmacy Lock-In restrictions or both pharmacy and Prescriber lock-in restrictions including on a case-by-case basis.
- **Any other change** LDH deems necessary to respond to the emergency and protect Enrollees' health.

Through FirstRx, our highly flexible and configurable, claims processing POS system, MMA can configure benefit design rules and edits by different variables and exceptions based on LDH-defined rules. MMA uses a standard Requirements Template to capture customer-specific benefit designs. MMA, in partnership with LDH, will create a requirements document detailing the Louisiana Medicaid Managed Care Program benefit design structure within the FirstRx system. MMA will house the requirements document in our online shared document repository for all resources to view the requirements.

MMA's MCO PBM solution allows authorized users to create, modify, and delete business rules and edits without the need for programming. Across our book of business, over 98% of change requests to our claims processing system are met through configuration and deployment to production is made possible by the highly flexible nature of FirstRx. This allows us to implement changes as requested by LDH to covered populations and programs quickly and efficiently due to natural and man-made disasters, as well as pandemics.

Edit capability in FirstRx is virtually unlimited, enabling rapid adjustments in response to changing demands of program strategy, policy changes due to emergencies, as well as benefit plan design, therapy limits, lock-ins, and other LDH-requested changes.

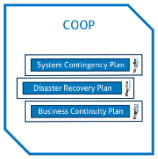
8.15 Continuity of Operations Plan (RFP 2.1.26)

Continuity of Operations Plan (COOP): Describe the proposed approach to meet the requirements in Section 2.1.26.

MMA's solution for continuity of operations will comply with Louisiana Medicaid Managed Care Program standards and requirements and will comply with new or enhanced data security, confidentiality, and business continuity throughout the life of the contract. We offer LDH 50 years of Medicaid experience, including 38 years of government PBM experience. Throughout all these years of experience, we have maintained emergency system contingency, data security, confidentiality, and business continuity for each of our government pharmacy contracts.

We currently provide our continuity of operations services to our current customers, including 26 Medicaid programs – 13 for which we provide pharmacy point-of-sale (POS) claims processing, as well as 5 ADAPs, 4 SPAPs, and 4 government managed care programs.

The Contractor shall develop and maintain a Continuity of Operations Plan (COOP) that addresses how the Contractor and any Subcontractors' operations and the ongoing provision of healthcare services shall be maintained in the event of a pandemic, natural disaster or man-made emergency including, but not limited to, localized acts of nature, accidents, and technological and/or attack-related emergencies, or other event which leads to a significant disruption in operations due to staff absence and/or loss of utilities that impacts fulfilling the requirements of this Scope of Work. The COOP shall be invoked no later than when the fulfillment of these requirements is impacted by such an event.



MMA will provide LDH with a Continuity of Operations Plan (COOP) that addresses how MMA and our Subcontractors will maintain operations and the ongoing provision of PBM services in the event of a pandemic, natural disaster, or man-made emergency, including, but not limited to, localized acts of nature, accidents, and technological and/or attack-related emergencies or events. It will address all activities required to ensure continuity and recovery of the Louisiana MCO PBM Project business operations during periods of system malfunction or a disaster event. We will invoke our COOP which includes our System Contingency Plan (SCP), Disaster Recovery Plan (DRP), and Business Continuity Plan (BCP) immediately upon an emergency situation. Our COOP for Louisiana will adhere to applicable State and Federal laws, rules, regulations, guidelines, and industry best practices.

Business Continuity and Disaster Recovery Success

In September 2018, MMA activated our Customer Service Center Business Continuity and Disaster Recovery Plans by evacuating our Call Center in Glen Allen, Virginia, due to a tornado that touched down during Hurricane Florence. **All Call Center duties were routed to our St. Louis office in a matter of minutes**. Following the re-opening of the Glen Allen office, all systems returned to normal operation, including the Call Center. **We continued to meet our service levels throughout the storm.**

MMA has established processes to ensure continuity of services from any disruption in operations due to staff absence and/or loss of utilities that impacts fulfilling the requirements identified in the RFP. We will meet with LDH during Requirements Review and Validation meetings at the beginning of the contract to address all Louisiana MCO PBM Project COOP requirements as defined by LDH. We will customize our COOP according to LDH feedback to ensure all LDH requirements and needs are met and submit to LDH for review and approval as part of Readiness Review. Our COOP contains an overview, continuity development elements, plan initiation, business impact analysis, data processing continuity, testing, and recovery procedures elements. It is our comprehensive plan of action for responding to a pandemic, natural disasters, and man-made disasters, preventing interruptions to normal business, protecting critical business processes, and providing strategies for resumption of normal business activities.

Best Practices to Prevent Emergencies and Disasters

Based on our extensive experience, MMA uses best practices to prevent emergencies and disasters and to ensure prompt detection. We report incidents to all appropriate authorities and stakeholders, respond to and address all types of emergencies and disasters, and maintain contingency plans for sufficient back-up and recovery for all operations.

MMA's disaster recovery provisions include backup network connectivity to the local facility, primary production, and disaster recovery environments. We have both primary and secondary circuits to our production data center and our disaster recovery data center. Our business continuity and disaster recovery strategy includes off-site replication of data and infrastructure necessary to maintain critical business services if our primary data center should become unusable.

The disaster recovery environment's location and the source infrastructure are separated by a significant physical distance to ensure that the disaster recovery environment is isolated from conditions that could impact the source site. During the normal course of business, but especially during a disruption or emergency, customer communication is extremely important. Upon a declaration of an emergency, customers affected by the disaster will be notified immediately.

Through our contract with AT&T, MMA utilizes SunGard Availability Services, Inc. (SunGardAS), a world leader in disaster recovery services, to provide a pre-configured warm-site and standby hardware located in Philadelphia, Pennsylvania, to facilitate the continuation of data processing services performed on the production computer systems located at the National Service Center (NSC) in the event of a catastrophic disaster.

The Disaster Recovery and Business Continuity Management Team will immediately convene in the event of a disaster and will direct the overall disaster recovery effort. The disaster recovery design that follows assumes a recovery from a total disaster. Should the nature of a disaster result in partial destruction of the operation and/or premises, the same outline would be followed, but the amount of effort required to obtain normalcy would be predictably lower, and the number of specific steps might vary depending upon the severity of the disaster.

- A designee from the approved Disaster Declaration Form (DDF) notifies SunGardAS that a disaster is being declared. Corporate personnel who will act as communications liaisons for customers, news media, and employees are contacted.
- The Director of Production Operations mobilizes the Technical Services and Communications Teams at the Command Center.
- The Director of Production Operations mobilizes the Computer Operations Team, the Salvage Team, the New Hardware Team, the New Facility Team, and Offsite Storage Team at the CommandCenter.
- The Director of Production Operations mobilizes the Production Control Team and the Applications Programming Team Leader at the Command Center.
- The Disaster Recovery Coordinator ensures that the mobilization of the teams proceeds smoothly and reports any problems to our Louisiana COO, who continues to be responsible for customer communication.
- Members of the Technical Services Team, the Operations Team, and the Production Control Team arrive at the Command Center prepared to travel to SunGardAS and remain there for an undetermined period.
- Upon arrival at SunGardAS, communication is established with the Command Center.

- Procedures for establishing the operating environment are executed under the direction of the Disaster Recovery Coordinator. The Disaster Recovery Coordinator acts as interim Director of Production Operations until the Director of Production Operations arrives at the recovery site.
- The Communications, Salvage, New Hardware, and New Facilities Teams begin rebuilding the Data Center under the supervision of the CEO of MMA.

MMA will work with LDH to ensure that formalized communication strategies, including alternate communication options, are provided within our Business Continuity Plan and Disaster Recovery Plan. Our plans also include MMA's communication strategy for information flow, decision making, and interrelationships among LDH's resources for response, recovery, and resumption. We will employ the Emergency Alert Notification System that outlines the procedures for coordinating with LDH in the event of a disaster.

Use of Planned Recovery Efforts: MMA's planned recovery efforts include a Recovery Time Objective (RTO) and Recovery Point Objective (RPO). RTO starts from the time of incident or disaster and not from the start of the recovery itself. RPO refers to the maximum amount of time that could pass between the last backup and the time that a disaster took place. For our mission-critical claims and call center systems, Magellan's current RTO is 24 hours. Magellan's current RPO is 24 hours.

Data Center Planned Recovery: Within our data center, Magellan has taken steps to eliminate or reduce unplanned data and telecommunication systems outages using current hardware and software technologies. Unplanned downtime exposure during day-to-day operations is significantly reduced with backup power generation systems, hosted environmental and systems monitoring applications, computer system and network hardware redundancies, mirrored disk, and data replication. Some of these technologies also serve to expedite critical systems recovery following a catastrophic event.

Cloud-hosted Systems Planned Strategy: For our systems hosted in the cloud, Amazon Web Services (AWS) provides services and infrastructure to build reliable, fault-tolerant, and highly available systems in the cloud. Magellan has used a multi-availability zone-based architecture to design a highly available and fault tolerant infrastructure. Magellan pharmacy applications AWS solution takes advantage of features provided by services such as Amazon Elastic Compute Cloud (EC2) autoscaling groups, Amazon Elastic Block Store (EBS) snapshots and Elastic Load Balancer (ELB) to create a highly reliable and scalable solution.

Replication-based Recovery Strategy: Magellan and AWS, our hosting service provider, both utilize a replication-based recovery strategy. With this strategy, data are replicated to a secure remote site located over 950 miles from the primary data center. This replication takes place daily and the replicated data are backed up to a library at the secure remote site, which is subject to the same expectations included in our Business Continuity Plan and Disaster Recovery Plan and in this RFP.

Classification of Emergency Events: Our current Business Continuity and Disaster Recovery Plans detail the classification of our emergency events strategy. We will collaborate with LDH to provide classification of emergency events and provide sufficient backup and recovery for all solution functions and operations, both manual and automated, including all functions required to meet the backup and recovery standards (including RTO and RPO). Given the mission critical nature of our systems and the importance of the accuracy of the data, Magellan prioritizes business continuity planning by using current hardware and software technologies to minimize unplanned data loss and telecommunication systems failures.

Facility Environment Protection Requirements: MMA will ensure that our facilities are equipped with adequate measures and means to ensure prompt detection of any disasters. The facility evacuation plan outlines the actions taken by the designated MMA manager, or his/her designee, invoking the

emergency plan. Our Business Continuity Plan and Disaster Recovery Plan will be compliant with our customers' existing federal, state, and local building codes, including the Americans with Disabilities Act (ADA) standards. All facilities will be compliant with equipment requirements for temperature, humidity, and cleanliness. All potential equipment malfunction will be eliminated or corrected immediately. We will maintain an operational back-up power supply that can support critical operational functions, until power is restored in the event of a power failure. MMA will make the back-up power supply operational within 60 seconds of power failure.

Fire Protection Requirements: MMA's Business Continuity and Disaster Recovery Plans are compliant with existing federal, state, and local fire safety regulations. All our facilities are equipped with fire detection and alarm system power supply that is uninterrupted with a 24-hour battery backup. All MMA facilities are equipped with panic bar door releases or, with the approval of the customer, equivalent mechanisms that comply with existing federal, state, and local fire safety regulations. In the event of a fire occurring during working hours, all personnel will inform or notify management personnel in the area immediately if such an act is safely possible.

Flood and Earthquake Protection Requirements: MMA will ensure our facilities are considered reasonably safe from flood and earthquake damage. We will install and maintain equipment to sense water intrusion and to warn our staff of such intrusion, especially in areas housing electrical equipment, or any stored records. MMA will submit all procedures, precautions, and preventative steps discussing water intrusion and earthquakes to prevent or to minimize danger to personnel, data, equipment, and facilities to the customer for approval. We have processes in place to address natural disasters such as violent storms and lightning storms, floods, hurricanes, tornadoes, and earthquakes.

Miscellaneous Disaster Protection Requirements: MMA's Business Continuity and Disaster Recovery Plans outline the policies and procedures to safeguard all staff housed in MMA facilities. Our training extends to prepare staff in the event of bomb threats, active shooter situations, explosions, assaults, hostage situations, hazardous material spills, civil disturbances, and terrorism.

Frequency of Recovery Testing

Our Disaster Recovery Plan is tested annually to ensure that if a disaster is declared, all components are in place and all personnel know precisely how to perform their tasks. Disaster Recovery Plan rehearsals are also conducted routinely for each platform by Magellan staff at the designated recovery sites, including reviewing the disaster recovery backup environment procedures for all offsite storage and validation of security procedures. Disaster recovery testing can be performed earlier if requested by LDH.

Magellan has both warm-site hardware and shared backup hardware at our remote secure site. In the event of a disaster, recovery teams remotely bring up the warm site with the most recent backups needed to restore business critical data center operations. This provides recovery without major service disruptions.

Facility Evacuation Plan and Emergency Preparedness Drills

MMA, our subsidiaries, and affiliates take reasonable precautions to preserve staff safety and security by ensuring facilities are prepared and procedures are in place to address emergencies. ***We maintain a Facility Evacuation Plan and conduct regular emergency preparedness drills.*** The Facility Evacuation Plan outlines the actions taken by the designated MMA manager, or his or her designee, invoking the emergency plan. Each MMA office or facility plans for contingencies and reports contingency plans to Corporate Security within 30 days of establishing an office. Once out of the building, the responsible MMA staff member determines the level of emergency and then contacts Customer Service Center

(CSC) management staff via cell phone. Management will adjust staffing levels so that CSC agents in non-effected areas are available to handle calls. Upon resolution, CSC management staff will readjust staffing back to normal levels.

Expectations for LDH Staff Participation in Disaster Recovery Testing

MMA understands the heavy workload and limited availability of LDH staff. ***Our Disaster Recovery exercises are performed without the participation of customers.*** The expectation of LDH staff regarding disaster recovery exercises is to review the test plan prior to the exercise and then review the results of the exercise once published. MMA will provide LDH with an updated Disaster Recovery Plan that reflects changes or updates as a result of the findings of the exercises.

Documentation on Disaster Recovery Procedure/Testing

In the event of a disaster, our Business Continuity Plan and Disaster Recovery Plan describe the procedures to notify LDH, Beneficiaries, Pharmacy Providers, and Prescribers, and other stakeholders of the status of the system. In addition, we provide alternative contact information for MMA staff in our plans in the event of a disaster.

MMA's standard recovery procedure/testing includes recovery of technical functions, human resources, and technology infrastructure. Our Disaster Recovery Plan includes detailed provisions for the following:

- Checkpoint/restart capabilities
- Retention and storage of back-up files and software
- Hardware back-up for the servers
- Hardware back-up for data entry
- Network back-up for telecommunications
- Telephone communications lines to the disaster back-up site
- Recovery prioritization list (hardware and software applications)
- Telecommunication Voice Switch
- Power supply to facilitate orderly system shutdown.

The Business Continuity and Disaster Recovery Plans include testing methodology and requirements. Our disaster recovery test will demonstrate our capability to restore processing capability in accordance with the Disaster Recovery Plan and for all critical system components in a remote environment.

MMA's annual disaster recovery test will include the processing of one recent weekly Extract Transfer Load (ETL) cycle and one recent daily ETL cycle at the time of the test. The disaster recovery test will involve all major technical functions including data acquisition, data access (web portal, business intelligence capabilities), and data delivery. Our test will conform to service level agreements (SLAs) related to the amount of time that is necessary to recover from the disaster and will provide proof that the recovery has been successfully completed using live data.

Rehearsals are performed by our staff from remote locations utilizing the Philadelphia, Pennsylvania, facility. System documentation and additional detailed procedures are kept on file at our Data Center. The steps of our recovery process are shown in *Figure 8.15-1, Return-to-Operations*.

Ensuring that Beneficiaries will have Access to Alternative 24/7/365 CSCs

We operate call centers across the continental United States. We maintain CSCs in Little Rock, Arkansas; Phoenix, Arizona; West Sacramento, California; Orlando, Florida; Tallahassee, Florida; St. Louis, Missouri; Harrisburg, Pennsylvania; Glen Allen, Virginia; and Salt Lake City, Utah. ***The geographic locations of our CSCs are beneficial since it allows a center not impacted by an unexpected occurrence to provide uninterrupted service for our customers.*** To ensure appropriate coverage and notifications, we have taken various steps to ensure minimal disruptions in service:

- Plan and benefit information is housed on a central system accessible by all CSC agents.
- CSC agents receive the same basic training and are cross trained in the benefits and skill sets required to address the nuances that are included in many plan designs.
- Designated specific continuity teams at each site.
- Consistent notification protocols to ensure that there are continual operations with minimal or no disruption of service.
- Aligned CSCs so that there is a pre-assigned back-up call center in the case of emergency.

To maintain consistent, high quality customer service during temporary telecommunication disruptions or office closures, MMA can reroute telephone traffic from any of our call centers, including after hours, to an alternate CSC restoring critical customer services. The CSC telephony and core system have full redundancy and automatic roll over. We provide full system support for all our CSC operations that is scalable, configurable, and provides the latest technological support and back-up resources in the event of a disaster or emergency.

The call center Leadership Team employs different mitigation strategies depending on the nature of the problem. First and foremost, a temporary Interactive Voice Response (IVR) message will be inserted to notify callers that there is an issue. The system can be configured with customized routing or messages

specified by LDH. The message can have different varieties depending on the problem and we can direct a caller to the web or email for certain types of inquiries. Messages can direct callers to specific resources in case of emergency. All messages are submitted to LDH for approval prior to implementation.

Description of the Alternative Pickup and Delivery Options for Displaced Beneficiaries

In the event of a disaster that causes displacement of Louisiana Medicaid Managed Care Program Beneficiaries, MMA can designate alternative pickup and delivery options. ***MMA's approach will identify initiatives that can be implemented to ease medication access and/or allow for flexibility in alternative pickup locations for displaced Beneficiaries during a state of emergency.*** MMA can also quickly push communications to the web portal and fax communications to pharmacy providers. CSC will be available to LDH staff and pharmacies to provide direction during these situations.

The Contractor shall:

- **Follow all LDH directives regarding access to care and relaxation of authorization requirements during an emergency. Corresponding system edits for all services shall be implementable at the parish level during an emergency.**

MMA will follow all LDH directives to continue all operational activities and the provision of healthcare services regarding access to care and prior authorization (PA) requirement relaxation for Louisiana Beneficiaries during an emergency. Using our established processes and systems, we have invoked our COOP for multiple customers to ensure continuity of services during pandemics, natural disasters, and man-made emergencies.

For our Florida Medicaid FFS PBM customer, MMA implements processes to lift early refill edits to ensure Enrollees have access to their medications when Emergency Orders are released by the standing Governor. Override edits are implemented within 24-48 hours of the Emergency Order notification, pending customer final approval. Once, implemented, Providers have the ability to immediately utilize the emergency 3-day override via POS adjudication.

MMA provides a deployment notification to State staff within 1 hour of implementation. To ensure the above protocol is followed during weekends and holidays, MMA notifies the State of designated on-call MMA team members.

MMA has the extensive experience and operational capability to support the following overrides of authorization requirements:

- DUR Overrides
- ICD Overrides
- Quantity Limit Overrides
- Emergency Supply Overrides
- Coverage Restriction Overrides
- Lock-in Overrides
- Copay Requirement Overrides
- Early Refill Overrides.

We will make corresponding system edits for all services and implement design changes at the parish level during an emergency for the Louisiana MCO PBM Project.

- **Have a method for ensuring that PAs are extended and transferred to new Providers during a pandemic, natural disaster, man-made emergency, or other event if directed by LDH.**

MMA has established processed and process for automatically extending and transferring PAs to new Providers during a pandemic, natural disaster, man-made emergency, or other event when directed by LDH. We have the ability to transfer PAs to a Pharmacy Provider in another location that has not been affected by the emergency situation or at the parish level. MMA will provide appropriate services to Beneficiaries to prevent harm or mitigate risk of imminent harm.

- **Submit the COOP to LDH or its designee for approval as part of Readiness Review and no later than thirty (30) Calendar Days prior to implementation of changes.**

As part of Readiness Review, MMA will submit our updated final COOP to LDH or its designee for review and approval. Any changes or updates to the COOP will also be submitted to LDH for review and approval at least 30 Calendar Days prior to the implementation of the revision.

- **Immediately inform LDH, in writing, when invoking its COOP. If the nature of the triggering event renders written notification impossible, the Contractor shall notify LDH of the invocation of the COOP through the best available means. If the nature of triggering event renders immediate notification impossible, the Contractor shall inform LDH of the invocation of the COOP as soon as possible.**

Claudia Soto, our COO, will immediately notify LDH in writing when invoking the MMA COOP. If the initiating event makes it impossible to provide a written notification, MMA will notify LDH by telephone or other means possible. In the case, that the event does not allow for immediate notification, MMA will inform LDH of the beginning of the COOP as soon as possible.

In addition, MMA provides a notification to State staff within 1 hour of any application deployment implementation. To ensure the above protocol is followed during weekends and holidays, MMA notifies the LDH of designated on-call MMA team members.

8.15.1 Systems Contingency Plan (RFP 2.1.26.1)

As part of the COOP, the Contractor shall provide a Systems Contingency Plan (SCP), regardless of its system architecture, to protect the availability, integrity, and security of data and to continue essential application or system functions during and immediately following these events. Core eligibility/enrollment and Drug Claims processing shall be restored within seventy-two (72) hours of declared major failure or disaster.

MMA will provide LDH with a SCP, as part of the COOP, that protects the availability, integrity, and security of data and ensures the continuation of essential application or system functions during a pandemic, natural disaster, or man-made emergency.

MMA exceeds the 72-hour requirement for eligibility/enrollment and drug claims processing systems restoration. For our mission-critical drug claims POS processing, including eligibility/enrollment, and call center systems, MMA's current RTO and RPO is 24 hours. What this means to LDH is that in the worst case, MMA's systems will be functional 24 hours after a disaster occurs and that when the system is restored, the data will be no older than 24 hours prior to the time of the disaster. All other systems will be functional within 72 hours.

The SCP shall include, at a minimum, a disaster recovery plan (DRP) designed to recover systems, networks, workstations, applications, etc. in the event of a disaster; and a Business Continuity Plan (BCP) for restoring the operational function of the organization in the event of a disaster that includes items related to IT, as well as

operational items such as employee notification processes and the procurement of office supplies needed to do business in the emergency mode operation environment.

The SCP shall address the following scenarios, at a minimum:

- **The central computer installation and resident software are destroyed or damaged.**
- **The system interruption or failure resulting from network, operating hardware, software, or operations errors that compromise the integrity of transactions that are active in a live system at the time of the outage.**
- **System interruption or failure resulting from network, operating hardware, software or operations errors that compromise the integrity of data maintained in a live or archival system.**
- **System interruption or failure resulting from network, operating hardware, software or operational errors that does not compromise the integrity of transactions or data maintained in a live or archival system, but does prevent access to the system, such as it causes unscheduled system unavailability.**

Given the mission critical nature of our systems and the importance of the accuracy of the data, MMA places a high priority on business continuity by using current hardware and software technologies to minimize unplanned data and telecommunication systems failures. MMA will maintain our SCP, part of our COOP, which consists of a DRP, and BCP. The SCP will address the protection, the availability, integrity, and security of data and how we continue essential application or system functions during and immediately following emergency events. ***The DRP will address the recovery of systems, networks, workstations, applications, etc. in the event of a disaster. The BCP will address restoring the MMA operational functions in the event of a disaster that includes items related to IT, as well as operational items such as employee notification processes and the procurement of office supplies needed to do business in the emergency mode operation environment.***

MMA provides a SCP that a minimum addresses remediation efforts if the central computer installation and resident software are destroyed or damaged; remediation efforts for system interruption or failure resulting from network, operating hardware, software, or operations errors that compromise the integrity of transactions that are active in a live system at the time of the outage; remediation efforts for system interruption or failure resulting from network, operating hardware, software or operations errors that compromise the integrity of data maintained in a live or archival system; and remediation efforts for system interruption or failure resulting from network, operating hardware, software or operational errors that does not compromise the integrity of transactions or data maintained in a live or archival system, but does prevent access to the system, such as it causes unscheduled system unavailability.

We employ a replication-based recovery strategy for the data center. ***Data are replicated to a secure remote site, provided by Sungard Availability Services (AS).*** The Sungard AS site is located over 950 miles from the primary data center. Replication takes place daily, and the replicated data are backed up to a virtual tape library at the secure remote site. MMA has both warm-site hardware and shared backup hardware at this remote site. In the event of a disaster, recovery teams have the capability to restore Data Center operations to business-critical functions by remotely initiating the warm-site start-up using the most recent virtual tape library backups needed. In the unlikely event that remote recovery is not a viable option, teams can be dispatched to the warm site to carry out recovery efforts.

Our systems provide hybrid cloud-hosted services, and we are able to prevent a single point of failure that could cause the system to become unavailable. MMA provides this capability using services and infrastructure provided by Amazon Web Services (AWS) to build reliable, fault-tolerant, and highly available systems in the cloud. MMA uses services and infrastructure provided by AWS to build reliable, fault-tolerant, and highly available systems in the cloud.

We have used a multi-Availability Zone-based architecture to design a highly available and fault-tolerant infrastructure. MMA Pharmacy Applications AWS solution takes advantage of features provided by services such as Amazon Elastic Compute Cloud (EC2) autoscaling groups, Elastic Block Store (EBS) snapshots, and Elastic Load Balancing (ELB) to create a highly reliable and scalable solution. Amazon EBS provides the ability to create point-in-time snapshots of data volumes which can be used as the starting point for creating new Amazon EBS volumes in case of corruption or loss of data volume. EC2 instances used to deploy components of the MMA Pharmacy Applications solution are launched using AMIs that are preconfigured with appropriate operating system including pieces of the application stack. In the event of hardware failure of an EC2 instance, a new EC2 instance can be quickly launched using the hardened AMI and the automated cloud formation templates as part of the recovery procedure. ***MMA Pharmacy Applications AWS solution uses the Amazon Route 53 DNS Web service, which provides global load-balancing capabilities, automatic DNS endpoint health checks, and the ability to failover between multiple endpoints***. ELB is used to automatically distribute incoming application traffic across multiple Amazon EC2 instances. This helps MMA pharmacy applications to achieve even greater fault tolerance by seamlessly providing the load-balancing capacity that is needed in response to incoming application traffic. MMA pharmacy applications transactional data are also replicated. In the event of a failure of the primary database, all connections can be seamlessly switched to the secondary replica with little impact to business operations. MMA pharmacy applications application architecture uses Autoscaling to maximize the benefits of the AWS cloud. The MMA pharmacy applications solution achieves high fault tolerance by using Autoscaling to detect when an EC2 instance is unhealthy, terminate it, and launch an instance to replace it. Autoscaling in combination with CloudWatch is also used to support scalability and performance demands of the MMA pharmacy applications. Amazon CloudWatch alarms are used to monitor the pre-defined thresholds and integrated with Autoscaling launch configurations to achieve the highly available and scalable network architecture.

Disaster Recovery Plan

MMA provides a DRP that contains the overview, data processing continuity, business impact analysis (BIA), testing, and recovery procedures elements discussed in the RFP. It also includes statement of actions taken before, during, and after a disruptive event and provides procedures to respond to an emergency, providing back up operations during a disaster. MMA understands that LDH will not acknowledge that recoverability exists until the plan is tested, and the plan is verified for accuracy. We maintain a comprehensive DRP for all our Data Centers, cloud-hosted applications, and facilities so that POS operations can be transferred to an alternate site in the case of a disaster.

Our disaster recovery strategy involves the off-site duplication of data and infrastructure necessary to maintain critical business services in the event that our primary datacenter should become unusable. The disaster recovery environment's location and the source infrastructure are separated by a significant physical distance to make sure that the disaster recovery environment is isolated from conditions that could impact the source site. ***MMA's DRP is tested annually to make sure that if a disaster is declared, all components are in place and all personnel know precisely how to perform their tasks.*** While we have successfully tested our DRP each year, MMA has never experienced an event that triggered our DRP. The infrastructure that is required to support the duplicate environment for our Data Center includes the following:

- Facilities to house the infrastructure, including power and cooling
- Security to make certain the physical protection of assets
- Suitable capacity to scale the environment
- Support for repairing, replacing, and refreshing the infrastructure

- Contractual agreements with an Internet service provider (ISP) to provide Internet connectivity that can sustain bandwidth utilization for the environment under a full load
- Network infrastructure (i.e., firewalls, routers, switches, and load balancers)
- Enough server capacity to run all mission-critical services, including storage appliances for the supporting data, and servers to run applications and backend services such as user authentication, Domain Name System (DNS), Dynamic Host Configuration Protocol (DHCP), monitoring, and alerting.

Business Continuity Plan

MMA's BCP provides a plan that contains the overview, scope, and plan initiation, BIA, and BCP development elements discussed in the RFP. It is our comprehensive plan of action for responding to any natural or man-made disasters, preventing interruptions to normal business, protecting critical business processes, and providing strategies for resumption of normal business activities. ***It addresses the following key areas: introduction, initial emergency procedures, responsibility of teams, declaration of a disaster, operational procedures/sites, emergency checklists/types, recovery procedures, as well as testing.*** Our plan works in conjunction with our Corporate Data Center Recovery Strategy Plan. Taken together the plans provide procedures to address potential interruptions in routine business operations and include the recovery and resumption of normal activities. MMA's plan includes performing backups, preparing critical facilities that can be used to facilitate continuity of operations in the event of an emergency, and recovering from a disaster.

Our BCP requires the management team to utilize a Command Center to define the conditions under which a disaster will be declared, for example, the acceptable number of hours of downtime or Data Center inaccessibility; develop security procedures to be followed during a disaster; directs all employees to forward outside inquiries regarding the BCP to the corporate communications teams; and maintains telephone lists of BCP team leaders and support staff.

MMA will leverage multiple modalities for employee communication, including telephone contact trees for managers and supervisors to facilitate contact and e-mail with our employees and vendors, and access to local television and radio emergency notification systems. We have taken steps, to the extent possible, to eliminate or reduce to a minimum, unplanned data and telecommunication systems outages using current hardware and software technologies. ***Backup power generation systems, environmental and systems monitoring applications, hardware and network redundancies, mirrored disk, and data replication are some of the technologies utilized to reduce downtime exposure during normal day-to-day operations.***

MMA operates CSCs across the continental United States. To maintain consistent high quality customer services during temporary telecommunication disruptions or office closures. ***We can reroute telephone traffic from any MMA CSC, including after hours, to an alternate CSC restoring critical customer services within a matter of minutes.*** Secure VPN access is provided to key employees enabling them to work from home should office facilities be unavailable or unusable due to sustained damages, isolation, quarantine, etc. In combination, these two measures can be used to counter the impact of high absenteeism associated with a pandemic event.

The SCP shall specify projected recovery times and data loss for mission-critical systems in the event of a declared disaster. The Contractor shall annually test its plan through simulated disasters and lower level failures in order to demonstrate to LDH that it can restore system functions. The Contractor shall report documentation of this testing in a manner determined by LDH.

We will collaborate with LDH to update and execute our integrated SCP to provide adequate backup and recovery for all operations, both manual and automated, including all functions required to meet the backup and recovery standards (including RTO and RPO). The clock to recovery (i.e., RTO) starts from the time of incident or disaster and not from the start of the recovery itself. ***MMA's current RTO is 24 hours. RPO refers to the maximum amount of time that could pass between the last backup and the time that a disaster took place. MMA's current RPO is 24 hours.*** Taken together this means that in the worst-case scenario, MMA's systems will be operational 24 hours after a disaster occurred and that when the system is restored the data will be no older than 24 hours prior to the time of the disaster.

MMA has maintained a consistent focus on MITA principles in order to evolve our architectural infrastructure and to better support our customers as we collaboratively work to increase our MITA maturity. We are committed to supporting even higher levels of MITA maturity for the Louisiana MCO PBM Project and continuing to automate business processes that are completed in a real time environment for systems and solutions that provide instant responses 24/7/365.

In the event the Contractor fails to demonstrate through these tests that it can restore systems functions, the Contractor shall be required to submit a Corrective Action Plan to LDH describing how the failure shall be resolved within ten (10) Business Days of the conclusion of the test.

MMA tests our system functions on an annual basis. ***We will provide the results of the test to LDH to demonstrate that our systems can be restored in an emergency such as a pandemic, natural disaster, or man-made emergency.*** If, through our tests, MMA is unable to prove the ability to restore system functions, we will submit a Corrective Action Plan to LDH within 10 days after the test conclusion. Our Corrective Action includes the issue, our plan for remediation, and monitoring activities.

Written Materials (RFP 2.1.27)

Our Louisiana Provider/Enrollee Relations Manager will collaborate with our Account Team, LDH, subject matter experts, and our Quality Assurance staff to ensure that written materials are accurate, clear, legible, and use person-centered, trauma-informed, and easily understood language and format. MMA incorporates industry best practices to ensure written materials meet or exceed readability requirements. ***We leverage a universal style guide to ensure materials are consistent and represent a reader-centered approach, paying particular attention to the audience background including education level, literacy level, and primary spoken language.***

MMA recognizes the need to provide informing material in a manner that is most suitable for the reader, even if that format requires special handling such as languages other than English. We have long-standing relationships with our translation vendor and are prepared to support any of the threshold languages in accordance with section 1557 of the Patient Protection and Affordable Care Act.

MMA will make written materials that are critical to obtaining services available in English and in the prevalent non-English languages identified by LDH. Our written materials will include taglines in the prevalent non-English languages, as well as large print, explaining the availability of written translations or oral interpretation free of charge to understand the information provided.

In the following narrative, MMA presents our approach to meeting and/or exceeding the requirements detailed in RFP Section 2.1.27, Written Materials.

All written Enrollee materials, regardless of the means of distribution (printed, web, advertising, direct mail, etc.), shall:

- **Comply with 42 CFR §438.10, 42 USC §1396u-2(d)(2)(A)(i), and 42 USC §1396u-2(a)(5).**

MMA will ensure that all written Enrollee materials, regardless of the means of distribution (e.g., printed, web, advertising, direct mail, etc.), will meet all requirements in 42 CFR §438.10, 42 USC §1396u-2(d)(2)(A)(i), and 42 USC §1396u-2(a)(5).

- **Be in a style and reading level that shall accommodate the reading skills of Enrollees. In general, the writing shall be at no higher than a 6.9 grade level, as determined by any one of the indices below, taking into consideration the need to incorporate and explain certain technical or unfamiliar terms to ensure accuracy:**
  - **Flesch-Kincaid.**
  - **Fry Readability Index.**
  - **PROSE The Readability Analyst (software developed by Educational Activities, Inc.).**
  - **Gunning FOG Index.**
  - **McLaughlin SMOG Index.**
  - **Other computer generated readability indices accepted by LDH.**

LDH reserves the right to require evidence that written materials for Enrollees have been tested against the 6.9 grade reading-level standard.

The Agency for Healthcare Research and Quality (AHRQ) defines health literacy as the capacity to obtain, process, and understand basic health information and services needed to make appropriate health decisions. As appropriate, MMA materials are created at specific reading levels as defined by the Flesch-Kincaid grade level readability score. Our Provider/Enrollee Relations Manager will collaborate with appropriate subject matter experts to ensure that Louisiana Medicaid Managed Care Program Enrollee materials meet LDH standards, are accurate, and meet the 6.9 grade reading level requirements, unless otherwise approved by LDH. Our standard approach to creating Enrollee materials takes into consideration the need to incorporate and explain certain technical or unfamiliar terms to ensure accuracy. The Louisiana MCO PBM Web Portal and new Enrollee materials will include information on how to access materials or obtain assistance.

Upon request by LDH, MMA will provide evidence that written materials for Enrollees have been tested against the 6.9 grade reading-level standard using the Flesch-Kincaid Grade Level Assessment tool.

- **Be clearly legible with a minimum font size of twelve (12)-point, with the exception of Pharmacy ID cards, and or otherwise approved by LDH in writing.**

Written materials, with the exception of Pharmacy ID cards produced by the MCOs, for Louisiana Medicaid Managed Care Program Enrollees will be clearly legible with a minimum font size of 12-point, unless otherwise approved by LDH in writing. In addition to font size, MMA incorporates the following elements into written materials to assist visually impaired individuals:

- Easy-to-read font style
- Left-aligned text
- Simple descriptive content with bold titles
- Limited use of color or high-contrast colors.

- **Use materials of the same quality as the materials used for printed materials for the Contractor's commercial plans, if applicable.**

The same high-quality materials are used for written materials across the Magellan enterprise regardless of customer type.

- **If a person making a testimonial or endorsement for the Contractor has a financial interest in the company, include a disclosure of same.**

We confirm that, if a person making a testimonial or endorsement for MMA has a financial interest in the company, we will disclose the nature of the relationship.

- **Prominently display the Contractor's name, mailing address (and physical location, if different), website, and toll-free number on at least one (1) page within all multi-paged Enrollee materials.**

All written materials produced by MMA will prominently display our name, mailing address (and physical location, if different), website, and toll-free number on at least one page within all multi-paged Enrollee materials.

- **Notify the Enrollee that real-time oral and American Sign Language interpretation is available for any language at no expense to them and provide information on how to access those services in all multi-paged Enrollee materials.**

Our provision of alternative formats and auxiliary aids and services take into consideration the special needs of Enrollees who are hearing impaired. MMA provides sign language services through an established relationship with our existing translation vendor. We will notify the Enrollee that real-time

oral and American Sign Language interpretation is available for any language at no expense. MMA will provide information on how to access American Sign Language interpretation services in all multi-paged Enrollee materials.

- **Be provided in alternative forms for persons with visual, hearing, speech, physical or developmental disabilities upon request. These alternative forms shall be provided at no expense to the Enrollee.**

MMA will provide Enrollee materials in alternative forms for persons with visual, hearing, speech, physical, or developmental disabilities upon request. Examples include large print, audio, Braille, and text-only Word that comply with ADA 42 U.S.C., Section 12101 et. Seq. beneficiaries, as determined by the need of the individual Enrollee. We will make all written Enrollee materials available in alternative formats and provide auxiliary aids and services when requested at no expense to eligible individuals and Enrollees.

MMA will provide interpreter services to meet the cultural and linguistic needs of callers. Our IVR telephonic system provides callers with a dial pad menu and information to route the call to the most appropriate CSC agents. The prompts allow for caller type, inquiry, and dial pad identification. Our CSC provides callers with the option to obtain interpretation services. ***We use an established vendor to provide telephonic translation services on a 24/7/365 basis for 98% of the languages spoken in the world today.*** The CSC agent is queued to bring in an interpreter. Upon receipt of a request to speak to a CSC agent in another language, the caller will be promptly connected with a translator in the required language. The caller is then connected with an interpreter of that language and the CSC agent manages the call using the bi-lingual expert.

In addition, MMA will provide CSC capabilities to assist individuals who are hard of hearing and individuals with limited English proficiency (LEP) in their primary language. The IVR initial menu tree will direct the callers to the appropriate CSC agent based on type of inquiry/caller, language needs, teletypewriter (TTY), and other criteria that ensure best call placement. For TTY, the system displays the TTY interaction in a window similar to an instant messaging (IM) window. CSC agents interact with TTY callers using normal roman alphabets and standardized abbreviations available on the TTY interaction window. Messages are exchanged in normal characters during a TTY session. TTY protocols rely on a significant number of abbreviations. For example, Go Ahead (GA) is the signal that the person typing has paused and is waiting for a response. One-X Agent displays the TTY window only after the TTY call is accepted.

MMA will utilize FirstTrax to record the special communication needs of all Enrollees (e.g., those with Limited English Proficiency, limited reading proficiency, visual impairment, and hearing impairment, and those in need of auxiliary aids and services) and the provision of related services (e.g., materials in alternate format, oral interpretation, oral translation services, written translations materials, and sign language services). FirstTrax includes all Enrollee primary language information, as well as all other special communication needs information for Enrollees, when identified by any source including LDH, MCOs, MMA staff, Providers, and Enrollees. MMA has the ability to share specific communication needs information with Providers, as applicable. Upon LDH request, we can generate reports from FirstTrax to LDH and MCOs. Such information may include individual Enrollee names, their specific communication need, and any provision of special services to Enrollees (i.e., those special services arranged by MMA, as well as those services reported to MMA that were arranged by the Provider).

- **Be made available through the Contractor's entire service area. Materials may be customized for specific parishes and populations within the Contractor's service area.**

We will make Enrollee written materials available through MMA's entire service area. MMA will identify the materials we recommend as standard, and the communications that may be customized. MMA will partner closely with LDH and the MCOs to determine if specific customization is needed for specific parishes and populations. All written materials will be submitted to LDH for review and approval prior to publication.

- **Be equitably distributed without bias toward or against any group.**

MMA will ensure that Enrollee written materials are equitably distributed without bias toward or against any group. MMA does not discriminate on the basis of race, color, religion, gender, gender identity, sexual orientation, age, disability, national origin, military status, ancestry, genetic information, health status, or need for health services in the receipt of covered services.

- **Accurately reflect general information, which is applicable to the average Enrollee of the Contractor.**

MMA's Enrollee materials will accurately reflect general information applicable to the average Enrollee. To ensure that documentation meets MMA's rigorous standards for quality, as well as LDH specifications, the Provider/Enrollee Relations Manager will work directly with SMEs to ensure materials are clear, consistent, and easily understood by the intended audience. ***Materials are written using plain language, an active voice, and short sentences to enhance readability and comprehension.*** MMA takes into consideration the need to incorporate and explain certain technical or unfamiliar terms to ensure accuracy and defines acronyms on the first use to ensure clarity.

- **Include the following information:**
  - **The date of issue;**
  - **The date of revision; and/or**
  - **If the prior versions are obsolete.**

Enrollee written materials will include the date of issue, date of revision, and/or if prior versions are obsolete. When documentation revisions are made, the revision number and the revision date are revised, and the revision history is updated. An internal documentation review process occurs that validates all revisions have been correctly made to the documentation in accordance with LDH-specific approved criteria and standards, as well as industry professional standards, before it is made available to LDH for review and approval.

Except as otherwise indicated in the MCO Marketing and Member Education Companion Guide, the Contractor may develop their own materials that adhere to requirements set forth in the Contract or use State developed model Enrollee notices. State developed model notices must be used for denial notices and pharmacy lock-in notices.

MMA will develop our own materials for Enrollees except as otherwise indicated in the MCO Marketing and Member Education Companion Guide. We will develop Louisiana Medicaid Managed Care Program Enrollee communications according to LDH communication standards, as well as Louisiana PBM Services for Medicaid MCOs Contract requirements. We will utilize the State-developed model Enrollee denial notices and pharmacy lock-in notices, as required by LDH. LDH will have the ability to preview all Enrollee communications prior to release.

The Contractor shall submit Marketing and Enrollee Education materials for LDH review and written approval of all marketing and member materials including, but not limited to, websites and social media, Pharmacy ID Cards, call scripts for outbound calls or customer service centers, Provider directories, advertisement and direct Enrollee mailings.

During requirements review meetings, our Account Team will work with LDH to customize Enrollee and Provider communications to ensure the materials align with Louisiana's PBM MCO service model. MMA will provide LDH with Marketing and Enrollee Education materials for review prior to distribution. This includes websites and social media, call scripts for outbound calls or CSCs, Provider Directories, advertisements, and direct Enrollee mailings. We will support the MCOs responsible for printing and sending the Pharmacy ID cards by providing necessary information. MMA will not publish any materials until written approval is received from LDH.

Enrollees shall have free access to any Network Provider (except in cases where the Enrollee is participating in the pharmacy/Prescriber lock-in program). Neither the Contractor nor any Subcontractor is allowed to steer Enrollees to certain Network Providers including Specialty Pharmacies. LDH retains the discretion to deny the use of marketing and Enrollee material that it deems to promote undue patient steering, including, but not limited to, Enrollee web portals and mobile-based Enrollee applications.

MMA does not steer Enrollees to certain Network Providers, including Specialty Pharmacies. We respect each Enrollee's right to freely access any Network Provider (except in cases where the Enrollee is participating in the pharmacy/Prescriber lock-in program). MMA acknowledges that LDH retains the discretion to deny the use of marketing and Enrollee material deemed to promote undue patient steering, including Enrollee web portals and mobile-based Enrollee applications.

Co-branded marketing materials shall be submitted to LDH by the Contractor for approval in writing prior to distribution, in accordance with the applicable processes and timelines.

MMA will submit co-branded marketing materials to LDH for approval in writing prior to distribution, in accordance with the applicable processes and timelines.

Lock-in Program (RFP 2.1.28)

MMA possesses 18 years of pharmacy lock-in experience and currently provides this service to 12 government pharmacy programs, including Medicaid FFS. Lock-in programs are used to identify potential fraud and/or misuse of controlled drugs by an Enrollee and may include referral for additional services. Pharmacy lock-in services are not new—our program has gained attention as one tool to help address the current abuse and misuse of opioids, as well as other drugs that are affecting Medicaid Enrollees nationwide. We will leverage this experience to coordinate with the MCOs to load Enrollees' lock-in data for use in claims adjudication to assist with care coordination and utilization management initiatives LDH may undertake. MMA has extensive experience implementing pharmacy lock-in services that restrict Enrollees who meet customer-specific criteria to a single pharmacy or multiple pharmacies, to specific Providers of controlled substances, and the number of controlled substances prescribed. In addition, we will provide reports to LDH and/or the MCOs regarding lock-in Enrollee claims and prescription history.

Additionally, MMA has experienced considerable success with our Morphine Milligram Equivalent (MME) and narcotic limit pharmacy edit implementation for 13 of our full Medicaid PBM customers. ***The implementation of MME edits has led to a lower number of Enrollees in the Lock-in Program.*** In the following narrative, MMA provides additional details regarding our lock-in capabilities and best practices for LDH's consideration.

Lock-In shall be utilized when LDH, an MCO, or the Contractor finds that an Enrollee has utilized services covered under the Louisiana Medicaid Program at a frequency or amount that is not medically necessary, as determined in accordance with utilization guidelines. The Enrollee may be restricted for a reasonable period to obtain PBM Covered Services from designated Network Providers only, in accordance with 42 CFR §431.54(e). The following two types of lock-in shall be utilized:

- **Pharmacy-Prescriber Lock-In: The Enrollee is allowed one primary care physician and up to three specialists if needed, one Network Provider, and a Specialty Pharmacy if needed.**
- **Pharmacy Only Lock-In: The Enrollee is allowed only one Network Provider to fill all his/her prescriptions.**

We will utilize lock-in functionality for the Louisiana Medicaid Managed Care Program when LDH, an MCO, or MMA determines that an Enrollee has utilized services covered under the Louisiana Medicaid Program at a frequency or amount that is not medically necessary, as determined in accordance with utilization guidelines. The Enrollee may be restricted for a reasonable period to obtain PBM Covered Services from designated Network Providers only, in accordance with 42 CFR §431.54(e).

Primary identification for lock-in is the responsibility of the MCOs. MMA will recommend an Enrollee for lock in if they are identified through clear fraud or other issues noted by the CSC. Our MRx Explore analytic platform can identify Enrollees utilizing multiple pharmacies and prescribers for a group of identified drugs, such as narcotic analgesics or controlled substances, for any designated period. Our Louisiana dedicated Lead Data Analyst will assist in providing pharmacy claims data, as needed, to support the MCOs and lock-in report requests.

For the Louisiana Medicaid Managed Care Program, MMA's primary responsibility is to adjudicate lock-ins through our POS claims processing system. ***FirstRx supports clinical efficiency and the configuration of edits and rules based on Enrollee designation, including lock-in.*** FirstRx uses data stored in the Enrollee profile to perform verification, categorize Enrollee groupings, and make systematic decisions based on direction by LDH. Enrollees may be restricted to a single pharmacy or multiple pharmacies; a single prescriber, multiple prescribers, or a combination of pharmacy and prescriber lock-in.

With LDH's approval, the Enrollee can be locked into the use of specific pharmacies for certain types of drugs only, such as narcotics or specialty pharmacy drugs. Another feature of the system is the ability to always require PA for a given Enrollee for all drugs or specific drugs.

For the Louisiana Medicaid Managed Care Program, we will utilize the following two types of lock-in as required:

- **Pharmacy-Prescriber Lock-In:** The Enrollee is allowed one primary care physician and up to three specialists if needed, one Network Provider, and a Specialty Pharmacy if needed.
- **Pharmacy Only Lock-In:** The Enrollee is allowed only one Network Provider to fill all his/her prescriptions.

On a periodic basis, LDH, LDH's designee, the MCO, or the Contractor shall select and generate an Enrollee list for the lock-in program based on established criteria. The MCO shall notify potential lock-in Enrollees of its intent to lock Enrollees into a limited number of Providers. The MCO shall grant Appeal rights to the Enrollees in accordance with Federal regulations.

As noted in Addendum #4, Question Number 104, issued by the State on March 16, 2022, MMA understands that the FFS fiscal intermediary will identify potential lock-in Enrollees and send the information to MMA and the MCOs. The MCO will select the Network Providers that the Enrollees are locked-in to. MMA and the MCOs can also identify potential lock-in Enrollees, as needed.

MMA acknowledges that, on a periodic basis, LDH, LDH's designee, or the MCO will also select and generate an Enrollee list for the Lock-in Program based on established criteria. The MCO will notify potential lock-in Enrollees of its intent to lock Enrollees into a limited number of Providers, as well as grant Appeal rights to the Enrollees in accordance with Federal regulations.

MMA has the ability to provide a list of suggested lock-ins to LDH. We have also developed a Doctor Shopper report that can help identify current, potential, or future lock-in opportunities. In addition, MMA's Special Investigation Unit (SIU) performs ongoing monitoring for detecting, preventing, and correcting FWA. The SIU refers over utilizing or outlying Enrollees to the Clinical Team for Enrollee lock-ins.

In addition, our Clinical Pharmacy Director, Tina Hawkins, PharmD, will provide recommendations to help LDH determine the best lock-in criteria for identifying Enrollees who may benefit from having a single gatekeeper for their healthcare needs. ***We have the ability to use our robust reporting capabilities to convert LDH's lock-in criteria into a standard report which will identify Enrollees who meet the established criteria.*** However, MMA understands that all Enrollees who may meet these criteria are not proper candidates for the Lock-in Program. For example, a diagnosis of cancer or indications of end-of-life care may be exceptions to the lock-in criteria that would exclude that specific Enrollee from the Lock-in Program. Or a diagnosis of poisoning or multiple visits to the emergency room may be a reason to add an Enrollee into the Lock-in Program, even if all other criteria are not met.

Each MCO may lock-in additional Enrollees based on their own independent review, clinical criteria, or referral.

MMA acknowledges that each MCO may lock-in additional Enrollees based on their own independent review, clinical criteria, or referral. We will work closely with the MCOs to capture information regarding additional Enrollees added to the Lock-in Program to ensure proper claims processing.

Regardless of the Enrollee's movement between MCOs, the Enrollee shall remain in lock-in status until the established termination lock-in period has expired.

The FirstRx system is a highly configurable, MITA-aligned claims engine that can be easily configured to support the Lock-in Program. Our POS system is designed to support clinical efficiency and the configuration of edits and rules based on Enrollee designation, including lock-in, or any other

designation as directed by LDH. This functionality ensures that, regardless of the Enrollee's movement between MCOs, the Enrollee will remain in lock-in status until the established termination lock-in period has expired.

Drug Claims Processing for Lock-In (RFP 2.1.28.1)

The Contractor shall:

- **Ensure correct Drug Claims processing for Enrollees in the Lock-In Program utilizing up to six potential fields for Prescriber and Network Provider linkages. The list of approved Prescribers and Network Providers shall be date driven and compared to the DOS of the Drug Claim or other date(s) as directed by LDH. Appropriate messaging back to the submitting Network Provider shall be consistent with NCPDP edits created for that purpose along with custom messaging, if directed to do so by LDH.**

MMA will ensure correct Drug Claims processing for Enrollees in the Lock-In Program utilizing up to six potential fields for Prescriber and Network Provider linkages. The list of approved Prescribers and Network Providers will be date driven and compared to the DOS of the Drug Claim or other date(s) as directed by LDH.

FirstRx provides claims processing customized edits and transmission messages to notify Providers that an Enrollee is locked into a specific prescriber and/or pharmacy and supports the ability to maintain Enrollee restriction data including date parameters, Provider, and pharmacy information to support claims processing functions. FirstRx utilizes data stored in the enrollment file to perform verification, categorize individual groupings, and make systematic decisions based on direction by LDH. The system performs checks based on submitted data for pharmacy or prescriber lock-in, specific to that location, specialty, prescriber type, or for the specific Enrollee. If any edits are found for lock-in or other limitations, the transaction is processed, compiling relevant amounts towards quantity limitations, financial limitations, script limitations, or other similar limitation types. FirstRx controls will ensure that claims comply with LDH-specified criteria.

Appropriate messaging back to the submitting Network Provider is consistent with NCPDP edits created for that purpose along with custom messaging, if directed to do so by LDH. Through the use of NCPDP error codes, the defined messages associated with those codes, and supplemental messaging in the FirstRx adjudication engine, we supply significant detail and assistance to submitting Providers through electronic communication. The FirstRx adjudication engine is a highly configurable rules-based application that allows our business analysts to control the system parameters related to messaging (alerts), and those items named in industry standards that are either situational or mandated to process in a controlled and defined manner. FirstRx has been configured to deliver additional detail in the form of supplemental messages for both the public and private sector to assist the submitting Provider.

- **Have Point of Sale denials to restrict Enrollees to the lock-in Network Provider and/or Prescriber(s).**

FirstRx provides POS denials to restrict Enrollees to the lock-in Network Provider and/or Prescriber. FirstRx eligibility verification identifies Enrollees in restricted service Lock-in Programs. All POS transactions result in a real-time return message to the pharmacy with all appropriate responses (paid, denied, rejected), including both ProDUR messaging and information regarding the claim's disposition and payment amounts.

FirstRx responds to claims with standard NCPDP responses and returns alerts in the form of supplemental messages that deliver additional details about the adjudication process to the Provider that the Enrollee is locked-in to a specific Prescriber and/or pharmacy. Restriction edits can be used to support consultative capabilities by ensuring that a single Provider has full oversight of a patient's

therapy and can better advise them on issues related to their disease management. If authorized by LDH, restricted conditions may be overridden in designated situations.

- **Allow an emergency supply of medication to be filled by a Provider other than the lock-in Network Provider to ensure access to necessary medication. Emergency fills may be subject to audit.**

FirstRx allows an emergency supply of medication to be filled by a Provider other than the lock-in Network Provider to ensure access to necessary medication. MMA acknowledges that emergency fills may be subject to audit.

FirstRx allows pharmacists to execute an override to process an emergency supply of drugs and provides messaging for the dispensing pharmacist. FirstRx allows users, when authorized by LDH, to override any automated claim decision(s) to ensure the desired claim outcome. MMA instructs pharmacy Providers how to perform the emergency fill in the NCPDP environment of FirstRx. FirstRx is configured to allow a 72-hour supply of a covered outpatient drug in an emergency situation. Specific NCPDP field/value combinations must be submitted on the claim (e.g., NCPDP field 418-DI - Level of Service = 3 and Days' Supply <= 3) to trigger the emergency supply logic for a covered outpatient drug. When an emergency override is applied to a claim, its use is tracked in the FirstRx database for audit purposes.

- **Notify the enrollment broker and Providers of Lock-In status.**

We understand the importance of communicating information to appropriate Louisiana Medicaid Managed Care Program stakeholders to ensure the success of the Louisiana MCO PBM Lock-in Program. MMA has the ability to notify the enrollment broker and Providers of lock-in status. Our bi-directional lock-in extract from FirstRx to the MCOs, will support enrollment broker and Provider notification of lock-in status. In addition, we will provide notification to Providers through NCPDP error messaging at the point of sale. If the Enrollee tries to fill a claim outside of their lock in pharmacy, we can send a message letting the Provider know the Enrollee is locked into a different pharmacy.

- **Utilize the LDH template lock-in letters for the Enrollee, Network Provider and/or Prescriber.**

As noted in Addendum #4, Question Number 102, issued by the State on March 16, 2022, MMA acknowledges that the MCO will be responsible for notifying Enrollees of its intent to lock Enrollees into a limited number of Providers. Therefore, it would be the responsibility of the MCO to utilize LDH template for lock-in letters. MMA will collaborate with the MCOs to notify Network Providers and Prescribers, as requested.

- **Be responsible for notifying the Enrollee, chosen Network Provider, and/or chosen Prescriber of the proposed lock-in status.**

As noted in Addendum #4, Question Number 102, issued by the State on March 16, 2022, MMA understands that the MCO will be responsible for notifying Enrollees of its intent to lock Enrollees into a limited number of Providers. In accordance with this guidance from the State, we will support the MCOs, through a secure bi-directional lock-in extract from FirstRx, with Enrollee, chosen Network Provider, and/or chosen Prescriber lock-in status notifications.

- **Give the Enrollee notice and an opportunity for a State Fair Hearing, in accordance with procedures established by LDH and 42 CFR §431.54(e), before imposing the restrictions.**

Because the MCOs are responsible for providing lock-in notices to Louisiana Medicaid Managed Care Program Enrollees, they will also be responsible for providing an opportunity for a State Fair Hearing in accordance with procedures established by LDH and 42 CFR §431.54(e), before imposing the restrictions. We will coordinate and support LDH and MCO staff involved in the grievance and appeals process. MMA will support the MCOs with this requirement by providing data via a bi-directional lock-in extract from the MCOs to FirstRx to ensure proper identification of Enrollees.

- **Ensure the Enrollee has reasonable access, considering geographical location and travel time, to quality services under the Louisiana Medicaid Program.**

As noted in Addendum #4, Question Number 103, issued by the State on March 16, 2022, MMA understands that the MCOs are responsible for providing Enrollees with a choice of providers and ensuring that the Enrollee has reasonable access, considering geographical location and travel time, to quality services under the Louisiana Medicaid Program. MMA will assist the MCOs by providing Drug Claim history information to the MCO. We will utilize our established data exchange processes to submit Drug History information within mutually agreed-upon time frames.

Electronic Messaging (RFP 2.1.29)

The Contractor shall provide a continuously available electronic mail communication link (e-mail system) to facilitate communication with LDH. This e-mail system shall be capable of attaching and sending documents created using software compatible with LDH's installed version of Microsoft Office (currently 2016) and any subsequent upgrades as adopted. The e-mail system shall also be capable of sending e-mail blasts to Providers.

A program implementation and transition cannot be successful without an effective communications strategy, including electronic messaging, targeted to correspond and communicate internally and externally with stakeholders and trading partners that ensures clear lines of communication exist. Our stakeholder communication and engagement strategy will include communication methods, requirements, and channels. It includes our approach to communicating with all parties, including individuals, Providers, Provider Associations, manufacturers, advocacy organizations, and MCOs, as appropriate. MMA will select the most effective method of communication to meet the communication and outreach goals and objectives, including mail, facsimile, email, voicemail, interactive voice response system (IVRS), Louisiana MCO PBM Web Portal, banner messaging, frequently asked questions (FAQs), videoconferences, trainings, and reference materials.

Electronic Mail Communication Link

MMA will provide a continuously available email system to facilitate communication with LDH. Our email system will be capable of attaching and sending documents created using software compatible with LDH's installed version of Microsoft Office and any subsequent upgrades as adopted. MMA's email solution is also capable of sending email blasts to Providers. All communication to and from MMA will be encrypted to protect the confidentiality of the data.

MMA will create and maintain email addresses for LDH-identified entities (e.g., Providers, Prescribers, MCOs) to utilize for pharmacy-related inquiries. This functionality provides the capability for Providers to contact the Customer Service Center (CSC) via email. We will create and maintain an email address for individuals to utilize for Louisiana Medicaid Managed Care Program pharmacy-related inquiries. MMA will assign a CSC agent to monitor the email box. The CSC agent will perform a triage function for all inquiries received at the dedicated email address.

In addition, MMA's Louisiana MCO PBM Web Portal will provide contact information for general questions regarding Louisiana Medicaid Managed Care Program pharmacy benefits. ***To create, maintain, and facilitate electronic communication, MMA provides a Contact Us email support option for questions or concerns on the Louisiana MCO PBM Web Portal which gives users the ability to electronically submit questions, comments, and request outreach assistance.*** The mailbox is checked on a daily basis, and a response will be provided within mutually agreed-upon time frames. We also post pharmacy benefit information (e.g., FAQs, PDL, etc.) and provide Drug Lookup and Pharmacy Locator functionality to ensure that all Louisiana Medicaid Managed Care Program stakeholders can easily locate and access Louisiana-specific information.

Provider Communications

MMA communicates with Providers by distributing messages and educational information through multiple communication channels. We will disseminate, upon approval by LDH, timely information via mass email system, fax blast, U.S. mail, or as otherwise directed by LDH. Fax blast and email blast notifications are typically used to disseminate pertinent information regarding the Louisiana Medicaid Managed Care Program. Information communicated in this manner includes Program changes, benefit changes, or when system changes are implemented. For fax and email blasts, the requester completes a

request form, including the specific documentation to be sent, and forwards it to Network Operations Management and LDH for review and approval. Once approved, the fax or email blast is scheduled and completed by our Network Provider Relations Team.

As needed, the Contractor shall be able to communicate with LDH over a secure Virtual Private Network (VPN).

MMA has the ability to communicate with LDH over a secure Virtual Private Network (VPN), as needed. The security of MMA email communications requires a blending of three technologies to provide a diverse and flexible method of delivery. The method will involve the use of VPNs or dedicated links, an encrypting email gateway, and a web-based secure email portal.

Our system enables configurable ability to encrypt data at rest and in motion. This will ensure the security of VPN communication between MMA and LDH. The following table describes our encryption capabilities.

Encryption Capabilities	
Email	MMA uses Virtual Private Networks (VPNs), an encrypting email gateway, and a Web-based secure email service to provide secure, diverse, and flexible email communication.
Wide Area Network (WAN)	MMA complies with industry standards regarding encryption of all Wide-Area Network (WAN) connections.
World Wide Web (Internet)	Magellan incorporates the Transport Layer Security (TLS) protocol for all Internet-facing websites. We use TLS Version 1.2 to provide 256-bit Advanced Encryption Standard (AES) encryption as standard practice; certificates are at least 2048-bit and rely on the SHA-256 hashing algorithm.
Data-at-Rest Disk Encryption	Our solution encrypts and decrypts data as it is being written to or read from the disk in order to protect our customers' information from unauthorized access even when disk drives are removed from the system. Data-at-rest encryption for PII and PHI data are delivered through our storage area networks via EMC's unique VMAX 40k engine model with built-in, hardware-based data encryption. We also use Symmetrix Data at Rest Encryption (D@RE) for back-end encryption for Symmetrix systems by using Fiber Channel I/O modules, which are validated for Federal Information Processing Standards (FIPS) 140-2 Level 1 and that incorporate AES XTS 256-bit data-at-rest encryption. We incorporate EMCs DeDuplication engine for data-at-rest encryption for PII and PHI that is on the Data Domain backup storage devices; this provides in-line, software-based data encryption. DeDuplication D@RE is validated for FIPS 140-2 Level 1, which incorporates AES XTS 256-bit data-at-rest encryption.
Data-in-Transit	MMA uses TLS at a minimum of 128-bit encryption and optimally 256-bit encryption based on the new 2048-bit global root.

In addition, we present a summary of our security access control standards and safeguards for user access in the following table:

Application Access Control	
Authentication Procedures	Unique usernames and secure passwords are required for access identification and authentication.
Firewall Configuration	Enterprise firewalls deployed at the network perimeter to prevent unauthorized access utilizing demilitarized zone (DMZ) infrastructure that utilizes multiple firewalls and networking equipment.

Application Access Control	
Network Configuration	Network authentication is used to access any applications. Access to system is granted using Internet connection with TLS v. 1.2 with an AES 256-bit encryption or a Checkpoint VPN connection.
Transmission Security	Enterprise policy on transmission of ePHI, Non-Public Personal Information (NPPI), and/or other personally identifiable information (PII) and confidential information requires encryption protocols using industry-standard encryption.
Remote Access Configuration	Remote access to systems is achieved using an Internet connection utilizing TLS (encryption) with industry-standard encryption and possibly the addition of a VPN Tunnel.
Anti-Virus Solution	Virus definition files update hourly to critical systems and workstations. MMA also leverages Proofpoint and Office 365 for email protection.
Code-Level Security Solutions	MMA performs daily static and dynamic VeraCode scans for code-level security for external dependencies used within the system.

Additionally, MMA conducts penetration testing annually across all enterprise systems and platforms.

The Contractor shall comply with national standards for submitting PHI electronically and shall set up a secure emailing system that is password protected for both sending and receiving any PHI.

MMA complies with national standards for submitting PHI electronically and will establish a secure emailing system that is password protected for both sending and receiving any PHI related to the Louisiana Medicaid Managed Care Program. MMA's strict user security features will allow LDH and MMA to tightly control access to data. MMA employs a configurable user- and role-based security layer that permits users to perform only the data access functions for which they are expressly authorized. Our user ID-specific and role-based security meets recommended security levels for HIPAA privacy and security.

MMA provides the highest level of protection to ensure the security, confidentiality, and privacy of all Enrollee data. All communication to and from MMA is encrypted with strong encryption to protect the confidentiality of the data in transit. All MMA workstations have full-disk encryption and hard copies of sensitive information are stored securely within work areas that are only accessible by authorized individuals using badged access.

Our HIPAA security approach includes workforce policies and procedures that address authorization processes that safeguard customer confidentiality by meeting the requirements of the "Minimum Necessary" rule of HIPAA, and the Separation of Duties requirements of Sarbanes-Oxley (SOX), as well as the "Principle of Least Privilege," an industry-standard security best practice. Authorized users have access to and use only the minimum necessary PHI reasonably needed to perform the staff member's duties for the company.

MMA has documented policies and procedures in place to ensure the proper handling, use, and disclosure of our customers' PHI and confidential information while administering pharmacy benefits and providing an appropriate level of customer service. ***Our written policies and procedures address the use of any PHI and meet all applicable federal and state requirements, including HIPAA, U.S. Department of Health and Human Services, ARRA, and HITECH requirements.*** Our policies and procedures include restricted role-based access to all MMA systems and applications, and end-to-end procedures required for the privacy, protection, and processing of transactions required by our customer contracts.

MMA meets all state and federal privacy and security regulatory requirements, including HIPAA Guidelines and HITECH Act. We comply fully with HIPAA Privacy and Security regulations as described in

the Department of Health and Humans Services, Office of the Secretary, 45 CFS Parts 160, 162, and 164 along with the updated ARRA and HITECH act provisions. MMA appropriately manages all information for all customers across our organization, including our Medicaid customers. Our commitment to ensuring full compliance with HIPAA requirements is exhibited by our comprehensive MMA HIPAA Compliance Policies, described in more detail below. In addition, every MMA staff member, vendor, and subcontractor receives annual HIPAA refresher training, which requires a passing score of 80%. If the training is not completed by the prescribed completion date, that person is suspended for up to five days, until the training is completed. If not completed within the five days, the person is subject to termination.

Our interfaces use industry standards such as NCPDP, HIPAA, X12, HL7, XML, and CSV for interoperability and data integration needs. MMA provides a Secure File Transfer Protocol (SFTP or FTPS) site for reciprocal exchange of data between our customers and MMA. As an additional layer of security for Enrollee PHI, MMA offers the Secure FTP connection as a mechanism to communicate with LDH. This mechanism is more secure than secure mail. This site permits authorized customer staff to download files transferred by MMA.

MMA has historically held the privacy of patient information as a key tenet of our operations and processes. MMA has implemented policies and procedures for confidentiality that met or exceeded existing state and federal regulations. MMA has many existing policies detailing compliance with HIPAA and all its implementing regulations (including the HITECH Act and the Omnibus Rule of 2013) and other privacy-related requirements. These policies include:

- Authorization to Use and Disclose PHI (Protected Health Information)
- General Rules for Uses & Disclosures of PHI
- Uses and Disclosures of PHI for Treatment, Payment, and Health Care Operations
- Oral and Written Transmission of PHI
- Member Right to Request Privacy Protection of PHI
- Member Right to Request Access to PHI
- Member Right to Request Amendment of PHI
- Member Right to Request an Accounting of Disclosure of PHI
- Verification Policy
- Member Representation
- Notice of Privacy Practices
- Minimum Necessary Uses and Disclosures of PHI
- HIPAA Compliance Statement
- Uses and Disclosures of PHI Requiring No Permission from the Member
- Uses and Disclosures of PHI for Marketing, Fundraising, and Underwriting
- Uses and Disclosures for Specialized Government Functions
- Uses and Disclosures of PHI Requiring Prior Internal Approval
- Uses and Disclosures of PHI for Judicial and Administrative Proceedings
- Limited Data Set and De-Identification of PHI
- Unauthorized Uses and Disclosures of PHI.

MMA's Office of Information Security (OIS), Personnel Security, and Physical Security have the task of ensuring that Enrollees' health information is protected as it rests in our systems and when it is exchanged via electronic means. To address this, we have implemented HIPAA-compliant technical, physical, and administrative safeguards to enhance:

- Physical Security
- Personnel Security
- Information Security.

MMA has taken a multi-layered approach to security, providing perimeter protection, segregated operations, business, and administrative architectures along with extra protective measures associated with our World Wide Web presence. We also monitor all of these interfaces to identify inappropriate or unauthorized traffic, email, and attempts to connect to our systems.

MMA's solution is and will remain fully compatible with the applicable privacy and security standards promulgated by CMS enumerated under MARS-E, Version 2.0, including successor versions required under 45 CFR §155.260. We meet this requirement through HITRUST CSF Assurance Program which incorporates the NIST Cybersecurity Framework and establishes a certification mechanism as an effective and efficient approach for reporting cybersecurity posture leveraging the NIST Cybersecurity categorization.

MMA has drafted and ratified security policies and procedures to meet compliance standards as well as solidify best security business practices. Procedures have been implemented to support these policies in a manner which complements and follows each policy to ensure standardization. Policies that have been ratified to date are:

- Information Technology Security
- Information Sensitivity
- Disaster Preparedness
- Remote Network Access
- Internet Usage
- Employee Email Usage
- Pre-Employment Background Investigation
- Termination of Security Accesses for Employees and Contractors
- Firewalls/Intrusion Detection Services (IDS).

MMA employs the latest technology standards and equipment regarding the protection of the critical internal infrastructure. All firewalls are deployed, monitored, and managed by qualified, dedicated MMA personnel. All perimeter protection equipment is installed, patched, and maintained in accordance with manufacturer standards and best security practices to ensure best possible protection.

A traditional DMZ (de-militarized zone) structure is in place to support our e-commerce needs and is monitored and managed by qualified MMA personnel via a state-of-the-art intrusion detection and prevention system (IDS/IPS). The IDS/IPS is monitored ***24/7/365*** via an automated security alerting and log correlation system. Our Incident Response group is engaged to review and respond to detection alerts based on a scheduled personnel rotation.

Transition/Turnover Phase (RFP 2.1.30)

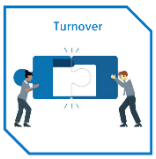
Within one hundred eighty (180) Calendar Days of contract effective date, the Contractor shall develop an LDH approved Turnover Plan. The Turnover Plan shall be updated upon LDH's direction and within six (6) months of the end of the contract. The Turnover Plan shall be comprehensive detailing the proposed schedule, activities, and resource requirements associated with turnover tasks.

The Contractor shall turnover all completed Contract deliverable work including all working documents, in accordance with the LDH approved Turnover Plan. Activities include, but are not limited to maintenance of system files, software, and hardware; correction of system problems and deficiencies; and system modifications as necessary to accommodate LDH's needs without additional cost to LDH.

With 38 years of experience implementing and turning over PBM services for government customers, MMA has the ability to successfully complete all transition and turnover activity requirements and services outlined in RFP Section 2.1.30.

Within 180 Calendar Days of the effective date of the new contract, our Louisiana COO will ensure that our Account Team develops an LDH-approved Turnover Plan. We will facilitate a planning session with LDH to validate our understanding of all RFP Transition/Turnover Phase requirements and finalize the draft Turnover Plan for LDH review and approval. We will update the Turnover Plan upon LDH instruction and within six months of the end of the contract term. Our Turnover Plan will be comprehensive and include the schedule, activities, and resource requirements associated for all turnover tasks.

MMA recognizes and acknowledges that the services provided under this RFP are vital to LDH and must be continued without interruption and that in the event of a change in contractors, we will cooperate fully with Louisiana or the new contractor in any activities that LDH deems necessary to affect an orderly and efficient transition/turnover. ***Using our established project management methodology (PMM) and best practices, we have established through decades of experience transitioning Medicaid customers, we provide LDH with the assurance of a successful Transition/Turnover Phase with no interruption of services to Louisiana Medicaid Managed Care Program Beneficiaries.***



MMA will follow LDH's direction and our own proven turnover procedures to ensure a seamless transition and uninterrupted service upon termination of the contract. We will also ensure that all Transition/Turnover Phase activities are scheduled, accurate, and transparent to LDH and all affected parties.

Examples of MMA's Turnover best practices include:

- Applying industry standard project management tools, techniques, and methods
- Incorporating lessons learned
- Providing knowledge and data transfers, as well as Transition/Turnover Phase testing support, tuned to each specific area of pharmacy services.

Although we have infrequently been required to turn over a project to a new contractor, MMA has experience on both sides of the transition process: transitioning systems in and turning systems over to other contractors. This provides us with a dual perspective that gives MMA a clear understanding of each party's responsibilities and the key factors necessary for a successful turnover. MMA understands the importance of the Louisiana Medicaid Managed Care Program to its Enrollees and that it must be continued without disruption. Our turnover activities will be planned and implemented in a manner to ensure that quality of care provided to Enrollees is not jeopardized and the quality of services provided to stakeholders is not negatively impacted.

During the turnover period, we are sensitive to the needs of the customer and cooperate fully with the successor contractor to ensure a smooth transition. To significantly reduce the risks associated with turnovers, the turnover management is coordinated at the COO level. MMA will remain committed to providing exceptional service throughout the life of the Louisiana PBM Services for Medicaid MCO Contract.

In the past five years, MMA has been required to complete only a small number of program turnovers, and all were executed on time and to the customers' satisfaction. The effectiveness and efficiency with which we are able to transition operations to a new contractor stems from our best practices-driven, proven approach that is grounded in MMA's PMM processes. These methodologies govern implementation of all projects, as well as transitions and turnovers, by utilizing a structured life cycle that begins with initiation and planning and carries through to completion of all agreed-upon deliverables. The primary objective of an MMA turnover engagement would be to support LDH in ensuring a smooth transition with no disruption of services to Enrollees, Pharmacy Providers, Prescribers, LDH, and other stakeholders.

Examples of MMA's Turnover best practices include:

- Applying industry-standard project management tools, techniques, and methods
- Incorporating lessons learned
- Designating a Turnover Coordinator
- Setting up knowledge and data transfers, as well as turnover testing support, tuned to each specific area of pharmacy services.

Benefiting from our experience from both sides of the turnover process—implementations and turnovers—with state Medicaid programs, MMA has learned many lessons and has gained the insight that has helped us to develop best practices. MMA's priority during the Transition/Turnover Phase is effective transition planning to ensure operational readiness, successful completion of knowledge transfer, and maintaining a continuous level of quality for ongoing operational services to all stakeholders. We understand that the key to a successful project management approach for transition/turnover activities is a methodical and detailed preparation and execution of the Turnover Plan.

We are committed to remaining the partner of choice for LDH in the administration and oversight, as well as the service, clinical, and technical operation of the Louisiana PBM Services for Medicaid MCO Contract. If circumstances result in the need to turn over program collateral to an alternative solution provider, MMA will strive for ***the same excellence and discipline*** that we will demonstrate during implementation activities. MMA will maintain a steadfast dedication to ensuring continuous, quality, and uninterrupted pharmacy operations for Enrollees, Pharmacy Providers, Prescribers, LDH, and other stakeholders regardless of business circumstances.

Provide a Turnover Plan

A smooth and orderly turnover process is driven by a comprehensive Turnover Plan that contains all turnover requirements in accordance with the RFP. MMA will review and comment on any implementation plan forwarded from LDH or new contractor. We will develop an MMA Turnover Plan that will specify a target completion date for required activities as well as a list of all tasks, schedule, deliverables, milestones, documentation, identification of the Turnover Team, responsible resources, and a detailed written plan for transition and contract termination. ***We will work with LDH and the successor contractor to ensure that our plans align with the successor contractor's plan.***

The details included in the Turnover Plan will include a comprehensive schedule of tasks that incorporates all turnover requirements, a Project Work Plan that is used to identify all the processes and

activities to be performed, a clear identification of all contractually defined deliverables, timelines, walkthroughs, and LDH approvals.

The process for turning over all required data files and other information defined in the RFP will also be detailed in the Turnover Plan. ***MMA will turn over all completed Contract deliverable work including all working documents, in accordance with our LDH approved Turnover Plan.*** Activities include, but are not limited, to maintenance of system files, software, and hardware; correction of system problems and deficiencies; and system modifications as necessary to accommodate LDH's needs at no additional cost to LDH.

We will assign a Turnover Coordinator who will be responsible for the ongoing monitoring and updating of the MMA Turnover Plan. The Turnover Coordinator will also be responsible for ensuring that when completed, the Turnover Plan meets all contractual Transition/Turnover Phase requirements and that LDH approval of the Turnover Plan is secured without delay.

General Turnover Requirements (RFP 2.1.30.1)

Upon termination of the Contract, the Contractor shall:

- **Comply with all terms and conditions stipulated in the Contract, including but not limited to:**
  - **Continuation of PBM Covered Services to Enrollees until the effective date of termination.**
  - **Compliance with all requirements that survive termination of the Contract (e.g., Provider reimbursement, prior authorizations, report submissions, record retention requirements, and other requirements with specific dates or time periods that extend beyond the effective date of termination) until the applicable date or at the end of the applicable time period specified in the Contract and the MCO Manual.**

MMA will comply with all terms and conditions stipulated in the contract including the continuation of PBM Covered Services to Enrollees until contract termination. We will comply with all contract requirements after the end of the contract such as Provider reimbursement, prior authorizations, report submissions, record retention requirements, and other requirements until the applicable time period specified in the Contract and the MCO Manual.

- **Promptly supply all information necessary for the reimbursement of any outstanding Drug Claims.**

MMA will provide LDH with all necessary information for the reimbursement of any outstanding Drug Claims.

- **Identify and maintain sufficient key personnel and support staff based in Louisiana to support all required Contract functions while any outstanding obligations under the Contract remain.**

MMA affirms that all Key Personnel and support personnel based in Louisiana will support the Louisiana PBM Services for Medicaid MCO Contract during transition/turnover activities and while any outstanding obligations under the Contract remain.

Our Key Personnel and support staff such as Customer Service Center (CSC) staff will be Louisiana-based. They will support all services under the Contract throughout all phases of the contract term and while any outstanding obligations remain under the Louisiana PBM Services for Medicaid MCOs Contract. MMA is committed to making the necessary arrangements to ensure that sufficient personnel will remain in Louisiana throughout transition/turnover activities.

- **Detail the approach to ensure an efficient turnover that complies with all Contract requirements while minimizing disruption to Enrollees and Providers. At a minimum, the Turnover Plan shall specifically address the following:**
  - **Staffing plan and retention strategies.**

- **Continuity of care.**
- **Enrollee support and communication strategies.**
- **Provider network and access to care standards.**
- **Provider support and communication strategies.**
- **Drug Claims management, including Provider payments and recoupments.**
- **Reporting of deliverables due after contract termination.**
- **Monitoring and quality assurance processes.**

MMA provides our detailed approach to ensure an efficient turnover in our Turnover Plan. ***We follow our PMM to ensure the orderly and timely transition of services while minimizing disruption to Enrollees and Providers***. We affirm that our Turnover Plan will specifically address the following:

- Staffing plan and retention strategies
- Continuity of care
- Enrollee support and communication strategies
- Provider network and access to care standards
- Provider support and communication strategies
- Drug Claims management, including Provider payments and recoupments
- Reporting of deliverables due after contract termination
- Monitoring and quality assurance processes.

- **Include a detailed work plan, in Excel format, that includes the proposed schedule, activities, resources, and dependencies associated with the turnover tasks, including tasks that extend beyond termination of the Contract.**

We have provided a draft Turnover Project Work Plan schedule in *Appendix A*. In accordance with the State's response to Question #105, Addendum 4, dated March 16, 2022, we have provided our Project Work Plan in Microsoft Excel. Typically, we create our project work plans in Microsoft Project which has the capability to export to Excel, PDF, or other formats to meet Louisiana's requirements and needs.

- **Address the turnover of records and information maintained by the Contractor to either LDH or its designee.**

The process for the transfer of records, data files, documentation, and other operational information defined in the RFP will also be detailed in the Turnover Plan. MMA will turn over all completed Contract deliverable work including all working documents, in accordance with our LDH-approved Turnover Plan. Activities include, but are not limited to maintenance of system files, software, and hardware; correction of system problems and deficiencies; and system modifications as necessary to accommodate LDH's needs at no additional cost to LDH.

- **Describe the Contractor's approach for the transfer of all records, data, and operational support information, as applicable, to either LDH or its designee.**

MMA will collaborate with LDH, its designee, and the incoming contractor during transition/turnover activities to develop and document requirements for the transfer of records, data, including data elements, format, frequency, and other operational information.

MMA provides phase-in training to the incoming contractor or LDH, as well as our approach to accomplishing the other necessary turnover activities, such as documentation updates, artifacts, deliverables, tasks, schedules, and all other responsibilities necessary to complete contract turnover and the transition of contractor operations.

- **Include an itemization of all records, data, and operational support information (in broad categories) that will be transferred and the schedule for completion. The proposed transfer schedule should be phased and align around the effective date of termination (e.g., sixty (60) Calendar Days prior, thirty (30) Calendar Days prior, day of termination, thirty (30) Calendar Days after, etc.**

MMA will provide LDH with an itemization of all records, data, and operational support information (in broad categories) that will be transferred to LDH or the new vendor and the schedule for completion. The proposed transfer schedule should be phased and align around the effective date of termination (e.g., 60 Calendar Days prior, 30 Calendar Days prior, day of termination, 30 Calendar Days after, etc.).

- **Include copies of all relevant Enrollee and PBM Covered Services data, documentation, and other pertinent information necessary, as determined by LDH, for LDH or a subsequent contractor to assume the operational activities successfully. This includes, but is not limited to, correspondence, documentation of ongoing outstanding issues, and other operations support documentation.**

MMA will include copies of all relevant Enrollee and PBM Covered Services data, documentation, and other pertinent information necessary, as determined by LDH, for LDH or a subsequent contractor to assume the operational activities of the Contract successfully. This includes, but is not limited to, correspondence, documentation of ongoing outstanding issues, and other operations support documentation

Transfer of Data (RFP 2.1.30.2)

The Contractor shall transfer all data regarding the provision of PBM Covered Services to LDH or its designee, at the sole discretion of LDH and as directed by LDH. All transferred data must be transferred in compliance with HIPAA.

All required transfers of data and information specified in the Contract shall be made electronically, unless otherwise directed by LDH, and according to the format and schedule approved by LDH.

All data received shall be verified by LDH or the subsequent contractor. If LDH determines that not all of the data regarding the provision of PBM Covered Services was transferred to LDH or the subsequent contractor, as required, or the data was not transferred in a HIPAA compliant manner, LDH reserves the right to hire an independent contractor to assist LDH in obtaining and transferring all the required data and to ensure that all the data was transferred in a HIPAA compliant manner. The Contractor shall be responsible for payment of all reasonable costs incurred by LDH for any such services provided by an independent contractor.

MMA will transfer all data regarding the provision of PBM Covered Services to LDH or its designee, at the sole discretion of LDH and as directed by LDH. MMA will transfer all data in compliance with HIPAA standards.

All required transfers of data and information specified in the Contract shall be made electronically, unless otherwise directed by LDH, and according to the format and schedule approved by LDH. MMA will work in cooperation with LDH and the successor contractor to promote a successful transition at contract end by providing data files in a mutually agreed-upon electronic format. Data files will be provided with record layouts and field descriptions and will be inclusive of all data necessary to manage the Louisiana Medicaid Managed Care Program. MMA is knowledgeable about data transitions and conscious of the required coordination, division of responsibility, and communication necessary to effectuate a smooth turnover of data files to a new contractor.

In the event it becomes necessary, MMA will transfer all data-related files including but not limited to:

- Claims data including historical files
- Eligibility information
- Rebate information
- Clinical information
- Historical payment information
- Financial data
- Communications logs
- Prior Authorizations.

We will provide documentation and turnover of all LDH data assets and related business and technical documentation, including a complete and total transfer of all data files, reports, and records generated from inception of the contract through the contract end in a format, media, content, and within time frames approved by LDH to LDH or the successor contractor.

MMA acknowledges that all data received will be verified by LDH or the subsequent contractor. If LDH determines that not all of the data regarding the provision of PBM Covered Services was transferred to LDH or the subsequent contractor, as required, or the data was not transferred in a HIPAA compliant manner, MMA acknowledges that LDH will hire an independent contractor to assist LDH in obtaining and transferring all the required data and to ensure that all the data was transferred in a HIPAA compliant manner. MMA will be responsible for payment of all reasonable costs incurred by LDH for any such services provided by an independent contractor.

Post-Turnover Services (RFP 2.1.30.3)

Thirty (30) Calendar Days following turnover of operations, the Contractor shall provide LDH with a Turnover Results report documenting the completion and results of each step of the Turnover Plan. Turnover shall not be considered complete until this document has been approved by LDH.

MMA's Turnover Coordinator will provide LDH with a Turnover Results Report for review and approval 30 Calendar Days following turnover of operations. The Turnover Results Report will document the completion and results of each step of the Turnover Plan. Turnover

If the Contractor does not provide the required data and reference tables, documentation, and/or other pertinent information necessary for LDH or the subsequent contractor to assume the operational activities successfully, the Contractor agrees to reimburse LDH for all reasonable costs, including, but not limited to, transportation, lodging, and subsistence for all State and Federal representatives, or their agents, to carry out their inspection, audit, review, analysis, reproduction and transfer functions at the location(s) of such records.

MMA will reimburse LDH for all reasonable costs, including, but not limited to, transportation, lodging, and subsistence for all State and Federal representatives, or their agents, to carry out their inspection, audit, review, analysis, reproduction, and transfer functions if MMA does not provide the required data and reference tables, documentation, and/or other pertinent information necessary for LDH or the subsequent contractor to assume the operational activities successfully.

The Contractor shall also pay any and all additional costs incurred by LDH that are the result of the Contractor's failure to provide the required records, data, and/or documentation within the time frames agreed to in the Turnover Plan. LDH may, at its sole discretion, deduct from the withhold of the final payment to satisfy the additional costs incurred.

MMA will pay any and all additional costs incurred by LDH that are the result of MMA's failure to provide the required records, data, and/or documentation within the time frames agreed to in the Turnover Plan. MMA acknowledges that LDH may, at its sole discretion, deduct from the withhold of the final payment to satisfy the additional costs incurred.

The Contractor shall maintain all data and records related to Enrollees and Providers for ten (10) years after the date of final payment under the Contract or until the resolution of all litigation, Drug Claims, financial management review or audit pertaining to the Contract, whichever is longer. Under no circumstances shall the Contractor or any Subcontractors destroy or dispose of any such records, even after the expiration of the mandatory ten (10) year retention period, without the express prior written permission of LDH.

MMA will retain records in accordance with RFP requirements and applicable State and Federal laws and regulations. We will maintain all data and records related to Enrollees and Providers for 10 years after the date of final payment under the Contract or until the resolution of all litigation, Drug Claims, financial management review or audit pertaining to the Contract, whichever is longer. MMA will not destroy or dispose of any such records,

even after the expiration of the mandatory 10-year retention period, without the express prior written permission of LDH.

We will maintain online retrieval and access to documents and files for audit and reporting purposes for 10 years following termination of the Contract in live systems and an additional four years in archival systems. Historical encounter data submission will be retained for at least 10 years following termination of the Contract, following generally accepted retention guidelines. Services that have a once in a lifetime indicator (e.g., appendix removal, hysterectomy) are denoted on LDH's procedure formulary file, and Drug Claims will remain in the current/active Drug Claims history that is used in Drug Claims editing and will not be archived or purged. Online access to Drug Claims processing data will be available by the Medicaid Beneficiary ID, Provider ID, Provider NPI, and/or ICN (internal control number) to include pertinent Drug Claims data and Drug Claims status.

Our MCO PBM Solution will provide data retention, including current and purged history files, for the LDH-defined time period of 10 years. Our system has the ability to refresh, replace, or archive all historical data, on a scheduled basis approved by LDH.

MMA will maintain audit trails online for at least six years following termination of the Contract. MMA's system provides the ability to inactivate records rather than purge or perform a physical delete of the record in the database as required by audit and data retention rules.

Our solution produces sortable audit logs on-demand. MMA's solution provides the capability for auditing user (application and administration operations) access to PHI/PII data, including logging of events and user dialogs explaining access. Our solution produces an immutable audit log in sufficient detail (e.g., access date and time, user identification, machine or IP identification, event actions/activity identification and chronology) for PII/PHI data related events in compliance with Office of National Coordinator for Health Information Technology's ACA Section 1561 Recommendations, Recommendation 5.3 for Privacy and Security.

MMA will retain additional history for no less than 10 years.

The Contractor agrees to repay any valid, undisputed audit exceptions taken by LDH in any audit of the Contract. LDH may, at its sole discretion, deduct from the withhold of the final payment for reimbursement of any amounts due related to the audit exception.

MMA agrees to repay any valid, undisputed audit exceptions taken by LDH in any audit of the Contract. MMA acknowledges that LDH may, at its sole discretion, deduct from the withhold of the final payment for reimbursement of any amounts due related to the audit exception.

Reports and Requests for Information (RFP 2.1.31)

The Contractor shall provide and require its Subcontractors to provide, as applicable, in accordance with the timelines, definitions, formats and instructions set forth in the Contract, in the MCO Manual, or as further specified by LDH:

- **All information required under the Contract, or other information related to the performance of Contract responsibilities as requested by LDH or an MCO.**
- **All reports and associated requirements as specified in the Contract and the MCO Manual.**
- **Any data from their clinical systems, authorization systems, claims systems, medical record reviews, quality and network monitoring reviews, network management visits, Enrollee interaction, and audits.**
- **Delivery of time sensitive data to LDH or an MCO.**
- **High quality, accurate data in the format and in the manner of delivery specified by LDH.**

MMA will provide, and require our subcontractors to provide, as applicable, in accordance with the timelines, definitions, formats and instructions set forth in the Contract, in the MCO Manual, or as further specified by LDH, the following:

- All information required under the Contract, or other information related to the performance of Contract responsibilities, as requested by LDH or an MCO
- All reports and associated requirements as specified in the Contract and the MCO Manual
- Any data from our clinical systems, authorization systems, claims systems, medical record reviews, quality and network monitoring reviews, network management visits, Enrollee interaction, and audits
- Delivery of time sensitive data to LDH or an MCO
- High quality, accurate data in the format and in the manner of delivery specified by LDH.

MMA has established subcontractor agreements in place that we use as a foundation to customize each agreement to meet Louisiana MCO PBM Project requirements. Claudia Soto, our COO, will be responsible for overseeing the Account Team to ensure we are meeting all timeline, definitions, formats, and directives, as well as additional LDH requests and requirements, in a timely manner with high quality.

The Contractor shall respond to requests for information from LDH or an MCO within the following timelines:

- **Requests from LDH or an MCO shall be acknowledged in writing within one (1) Business Day and addressed within five (5) Business Days, or within the time-period specified by LDH or the MCO in the request.**
- **Requests that originate from the Office of the Governor, the LDH Office of the Secretary, or a Louisiana legislator shall be addressed within seventy-two (72) hours.**
- **Requests from the LDH Provider Relations Unit shall be addressed within five (5) Business Days.**
- **Requests from the LDH Enrollee Complaints Unit and requests for assistance with locating specialists shall be addressed within seventy-two (72) hours unless there is a clinical indication that it is needed sooner.**

MMA will respond to requests for information from LDH or an MCO within the following timelines:

- Requests from LDH or an MCO will be acknowledged in writing within one Business Day and addressed within five Business Days, or within the time-period specified by LDH or the MCO in the request

- Requests that originate from the Office of the Governor, the LDH Office of the Secretary, or a Louisiana legislator will be addressed within 72 hours
- Requests from the LDH Provider Relations Unit will be addressed within five Business Days
- Requests from the LDH Enrollee Complaints Unit and requests for assistance with locating specialists will be addressed within 72 hours unless there is a clinical indication that it is needed sooner.

As the point of contact for LDH and the MCOs, our Louisiana COO Claudia Soto, is involved in the day-to-day business activities and will oversee all requests for information. She will spearhead requests, forwarding them to the appropriate Account Team member to ensure a timely and quality response.

As an additional point of contact, MMA's MCO Liaison Team provides a mechanism where MCOs are able to call or email directly with requests for information or with other issues. Our MCO Liaison Team will be trained specifically on understanding the Louisiana Medicaid population being served by the MCOs, as well as aspects that are unique to each MCO's population. They take into account the MCOs' perspective and needs during all stages of the Contract. They support coordination and integration efforts, as well as have the ability to quickly resolve urgent Enrollee cases. Our MCO Liaison Team will also have the knowledge and capability to assist with any clinical, pharmacy-related matter, such as urgent and/or time-sensitive requests, PA status, or claims issues.

If the Contractor does not provide the requested information within the timeframes outlined in the Contract or in the request, the MCO(s) may assess Monetary Penalties as outlined in Attachment G, *Table of Monetary Penalties*.

MMA acknowledges that, if the requested information is not provided within the time frames outlined in the Contract or in the request, the MCO(s) may assess Monetary Penalties as outlined in Attachment G, Table of Monetary Penalties.

The Contractor shall comply with the following requirements specific to public records' requests in addition to the requirements in the MCO Manual:

- **During Readiness Review, the Contractor shall provide LDH, or its designee, with the name of the individual who will serve as the Contractor's point of contact for handling public records' requests. If this point of contact changes at any time during the Contract term, the Contractor shall provide LDH with the updated point of contact immediately.**
- **If LDH receives a request pursuant to the Louisiana Public Records Act for records that are in the custody of the Contractor, the Contractor shall provide all records to LDH that the Department, in its sole discretion, deems to be responsive to the request, pursuant to the timeline and in the requested format established by LDH.**
- **If the Contractor receives the public records' request directly, the Contractor shall forward the request via email to the LDH Section Chief of Program Operations and Compliance within one (1) Business Day of receipt. Thereafter, the Contractor shall provide all records to LDH that the Department, in its sole discretion, deems to be responsive to the request, pursuant to the timeline and in the requested format established by LDH.**

MMA will comply with the following requirements specific to public records' requests in addition to the requirements in the MCO Manual:

- During Readiness Review, MMA will provide LDH, or its designee, with the name of the individual who will serve as MMA's point of contact for handling public records' requests. If MMA's point of contact changes at any time during the Contract term, we will provide LDH with the updated point of contact immediately.

- If LDH receives a request pursuant to the Louisiana Public Records Act for records that are in the custody of MMA, we will provide all records to LDH that the Department, in its sole discretion, deems to be responsive to the request, pursuant to the timeline, and in the requested format established by LDH.
- If MMA receives the public records request directly, we will forward the request via email to the LDH Section Chief of Program Operations and Compliance within one Business Day of receipt. Thereafter, MMA will provide all records to LDH that the Department, in its sole discretion, deems to be responsive to the request, pursuant to the timeline, and in the requested format established by LDH.

Ms. Soto will oversee and monitor all public records request and requirements identified in the MCO Manual. MMA will appoint a dedicated point of contact who will response to public record requests prior to Readiness Review. If, at any time, our point of contact changes, we will notify LDH with the name of the person immediately.

A pattern of inadequate or untimely responses to requests for information shall be subject to Monetary Penalties in accordance with Attachment V, *Table of Monetary Penalties*.

MMA understands that a pattern of inadequate or untimely responses to requests for information will be subject to Monetary Penalties in accordance with Attachment V, *Table of Monetary Penalties*.

The obligations outlined in this section shall survive the termination of the Contract.

MMA agrees and understands that the obligations outlined in this section will survive the termination of the Contract.

10.0 PROPOSED STAFF QUALIFICATIONS (RFP 1.8.10, 2.1.4)

The depth of MMA's Medicaid pharmacy solution, including technological, staffing, and support services enables us to successfully scale and configure our pharmacy solutions to meet LDH requirements and needs. LDH requires an experienced and dedicated staff that is up to date on today's best practices, along with a supporting technical solution that is flexible enough to respond to rapid change. ***The MMA pharmacy solution provides LDH with both.***

Across the United States, Magellan Health employs over 8,800 employees nationwide; 2,487 of these employees work under the MRx division, and 930 of these are MMA employees. When developing our detailed staffing plan and resources to support the Louisiana Medicaid Managed Care Program, MMA followed the same approach that has proven successful for our 13 current Medicaid pharmacy benefit management POS contracts, 5 ADAP contracts, 4 SPAP contracts, and 4 Medicaid managed care contracts, as well as our experience as the incumbent Louisiana Medicaid State Supplemental Rebate/PDL and Drug Rebate Processing Contractor, to ensure we have sufficient staffing levels. Our staffing plan design reflects our proven approach as well as our commitment to excellence, efficiency, and success.

Our proven organizational approach to Medicaid pharmacy program implementations has been fine-tuned over the years and further strengthened by our team of experienced Medicaid professionals. ***Our proposed Louisiana Account Team and corporate support resources possess recent, hands-on, successful experience in the implementation, operations and maintenance, and certification (as appropriate) of Medicaid FFS and Managed Care pharmacy programs.*** They will effectively support the Louisiana PBM for Managed Care Project from the Implementation project phase, and throughout the ongoing operations project phase, as well as throughout the end of contract transition to ensure no disruption of service to Louisiana Beneficiaries and Network Providers.

In the following sections, we address the requirements from RFP Section 1.8.10, Proposed Staff Qualifications, as well as the requirements from RFP Section 2.1.4, Staffing and RFP Section 2.1.5, Subcontractors.

10.1 Staffing

Proposers should state job responsibilities, workload, and lines of supervision for both Key Personnel and General Staff.

The Proposer should identify the individuals serving as key personnel, the resources proposed for Key Personnel roles in Section 2.1.4, and the percentage of time directly assigned to the project, should be identified.

To support LDH throughout the Louisiana MCO PBM Project implementation, operations, and transition/turnover phases, MMA has assigned a talented and tenured team of individuals with deep experience in Medicaid PBM administration. We recognize that a major risk in any health services delivery project is the absence of skilled staff and resources when required. Our proposed Account Team has the necessary internal networks built, allowing them to navigate the process efficiently, escalate as necessary, and gain visibility as appropriate.

The Contract will be administered through collaboration among cross-functional teams at MMA, consisting of a combination of key, general, implementation, support, and executive staff. Implementation staff will consist of the respective leaders for each relevant department, to include the leaders of Quality Management, System Implementation (which encompasses benefit plan and finance configuration) Clinal Outcomes Analytics and Research (COAR), Business Intelligence Reporting, Network

Management, System Architecture, Data Integration/Interface, Training, Testing, and Special Investigative Unit (SIU). Once implementation is complete, each of these leaders will assign a team member to serve as support staff who will work directly with the Louisiana MCO PBM Account Team. Our proposed personnel for the project are listed in the table below. Each of these proposed key personnel will be supported by additional departments and individuals throughout MMA, as indicated in the Distribution of Work Table and Corporate Organization Chart included in proposal *Section 6.0: Administrative Data.*

The following table lists Key Personnel staff names, titles, responsibilities, workloads, percentage of time directly allocated to the project, lines of supervision, and resources proposed. All of our proposed Key Personnel positions are filled by MMA employees; no roles will be filled by contractors.

MMA Proposed General Staff

The following table lists responsibilities, workloads, and lines of supervision, for General Staff. All of our proposed General Staff positions are filled by MMA employees; no roles will be filled by contractors.

MMA Proposed Implementation Staff

The following table lists Implementation staff names, titles, responsibilities, and lines of supervision. All of our proposed Implementation positions are filled by MMA employees; no roles will be filled by contractors.

MMA Proposed Support Staff

The following table lists Support staff, titles, responsibilities, and lines of supervision. All of our proposed Support positions will be filled by MMA employees; some CSC and administrative staff positions will be filled by . Upon contract award, leaders listed in the above Implementation Team table will assign a support staff member from their respective areas to support the MMA Louisiana Account Team during the Project Operations phase.

Staffing Requirements (RFP Section 2.1.4.1)

The Contractor shall:

- **Enact a staffing strategy that provides for the acquisition, allocation, supervision, and coordination of project staff to ensure that the requirements and service levels in the RFP are met to the satisfaction of LDH.**

The following sections describe MMA's staffing strategy for the allocation, acquisition, supervision, and coordination of project staff.

Allocation of Project Staff

MMA offers LDH an Account Team with a variety of managed care and PBM expertise coupled with Medicaid operational experience that integrates best practices from clinical, information technology, analytic and business resources to achieve desired outcomes. We actively seek to hire and retain individuals with the education, skills, and backgrounds to work within the team concept to provide the experience that aligns with our focus to meet the needs of LDH. ***All of our Louisiana Key Personnel are hired, in place, and knowledgeable of the needs of LDH, have worked together on multiple implementations and have the experience necessary to ensure a smooth implementation of the Louisiana MCO PBM project.*** This is a major advantage for LDH and is our preferred method of staffing for our customers in order to provide the highest level of service and attain the highest level of customer satisfaction. MMA has long been recognized as a proven organization experienced in successfully managing large and complex Medicaid projects. Drawn from our internal pool of longtime Medicaid professionals, the staff we propose combines an effective balance of technical, operational, and healthcare expertise to manage, implement, and support the Louisiana MCO PBM solution and ensure success throughout the contract term. In addition to our core Account Team, our leadership team and our Customer Service Center (CSC), clinical, operational, and technical staff will support the project.

MMA uses a matrix-based approach to organization that provides our customers with dedicated Key Personnel and General Staff to form a core Account Team, as well as Implementation Team and Support staff for additional project support, as well as expert corporate resources to help support our customers' needs. LDH benefits from our staffing approach because it is a fluid and adaptable model that is adjusted based on contract monitoring to ensure that appropriate staff are allocated across the business at all times. As staffing levels change and project needs evolve, we add additional resources as needed.

MMA provides a range of subject matter experts (SMEs) with the Medicaid FFS and Managed Care experience necessary to assist LDH throughout the life of the contract, as well as additional resources, as needed, to ensure the success of the Louisiana PBM for Managed Care Program. Each functional area brings its experience and expertise to provide support for the overall objectives of the LDH. Working as a team, this multi-disciplinary group will supply LDH with specialized support and is committed to maximizing the benefit of the program for Enrollees while maintaining cost-efficiency for LDH.

We are committed to providing the appropriate Medicaid-experienced teams and resources with the necessary autonomy to manage the complexities of the Louisiana Medicaid MCO PBM pharmacy benefit.

Acquisition of Project Staff

The proposed Key Personnel listed in the Key Personnel Requirements section below are all currently in place, and MMA has ample staffing resources available to assign to the required General Staff roles prior to contract implementation. However, in the event that there is a need to replace Key Personnel or General Staff during the course of the contract, we will recruit, hire, and retain the highest quality talent

available. We have in place a dedicated team of Human Resources professionals and a proven process for selecting and hiring qualified staff that will support successful ongoing operations of the MCO PBM Contract. Leadership from each operational area has already begun to determine the resources required for the project. Following contract award, these assumptions continue to be refined to arrive at our final staffing plan. Our considerations in developing a staffing plan include determining the number, type, and qualifications of personnel required; the location of the roles; identifying the technical architecture requirements; and reviewing functional elements of the operation to ensure optimization of FTE requirements.

We use Workday as our applicant tracking system for recruitment. Workday allows us to manage the entire recruiting lifecycle in one system, including workforce planning, sourcing, and advanced talent analytics. Workday also allows us to consistently attract top talent with a consistent and engaging candidate experience from outreach to onboarding. The system streamlines the recruitment process by enabling transparency and collaboration across the entire hiring team for the interview and offer process.

To attract top talent to support LDH, we use multiple job boards and sourcing tools and maintain a strong pipeline of talent to quickly replace any turnover of staff. This includes contracts with LinkedIn, Indeed, Glassdoor, among other recruitment advertising tools to build awareness of the opportunities and open positions within MMA. Other resources include niche boards for IT and clinical staff, job posting aggregators, and minority business and women-owned websites, news outlets, and organizations. These tools also allow our recruiters to have a consistent candidate outreach, communications, and sourcing plan, to fill current openings, as well as prepare for any future turnover so that positions can be re-filled quickly.

As part of the candidate selection and interview process, we use an in-depth interview that includes structured and behavior-based interviews. Each candidate will interview with individuals who focus on different areas of the position and company, to ensure candidates are qualified for the position. LDH will participate in the candidate approval process.

Supervision and Coordination of Personnel

Our Louisiana MCO PBM Project's Chief Operational Officer, Claudia Soto, has oversight of MMA's performance related to providing services for the Louisiana Medicaid Managed Care Program. She will oversee and coordinate all activities of all Key Personnel, General Staff, and Support staff, as well as with respective executive leadership of all internal functional areas to ensure that program performance is met in accordance with Louisiana PBM Services for Medicaid MCOs Contract requirements.

- **Ensure that Key Personnel or their designees are available during Business Hours.**

All Key Personnel allocated to the project will be available, or make one of their designees available, during Business Hours.

- **Make the necessary arrangements to ensure that all Key Personnel are available to meet in person at LDH's headquarter in Baton Rouge when required.**

Our Key Personnel and some General Staff members (Audit Pharmacist and Provider/Enrollee Relations Manager) will be Louisiana-based and will therefore be available to meet in person at LDH's headquarters in Baton Rouge when required. MMA is committed to making the necessary arrangements to ensure that all other personnel are available to meet in person at LDH's headquarters in Baton Rouge when required.

- **Provide staff sufficient resources to implement all aspects of the PDL (preferred/non-preferred status, PA requirements, utilization management, DUR edits) into the Drug Claims processing system, as described in Section 2.1.9 Drug Claim Adjudication System Requirements.**

As the incumbent PDL contractor that designed and implemented Louisiana's PDL in 2002 and has successfully managed it for 20 years, MMA will provide sufficient resources to implement all aspects of the PDL into its FirstRx claims processing system. The Clinical Pharmacy Director will receive the single PDL file from our MMA Louisiana PDL contract staff and work with the IT Manager to get it loaded into FirstRx. This arrangement will benefit LDH, because MMA will be the same vendor creating and receiving PDL file to inform the single MCO PBM, the file will be in the most optimal layout for proper adjudication, eliminating errors or the need for a third-party interface or crosswalk.

There will also be opportunities for the MMA Account Team and the PDL/Supplemental Rebate staff to participate in regular meetings and workgroups to facilitate and optimize alignment between the State PDL and the single MCO PBM solution.

- **Ensure that compensation to individuals or entities that conduct UM activities is not structured to provide incentives for the individual or entity to deny, limit, or discontinue medically necessary PBM Covered Services to any Enrollee.**

MMA's purpose is to lead humanity to healthy vibrant lives, and one of the ways we are able to achieve this purpose is through a commitment to health equity and ensuring access to essential and life-saving medications for all patients. We affirm that none of our employees receive compensation plans structured to incentivize the denial, limitation, or discontinuation of any medically necessary PBM covered services to any Enrollee.

- **Ensure that staff consistently and correctly apply authorization criteria and make appropriate determinations, including a process to ensure staff performing below acceptable thresholds on inter-rater reliability tests are not permitted to make independent authorization determinations until such time that the staff member can be retrained, monitored, and demonstrate performance that meets or exceeds the acceptable threshold.**

MMA has a formal procedure (documented in MMA's Compliance 360 platform) that governs the process of annual inter-rater reliability (IRR) testing to ensure that clinical staff consistently and correctly apply authorization criteria and make appropriate determinations. This policy is reviewed annually and updated as necessary. All MMA staff involved in utilization management decisions are required to maintain a minimum passing score of 90% on the annual IRR test. MMA's Chief Medical Officer (CMO) provides clinical oversight for the IRR program. The Senior Director of Pharmacy Operations and Director of Clinical Pharmacist identifies MMA Clinical Managers who supervise pharmacists responsible for working in conjunction with the CMO and Quality Improvement staff to draft and administer the annual IRR test. Members of the Training Department support clinical leadership in the IRR testing process by loading the IRR test into SABA (MMA's centralized learning portal), providing assistance as needed with question development, and providing reports of staff scores and completion rates.

MMA requires clinical staff to complete an Interrater Reliability (IRR) exam monthly, administered through the our corporate learning portal, with monthly, quarterly, and annual results reporting in compliance with accreditation, state, and client contractual obligations. IRR courses are specific to the following areas of specialization:

- Medical Pharmacy
- Pharmacy Benefit Management.

All UM Clinical Reviewers are required to complete the IRR exam monthly according to their area of specialization, with a minimum of 30 questions per year. All results are reported to the Magellan Quality Improvement Committee.

Staff receiving a score of less than 100% will be coached and advised on items missed on a monthly basis. Staff not receiving a passing cumulative annual score of 90% or higher will be subject to corrective action. Such staff will be coached, advised, and required to re-take the full IRR test within two (2) weeks to thirty (30) days after the annual failure date. Staff not meeting the 90% or higher threshold on the retake exam may be subject to corrective action or up to termination upon VP Medical Director discretion.

- **Ensure the individual(s) making determinations shall have no history of disciplinary action or sanctions, including loss of staff privileges or participation restrictions, that have been taken or are pending by any hospital, governmental agency or unit, or regulatory body that raise a substantial question as to the clinical peer reviewer's physical, mental, or professional or moral character.**

MMA has hiring processes in place to ensure that all staff–including those who are making determinations–have no history of disciplinary action or sanctions, including loss of staff privileges or participation restrictions that have been taken or are pending by any hospital, governmental agency or unit, or regulatory body that raise a substantial question as to the clinical peer reviewer's physical, mental, or professional or moral character. Our multi-phased candidate screening process is designed to identify qualified candidates, while screening out candidates who lack key qualifications or have a history of disciplinary actions.

Once a candidate has completed our Talent Acquisition Team's screening phase, they are presented to the hiring manager. Our interviewing process includes two-to-three meetings with subject matter experts, the direct hiring manager, a Human Resource Business Consultant, and the next level of leadership. Executive-level candidates meet with senior leaders up to and including our CEO. We use behavioral interviewing techniques to validate if the candidate's past professional experience is relevant.

All job offers extended by MMA, Magellan, and MRx to potential new hires are contingent upon completion of a detailed Pre-Employment Background Investigation, that consists of background check, drug testing, verification of work experience and professional reference checks, and verification of licensure, certifications, and staff or participation privileges (if applicable).

- **Ensure personnel who performs work under the Contract have the appropriate license and or certification required by applicable State and Federal laws and/or regulations and the contract.**

As discussed above, all new employees must pass a background check that includes verification of appropriate licensure and certifications, and MMA has a process in place to ensure that staff maintain licensure on an ongoing basis.

- **Ensure appropriate staff attendance per meeting or event in person or virtual when required.**

MMA Account Team staff will be present for required in-person meetings with LDH personnel, or when appropriate, for virtual meetings. In response to the COVID-19, MMA was able to successfully transfer operations for all of its government contracts to almost fully remote. This successful transition was implemented for the safety of MMA employees and its customers. As an organization with a workforce that is 92% remote, MMA has honed our ability to manage remote staff to ensure work gets done in a high-quality and timely manner. We reacted quickly at the onset of the pandemic to ensure continuation of all state meetings by transitioning to virtual platforms such as Zoom and Microsoft Teams. Our management team is adept at facilitating meetings, conducting performance reviews, and troubleshooting client account issues remotely using proven management techniques. Claudia Soto, Chief Operational Officer, will be responsible for ensuring that staff are present for all meetings.

- **Maintain additional sufficient clinical pharmacy and other operational staff necessary to perform the following:**

- **Respond to Department and MCOs' needs and inquiries.**
- **Conduct research and analysis, upon request.**
- **Oversee benefit administration.**
- **Ensure the proper reflection of the PDL in the Drug Claims processing system.**
- **Support oversight of PA process and have a pharmacist approve the denial of any PA request.**
- **Conduct reviews of Appeals and Grievances.**
- **Assist its call center staff with accurate and timely resolution of Provider inquiries.**

MMA understands the importance of working closely with LDH, its Medicaid MCO partners, and all LDH stakeholders throughout the term of the contract to ensure continuity of care for Louisiana Medicaid Pharmacies and Beneficiaries. MMA will ensure sufficient clinical pharmacy and other operational staff necessary to perform the required functions. To help us ensure that we maintain the required service levels and maximize performance, MMA cross-trains staff across various functions to provide adequate coverage of duties for the entire project period. This cross-training results in a close working relationship among our Account Team, and ensures optimal staff coordination, customer service, and responsiveness. LDH will benefit from our staffing approach because it is a flexible and adaptable model that is adjusted as staffing levels change. MMA constantly performs contract monitoring to ensure that appropriate staff are allocated across the business at all times.

The table below outlines the corresponding staff resources that will be allocated to each of the required functions. All PA denials will be approved by one of the Pharmacists on staff at the CSC.

- **Provide the necessary staff, management, and resources to perform mass adjustments to Provider Drug Claims payment history, resulting from retroactive rate changes, policy changes, system Adjudication errors, or other situations as requested by LDH or the MCOs, subject to LDH approval.**

As described in detail in proposal *Section 8.3.13: Utilization Management*, MMA's ***FirstRx*** system has a mass adjustment function that allows multiple claims to be adjusted at once. Using the ***FirstRx*** Mass Claims Adjustment functionality, the claims engine provides the ability to automatically process mass adjustments that do not require the user to intervene on a claim-by-claim basis. MMA has the capability to create mass adjustment events in response to retroactive changes in data used for Drug Claim processing (e.g., product pricing, Professional Dispensing Fee rates, policy, eligibility determination) at the direction of LDH. Amy Quinn, CPhT, MMA's POS Programmer, will be responsible for submitting mass claim adjustment jobs using the FirstRx Restore Environment. This environment will allow the POS Programmer to model mass adjustment events and review results such as affected claim count, net financial impact, supplemental encounter files generated, etc., and have them reviewed and approved by MMA and LDH management prior to executing the actual mass adjustment in the production environment. The process of making mass adjustments will be overseen by Claudia Soto, Chief Operational Officer.

- **Provide organizational chart:**
  - **The organizational chart shall be updated as needed to accurately reflect the current staffing levels and depict the Contractor's staff.**
  - **The organizational chart shall denote all key roles for the provision of services under the Contract.**

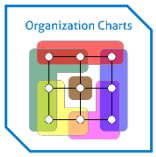
MMA affirms that it will update the organizational charts as needed to accurately reflect the current staffing levels and depict current staff assigned to the project. Claudia Soto, Chief Operational Officer, will ensure that project organizational charts are updated regularly and that updated copies are provided to LDH on a regular basis.

Key Personnel Requirements (RFP 2.1.4.2)

Unless the Contractor requests and receives a written exception from LDH, all key personnel shall be full-time employees (minimum forty [40] hours per week), based in Louisiana, dedicated one hundred percent (100%) to the contract, and serve in only one key personnel position.

MMA affirms that, unless we request and receive a written exception from LDH, all key personnel shall be full-time employees (minimum 40 hours per week), based in Louisiana, dedicated 100% to the contract, and serve in only one key personnel position.

10.2 Project Organization Chart



The Louisiana PBM for Managed Care Program Contract will be administered through collaboration among cross-functional teams at MMA, consisting of a combination of key, implementation, and support staff. Implementation staff will consist of the respective leaders for each relevant department, to include the leaders of Quality Management, System Implementation (which encompasses benefit plan and finance configuration) Clinical Outcomes Analytics and Research (COAR), Business Intelligence Reporting, Network Management, System Architecture, Data Integration/Interface, Training, Testing, and Special Investigative Unit (SIU). Once implementation is complete, each of these leaders will assign a team member to serve as support staff who will work directly with the Key Personnel and General Staff assigned to the MMA Account Team.

Figure 10.2-1: Louisiana Medicaid MCO PBM Project Implementation Chart, displays the staffing plan for the Project Implementation Phase. *Figure 10.2-2: Louisiana Medicaid MCO PBM Project Operational Phase Organizational Chart*, displays the staffing plan for the Operational Project Phase. As required by

the RFP, these organization charts outline the reporting relationships for the Key Personnel and General Staff, as well as for Implementation, Executive Leadership, and Support Staff positions that are listed in the Distribution of Work Table in proposal *Section 6.2: Organizational Structures*. As outlined in *Figure 6.2-1: Corporate Organization Chart*, this project staffing structure will be supported by a top-down organizational structure of executive leadership who will communicate and work together to support the Louisiana MCO PBM project team.

10.3 Job Descriptions

Job descriptions, including the percentage of time allocated to the project and the number of personnel should be included indicating minimum education, training, experience, special skills and other qualifications for each staff position as well as specific job duties identified in the proposal. Job descriptions should indicate if the position will be filled by a sub-contractor.

The table below describes staff job descriptions for the required Key Personnel roles, including the percentage of time allocated, number of personnel, minimum education, training, experience, special skills, as well as specific job duties identified in the proposal. All Key Personnel roles will be filled by existing MMA employees; none of the proposed Key Personnel positions will be filled by subcontractors.

The table below describes staff job descriptions for the required General Staff roles, including the percentage of time allocated, number of personnel, minimum education, training, experience, special skills, as well as specific job duties identified in the proposal. All General Staff roles will be filled by existing MMA employees; none of the General Staff positions will be filled by subcontractors.

10.4 Resumes

Include full resumes of all proposed key personnel identified for key roles. Each person identified for a role above should be included in the resume section. Each resume should demonstrate the qualifications and experience relevant to the position proposed. Each resume should include work history, the specific functions performed, and how the experience relates to the assigned role. Résumés of all known personnel working or overseeing the LDH Pharmacy Program should be included. Résumés of proposed personnel should include, but not be limited to:

- **Experience with Proposer;**
- **Previous experience in projects of similar scope and size; and**
- **Educational background, certifications, licenses, special skills, etc.**

Provide three (3) references for each proposed Key Personnel candidate demonstrating experience in a similar role on one or more projects similar to Section 2. Scope of Work requirements. Each reference should include:

- **Name of the person to be contacted.**
- **Contact phone number.**
- **Client name and address.**
- **Brief description of work.**
- **Dates (month and year) of employment.**

These references should be able to attest to the candidate's specific qualifications.

On the following pages, MMA presents resumes of our Account Team for the Louisiana MCO PBM project, which collectively have 55 years of experience serving state Medicaid customers for MMA, and 131 years of healthcare/pharmacy experience. Resumes are attached for the following Key Personnel and General Staff members:

Claudia Soto, Chief Operational Officer – Ms. Soto exceeds the required staffing qualifications outlined in the RFP for the Chief Operational Officer, with 26 years of demonstrated experience in the PBM industry, including demonstrated experience in PBM systems operations and developing and managing pharmacy networks. Since 2010, Ms. Soto has managed PBM program services for 9 state Medicaid programs with a similar scope to the Louisiana MCO PBM Project.

Tina Hawkins, PharmD, Clinical Pharmacy Director – Dr. Hawkins exceeds the required staffing qualifications outlined in the RFP for the Clinical Pharmacy Director, with 25 years of overall experience in the pharmacy industry. This experience includes 8 years of experience in a pharmacy practice setting and 12 years of experience providing PBM services to state Medicaid agencies of similar size and complexity to Louisiana, including Florida, Idaho, Kentucky, Michigan, Nevada, South Carolina, and Tennessee. She is currently a licensed pharmacist in Tennessee and Kentucky and is eligible for licensure in Louisiana.

Amy Quinn, CPhT, Point-of-Sale (POS) Programmer – Ms. Quinn exceeds the required staffing qualifications outlined in the RFP for the POS Programmer. She has 11 years' experience working as a POS Programmer overseeing benefit configuration with progressively increased responsibility on various Medicaid contracts of similar size and complexity to Louisiana, including Florida, Colorado, Michigan, and Kentucky.

Russell Thompson, MBA, IT Manager – Mr. Thompson exceeds the required staffing qualifications, with over 20 years' experience managing information technology projects of similar or greater scope. He holds a Bachelor's degree as well as a Master of Business Administration with Concentrations in Information Systems and Health Care Administration. He is also a certified Scrum Master.

Reina Navarra, CHC, CCP, Compliance Officer – Ms. Navarro exceeds the required staffing qualifications, with 35 years' experience working as a Compliance Officer for state Medicaid projects of similar or greater scope. She holds a Bachelor's degree and is certified in Healthcare Compliance (CHC)

by the Health Care Compliance Association and as a Certified Compliance Professional (CCP) by the Health Ethics Trust. She is a member in good standing of the Health Care Compliance Association.

Our Implementation Team is a cross-functional team comprised of leads from each relevant department, which will be led by a project Implementation Manager who will be assigned prior to implementation kick-off. The Project Manager to be named reports up to MMA Implementation Department, which is led by:

- Vice President of Implementations, Dan Comeaux, MS
- Senior Director of Iteration Management, Karyn Wheeler, PMP, MBA.

MMA also includes resumes of these Implementation Department leaders.

10.5 Subcontractor Staff (RFP 2.1.5)

If subcontractor personnel will be used, the Proposer should clearly identify these persons, if known, and provide the same information requested for the Proposer's personnel, if requested by LDH.

The Contractor shall:

- **Not delegate responsibility for Drug Claims processing to another entity.**
- **Evaluate the prospective Subcontractor's ability to perform the activities to be subcontracted, prior to contracting with a Subcontractor.**
- **Secure prior written approval of all subcontracts, amendments, and substitutions thereto from LDH.**

To obtain such approval, the Contractor shall submit a written request and a copy of the proposed subcontract to LDH. The request shall also describe how the Contractor will oversee the Subcontractor. The Contractor shall provide LDH with any additional information requested by LDH. LDH shall review and approve or deny the subcontract.

Before commencing work, the Contractor will provide letters of agreement, contracts, or other forms of commitment that demonstrate that all requirements pertaining to the Contractor will be satisfied by all Subcontractors through the following:

- **The Subcontractor(s) will provide a written commitment to accept all Contract provisions.**
- **The Subcontractor(s) will provide a written commitment to adhere to an established system of accounting and financial controls adequate to permit the effective administration of the Contract.**

All Subcontracts shall:

- **Be written.**
- **Specify, and require compliance with, all applicable requirements of the Contract and the activities and reporting responsibilities the Subcontractor is obligated to provide.**
- **Prohibit payment based on commission.**
- **Provide for imposing penalties, up to and including Contract termination, if the State or the Contractor determines that the Subcontractor's performance is inadequate or non-compliant.**
- **Require the Subcontractor to comply with all applicable Contract requirements, applicable Federal and State laws, regulations, rules, policies, procedures, and manuals, the State Plan, Waivers, and applicable subregulatory guidance.**
- **Stipulate that Louisiana law, without regard to its conflict of laws provisions, will prevail if there is a conflict between the state law where the Subcontractor is based and Louisiana law.**
- **Require that the State, CMS, the HHS Inspector General, the Comptroller General, or their designees have the right to audit, evaluate, and inspect any books, records, contracts, computer or other electronic systems of the Subcontractor, or of the Subcontractor's contractor, that pertain to any aspect of services and activities performed, or determination of amounts payable under the Contract.**
  - **The Subcontractor will make available, for purposes of an audit, evaluation, or inspection, its premises, physical facilities, equipment, books, records, contracts, computer or other electronic systems relating to Enrollees.**
  - **This right to audit will exist through ten (10) years from the final date of the Contract period or from the date of completion of any audit, whichever is later.**
  - **If the State, CMS, or the HHS Inspector General determines that there is a reasonable possibility of fraud or similar risk, the State, CMS, or the HHS Inspector General may inspect, evaluate, and audit the Subcontractor at any time.**

- **Comply with 42 CFR §438.3(k).**

MMA will serve as the prime contractor for the contract, acting as the single point of contact for all subcontract work. We plan to use the following subcontractors for the following functions:

In subcontracting with the above mentioned vendors, MMA acknowledges that:

- We will not delegate responsibility for Drug Claims processing to another entity
- We will evaluate the prospective Subcontractor's ability to perform the activities to be subcontracted, prior to contracting with a Subcontractor.
- We will secure prior written approval of all subcontracts, amendments, and substitutions thereto from LDH.
- To obtain such approval, we will submit a written request and a copy of the proposed subcontract to LDH. The request shall also describe how MMA will oversee the Subcontractor and will include any additional information requested by LDH.
- Before commencing work, MMA will provide letters of agreement, contracts, or other forms of commitment that demonstrate that all requirements pertaining to MMA will be satisfied by all Subcontractors through the following:
  - The Subcontractor(s) will provide a written commitment to accept all Contract provisions.
  - The Subcontractor(s) will provide a written commitment to adhere to an established system of accounting and financial controls adequate to permit the effective administration of the Contract.
- All Subcontracts shall:
  - Be written.
  - Specify, and require compliance with, all applicable requirements of the Contract and the activities and reporting responsibilities the Subcontractor is obligated to provide.
  - Prohibit payment based on commission.
  - Provide for imposing penalties, up to and including Contract termination, if the State or MMA determines that the Subcontractor's performance is inadequate or non-compliant.
  - Require the Subcontractor to comply with all applicable Contract requirements, applicable Federal and State laws, regulations, rules, policies, procedures, and manuals, the State Plan, Waivers, and applicable subregulatory guidance.
  - Stipulate that Louisiana law, without regard to its conflict of laws provisions, will prevail if there is a conflict between the state law where the Subcontractor is based and Louisiana law.
  - Require that the State, CMS, the HHS Inspector General, the Comptroller General, or their designees have the right to audit, evaluate, and inspect any books, records, contracts, computer

or other electronic systems of the Subcontractor, or of the Subcontractor's contractor, that pertain to any aspect of services and activities performed, or determination of amounts payable under the Contract.

- The Subcontractor will make available, for purposes of an audit, evaluation, or inspection, its premises, physical facilities, equipment, books, records, contracts, computer or other electronic systems relating to Enrollees.
- This right to audit will exist through 10 years from the final date of the Contract period or from the date of completion of any audit, whichever is later.
- If the State, CMS, or the HHS Inspector General determines that there is a reasonable possibility of fraud or similar risk, the State, CMS, or the HHS Inspector General may inspect, evaluate, and audit the Subcontractor at any time.

- Comply with 42 CFR §438.3(k).

10.6 Louisiana State Employees

If any of the Proposer's named personnel is a current or former Louisiana State employee, indicate the Agency where employed, position, title, termination date, and (in the non-redacted proposal ONLY) the ~~last four digits of the social security number~~, State issued Personnel number.

None of the personnel named in this proposal are current or former employees of the State of Louisiana.

11.0 VETERAN AND HUDSON INITIATIVE PROGRAMS PARTICIPATION

(RFP 1.8.11)

If a Proposer is not a certified small entrepreneurship as described herein, but plans to use certified small entrepreneurship(s), Proposer shall include in their proposal the names of their certified Veteran Initiative or Hudson Initiative small entrepreneurship Subcontractor(s), a description of the work each will perform, and the dollar value of each subcontract.

MMA has thoroughly reviewed the information included in the RFP regarding the Veteran and Hudson Initiative Programs and recognizes and supports the State's objective of creating opportunities for Louisiana-based small entrepreneurships. MMA is not a certified small business entrepreneurship as described in the RFP. However,

12.0 ADDITIONAL INFORMATION (RFP 1.8.12)

As an appendix, Proposers should include a copy of the Continuity of Operations Plan.

Per RFP requirements, MMA provides our Continuity of Operations Plan (COOP) in proposal *Appendix C*.

13.0 COST PROPOSAL (RFP 1.8.13)

Proposers shall complete a cost proposal in format of the cost template form (See Attachment III) for each year of the contract to demonstrate how cost was determined. Proposers must complete a cost proposal to be considered for award. Failure to complete will result in the disqualification of the proposal.

MMA has submitted our Cost Proposal in a separate document.

14.0 CERTIFICATION STATEMENT (RFP 1.8.14)

The Proposer must submit a Certification Statement (See Attachment I) signed by the company official or agent duly authorized to sign proposals or contracts on behalf of the organization. A certified copy of a board resolution granting such authority shall be submitted with the Certification Statement if the Proposer is a corporation. The Proposer represents and agrees that in reviewing and completing this response it has accurately disclosed - and in the future will accurately disclose – all interests of Proposer. Proposer also represents and agrees that it has disclosed - and will disclose - any activity, policy, or practice of which Proposer is aware that presents a conflict of interest with the performance of its obligations hereunder.

MMA represents and agrees that in reviewing and completing this response we have accurately disclosed and in the future will accurately disclose all interests of MMA. MMA also represents and agrees that we have disclosed and will disclose any activity, policy, or practice of which MMA is aware that presents a conflict of interest with the performance of its obligations hereunder.

On the following pages we have provided the completed and signed Attachment I: Certification Statement form. In addition, we have provided a certified board resolution granting authorization by a company official to legally bind MMA.

Attachment I: Certification Statement

CERTIFICATION STATEMENT

The undersigned hereby acknowledges she/he has read and understands all requirements and specifications of the Request for Proposals (RFP), including attachments.

OFFICIAL CONTACT: The State requests that the Proposer designate one person to receive all documents and the method in which the documents are best delivered. Identify the Contact name and fill in the information below: (Print Clearly)

Date	March 30, 2022
Official Contact Name	Jason Crowe
Email Address	JCCrowe@magellanhealth.com
Fax Number with Area Code	804-823-5198
Telephone Number	850-585-2970
Street Address	11013 W. Broad Street, Suite 500
City, State, and Zip	Glen Allen, VA 23060

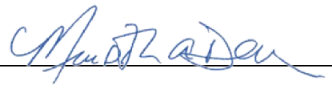
Proposer certifies that the above information is true and grants permission to the Department to contact the above named person or otherwise verify the information I have provided.

By its submission of this proposal and authorized signature below, Proposer certifies that:

1. The information contained in its response to this RFP is accurate.
2. Proposer complies with each of the mandatory requirements listed in the RFP and will meet or exceed the functional and technical requirements specified therein.
3. Proposer accepts the procedures, evaluation criteria, mandatory contract terms and conditions, and all other administrative requirements set forth in this RFP.
4. Proposer's technical and cost proposals are valid for ninety (90) Calendar Days from the date of Proposer's signature below.
5. Proposer understands that if selected as the successful Proposer, he/she will have thirty (30) Calendar Days from the date of delivery of initial contract in which to complete contract negotiations, if any, and fourteen (14) Calendar Days to execute the final contract document. The Department has the option to waive this deadline if actions or inactions by the Department cause the delay.
6. Proposer certifies, by signing and submitting a proposal for twenty-five thousand dollars ($25,000) or more, that their company, any Subcontractors, or principals are not suspended or debarred by the

General Services Administration (GSA) in accordance with the requirements in 45 CFR Part 75, Subpart F. (A list of parties who have been suspended or debarred can be viewed via the internet at https://www.sam.gov).

7. Proposer understands that, if selected as a contractor, the Louisiana Department of Revenue must determine that it is current in the filing of all applicable tax returns and reports and in payment of all taxes, interest, penalties, and fees owed to the State and collected by the LDR. Proposer shall comply with La. R.S. 39:1624(A)(10) by providing its seven-digit LDR account number in order for tax payment compliance status to be verified.
8. Proposer further acknowledges its understanding that issuance of a tax clearance certificate by LDR is a necessary precondition to the approval of any contract by the Office of State Procurement. The contracting agency reserves the right to withdraw its consent to any contract without penalty and proceed with alternate arrangements, should a prospective contractor fail to resolve any identified outstanding tax compliance discrepancies with the LDR within seven (7) Calendar Days of such notification.
9. In preparing its response, the Proposer has considered all proposals submitted from qualified, potential Subcontractors and suppliers, and has not, in the solicitation, selection, or commercial treatment of any Subcontractor or supplier, refused to transact or terminate business activities, or take any other action intended to limit commercial relations, with a person or entity that is engaging in commercial transactions in Israel or Israeli-controlled territories, with the specific intent to accomplish a boycott or divestment of Israel. Proposer also has not retaliated against any person or other entity for reporting such refusal, termination, or commercially limiting action. The State reserves the right to reject the response of the Proposer if this certification is subsequently determined to be false, and to terminate any contract awarded based on such a false response.
10. **Proposer certifies that the cost submitted was independently arrived at without collusion.**

Authorized Signature: 

Print Name: Meredith Delk

Title: Senior Vice President and General Manager, Government Markets

UNANIMOUS WRITTEN CONSENT
OF THE BOARD OF DIRECTORS OF
MAGELLAN MEDICAID ADMINISTRATION, INC.

The undersigned, constituting the entire Board of Directors of Magellan Medicaid Administration, Inc., a Virginia corporation (the "Corporation"), hereby consent to the adoption of the following resolution as if such resolution had been adopted at a duly convened meeting of the Board of Directors of the Corporation:

RESOLVED, that as a duly elected officer of the Corporation, the individual below is authorized and empowered to commit the Corporation contractually:

Meredith Delk – Senior Vice President & General Manager

IN WITNESS WHEREOF, the undersigned have executed this Resolution Adopted by Written Consent, which may be executed in counterparts, to be effective as of the 28th day of February, 2022.

Kenneth J. Fasola

Derrick Duke

Michael P. McQuillen

APPENDICES

Appendix A: Louisiana Medicaid MCO PBM Project Work Plan Appendix A: Louisiana Medicaid MCO PBM Project Work Plan (Excel) (separate file)

Appendix B: MRx Explore Standard Reporting Package

Appendix C: MRx Continuity of Operations Plan (COOP)

This attachment is considered Proprietary and Confidential in its entirety.