

Pharmacy Benefits Manager (PBM) Fee-for-Service (FFS) for Commonwealth of Kentucky

Orals Presentation | October 11, 2022

Submitted by Conduent State Healthcare, LLC

Agenda

9:00 – 9:30 AM	Greetings / Introduction of Commonwealth Team and Vendor Team / Ground Rules for Presentation
9:30 – 9:40 AM	30.1 Hosting
9:40 – 10:00 AM	50.6.1 L. Reporting
10:00 – 10:15 AM	Break
10:15 – 11:15 AM	50.7.1.1 Claims Processing and Payments
11:15 AM – 12:00 PM	50.7.1.8 Drug Rebate Program Administration
12:00 – 1:00 PM	Lunch

Agenda

1:00 – 1:15 PM	50.7.2 Technical Requirements
1:15 – 2:00 PM	50.7.2.3 Solution Design
2:00 – 2:30 PM	50.8.2 Responsibilities
2:30 – 2:45 PM	Break
2:45 – 3:00 PM	50.9.1 Kentucky Online Gateway
3:00 – 3:20 PM	Security Plan
3:20 – 3:35 PM	Attachment B – Cost Proposal Form
3:35 – 4:00 PM	Wrap Up / Q and A

Introductions

Conduent Participants

Management and Key Staff



Lydie Quebe
Vice President and General Manager



Tom Peoples
Contract Manager



Selva Balan
Senior Manager, Application Development and Support



Lewis DiSanto
Project/Conversion Manager



Chanakya (Dev) Alapati
Security Architect



Melissa Jones
Provider and Patient Liaison



Margaret Thorpe
Data Analyst



Stephanie Levine
Clinical Manager

Conduent Participants



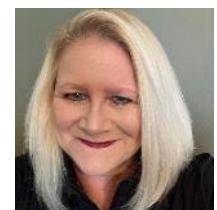
Vasu Sreenathan
*Director, IT Business
Development Manager*



Candace Dickerson
Clinical Business Analyst



Antoine Nelson
Director, Delivery



Kim Rankin
Account Manager



Ramesh Murthy
*Application Development
and Support Engineer*



Vishnu Kotichintala
*Application Development
and Support Engineer*



Amy Cully
*Pharmaceutical Services
Consultant*

Conduent Participants



**Gopal Venkatesh
Murthy**
IT Architecture Engineer



Ramya Gunasekaran
*Senior Technology
Business Analyst*



Mark Marostica
*Senior Business
Development Consultant*



Jeanne Simpson
Senior Delivery Manager



Justin Bowen
RemedyOne



Scott Wert
Remedy One

Conduent and PBM (video)

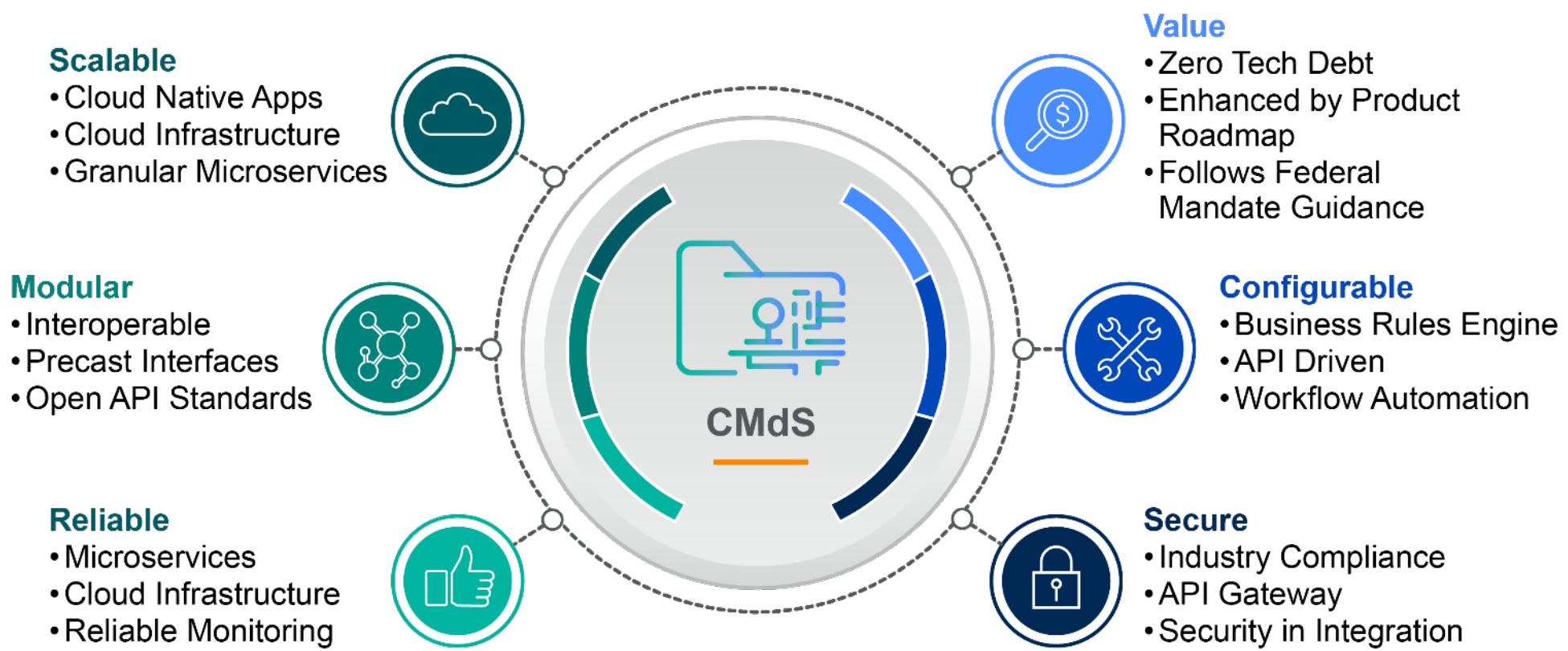
30.1 Hosting

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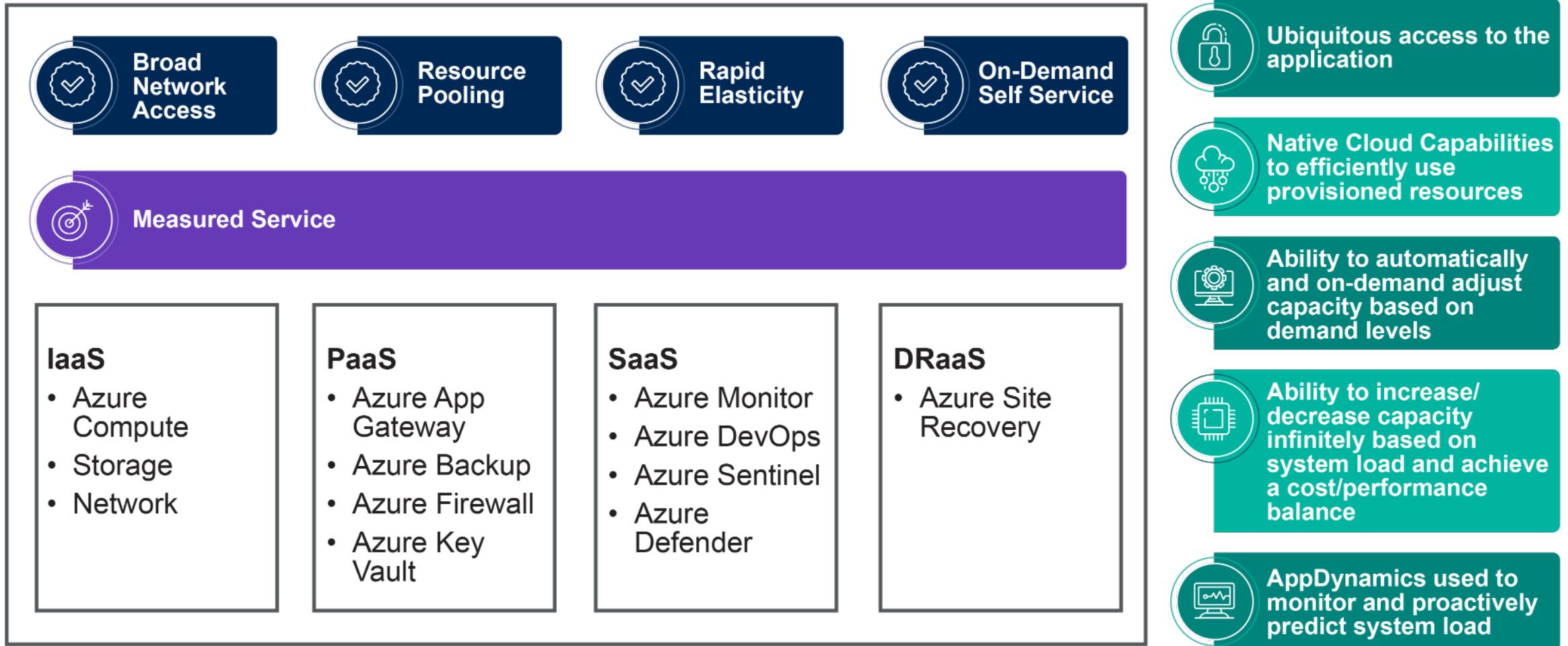
Selva Balan

Address how the hosting requirements will be satisfied

CMdS Overview

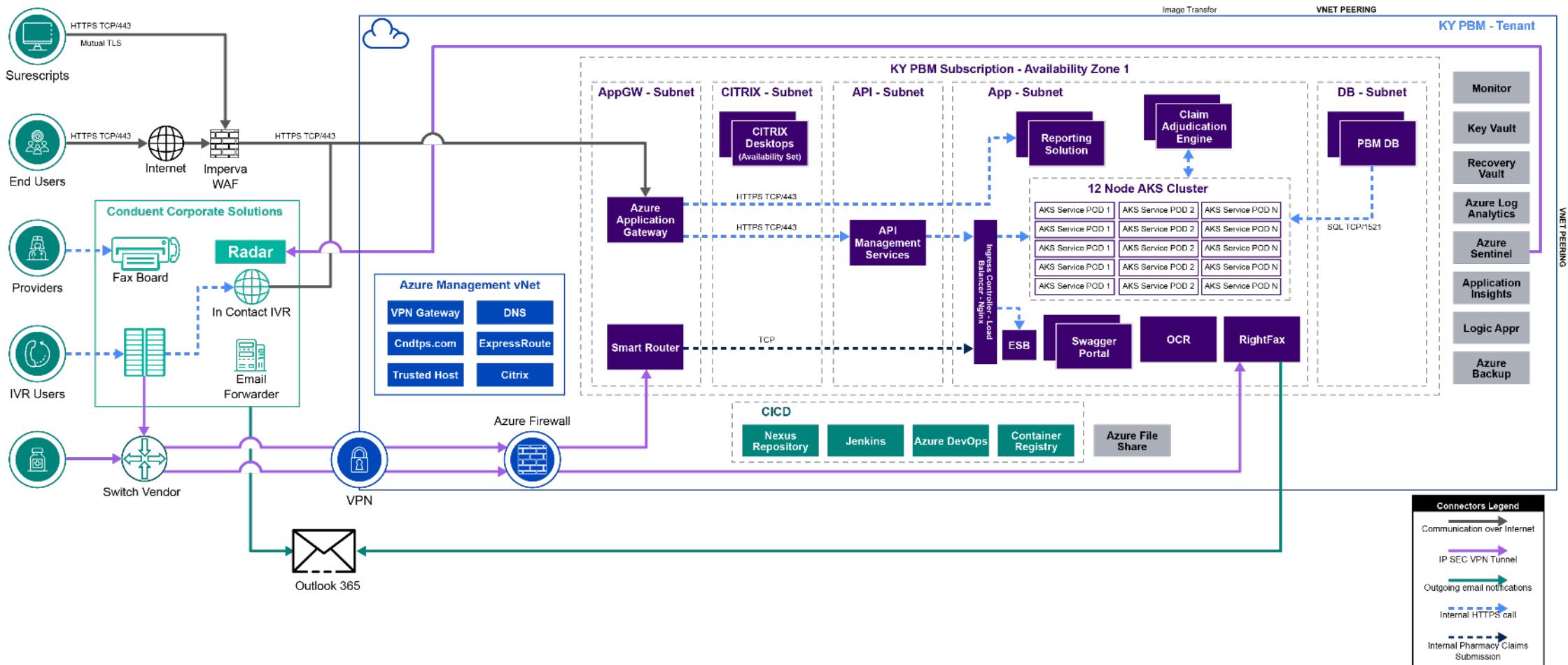


CMdS Cloud Roadmap

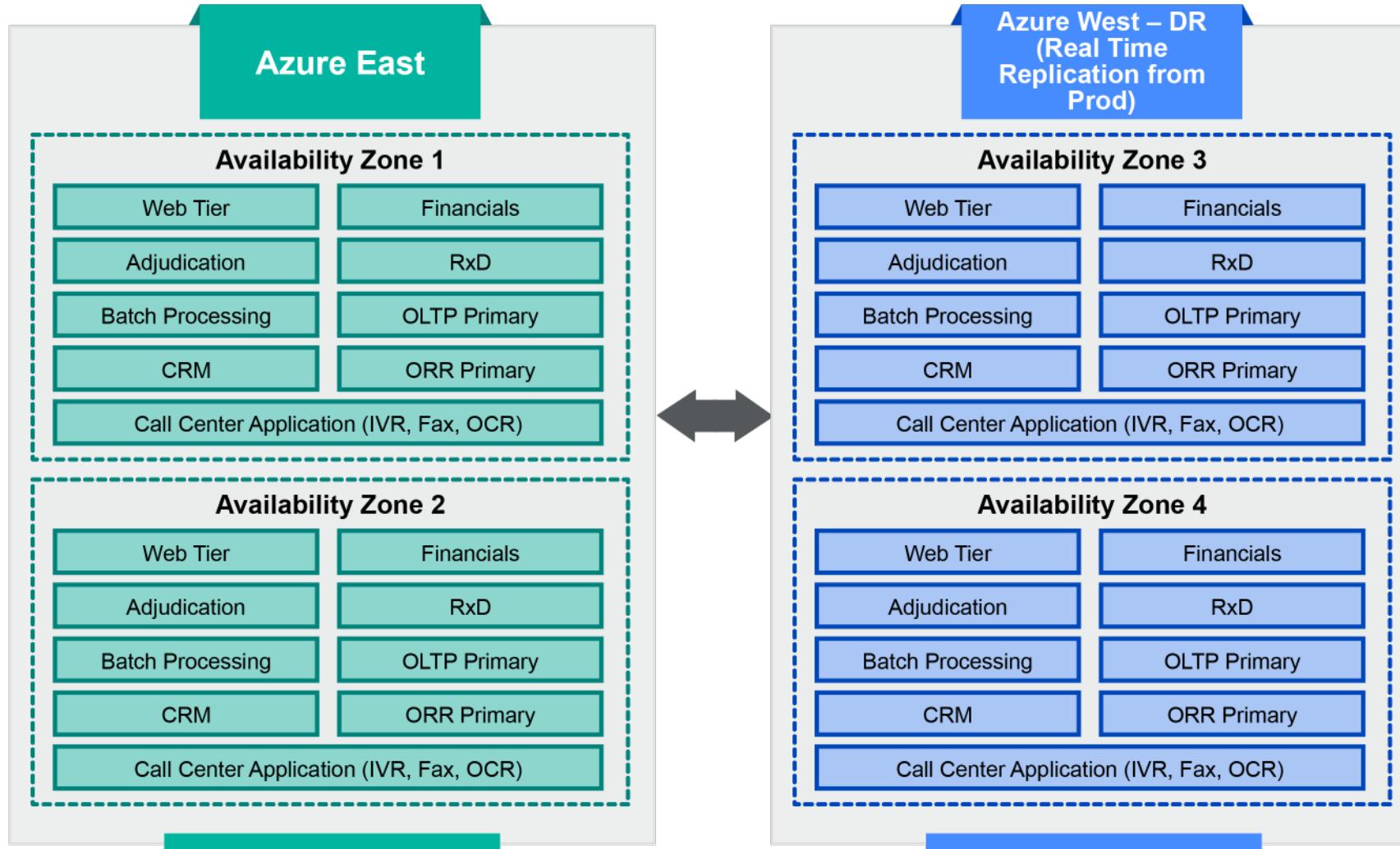


System Architecture

Innovative and focused on security and compliance



Infrastructure Architecture



30.1 Hosting

Selva Balan

- Address how the hosting requirements will be satisfied

50.6.1 L. Reporting

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Ramesh Murthy

Address and demonstrate reports

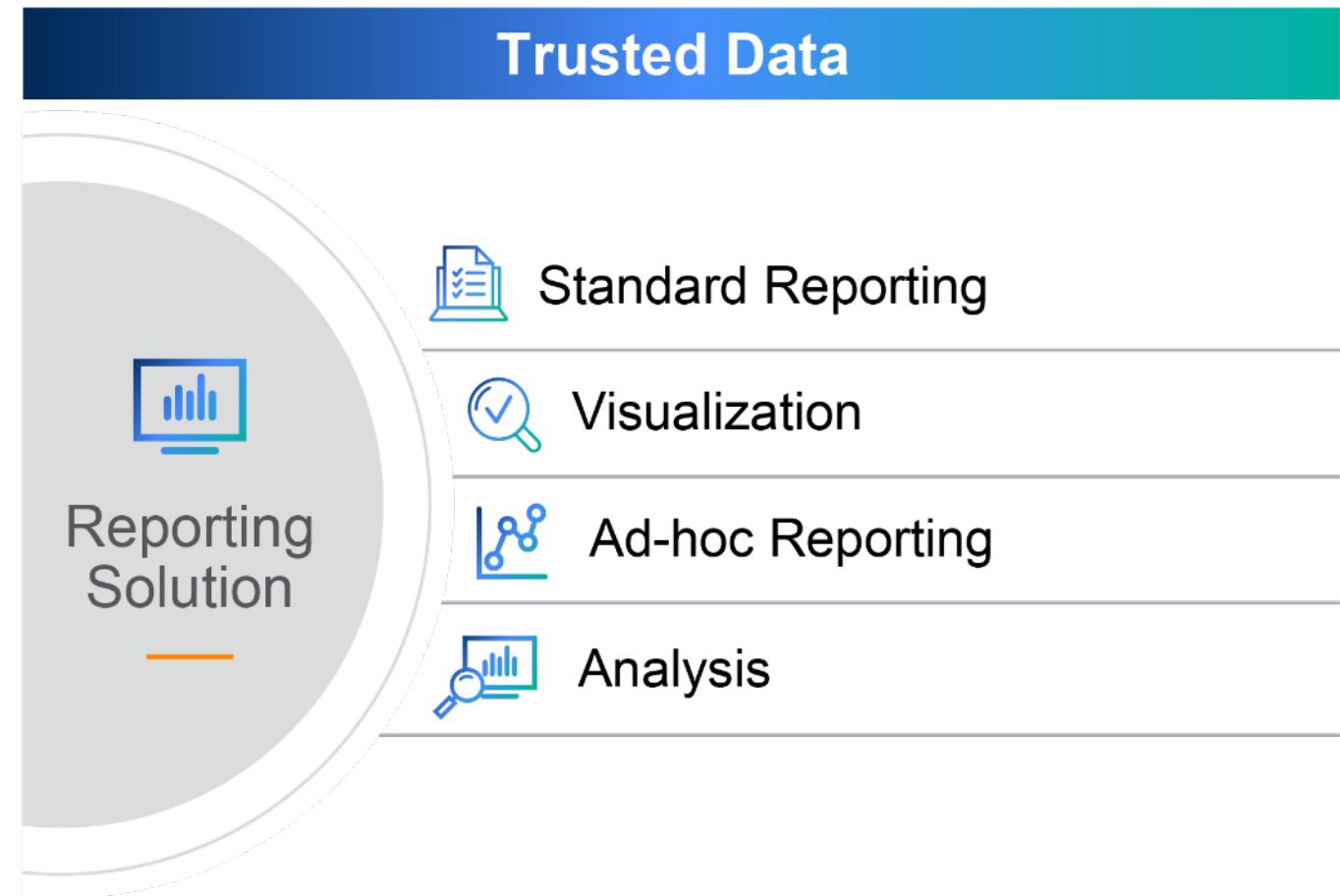


Reporting Solutions

Intuitive and easy to use.

Conduent's business intelligence tools report data at both aggregate and detail levels.

- User Friendly
- Parameter Driven
- Handles Complex Queries
- Easy to Train the Users
- Scheduling Functionality



50.6.1 L. Reporting

Ramesh Murthy



Address and demonstrate reports

Break

PBM End to End Solutions (Video)

50.7.1.1 Claims Processing and Payments

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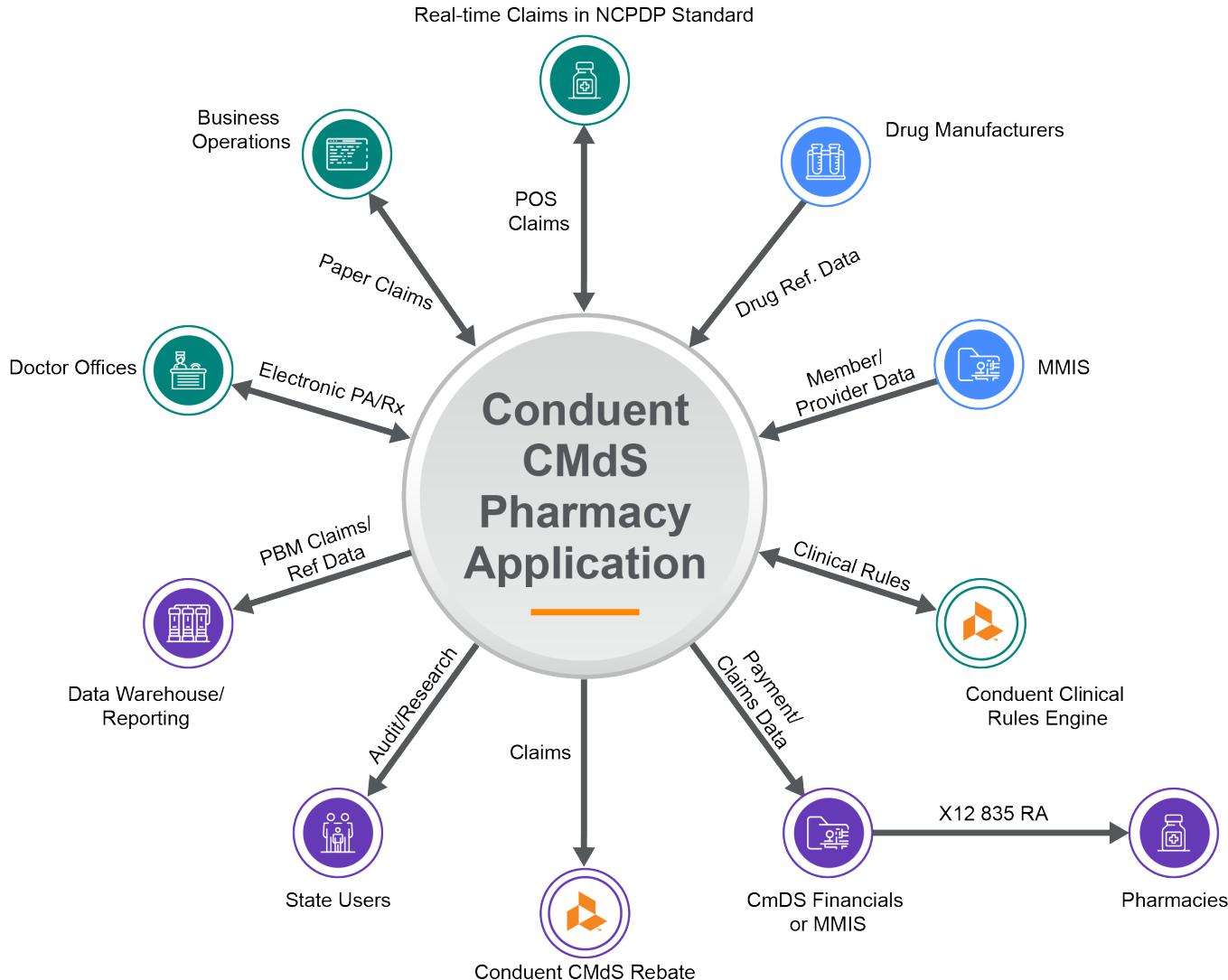
Vasu Sreenathan

Demonstrate POS system

Demonstrate websites

Demonstrate member/provider communications

Conduent Flexible Rx PBM



Product Highlights

Features

Highly Configurable



Benefits

Allows authorized users to dynamically change pricing rules, plan benefits, override PA denials, enable/disable claim edits and customize messaging

Role-based Access and Granular Audit Trails



Supports audit and research

ADA 508 Compliant Screens – including Hyperlink based navigation



Improves User Experience with ability navigation across the system – allows faster research

50.7.1.1 Claims Processing and Payments

Vasu Sreenathan

- Demonstrate POS system
- Demonstrate websites
- Demonstrate member/provider communications

50.7.1.8 Drug Rebate Program Administration

50.7.1.8 Drug Rebate Program Administration

Antoine Nelson

Demonstrate rebate system operation

Identify 340b eligible claims

Demonstrate invoicing

Demonstrate dispute and resolutions

Product Highlights

Features

All-in-one system to support the entire rebate cycle



Benefits

Greatly simplifies Rebate Operations; gives you access to all required information from one place

Real-time updates to Accounts Receivables



Provides instant access to current balances as accounting activities take place

Claims and invoice auditing



Reduces invoice errors, leading to lower manufacturer disputes and faster collection of rebate dollars

Unique Rebate Programs for Federal, State, and Supplemental



Customized Rebate setup to maximize collections opportunities

Secure web portal for manufacturer download



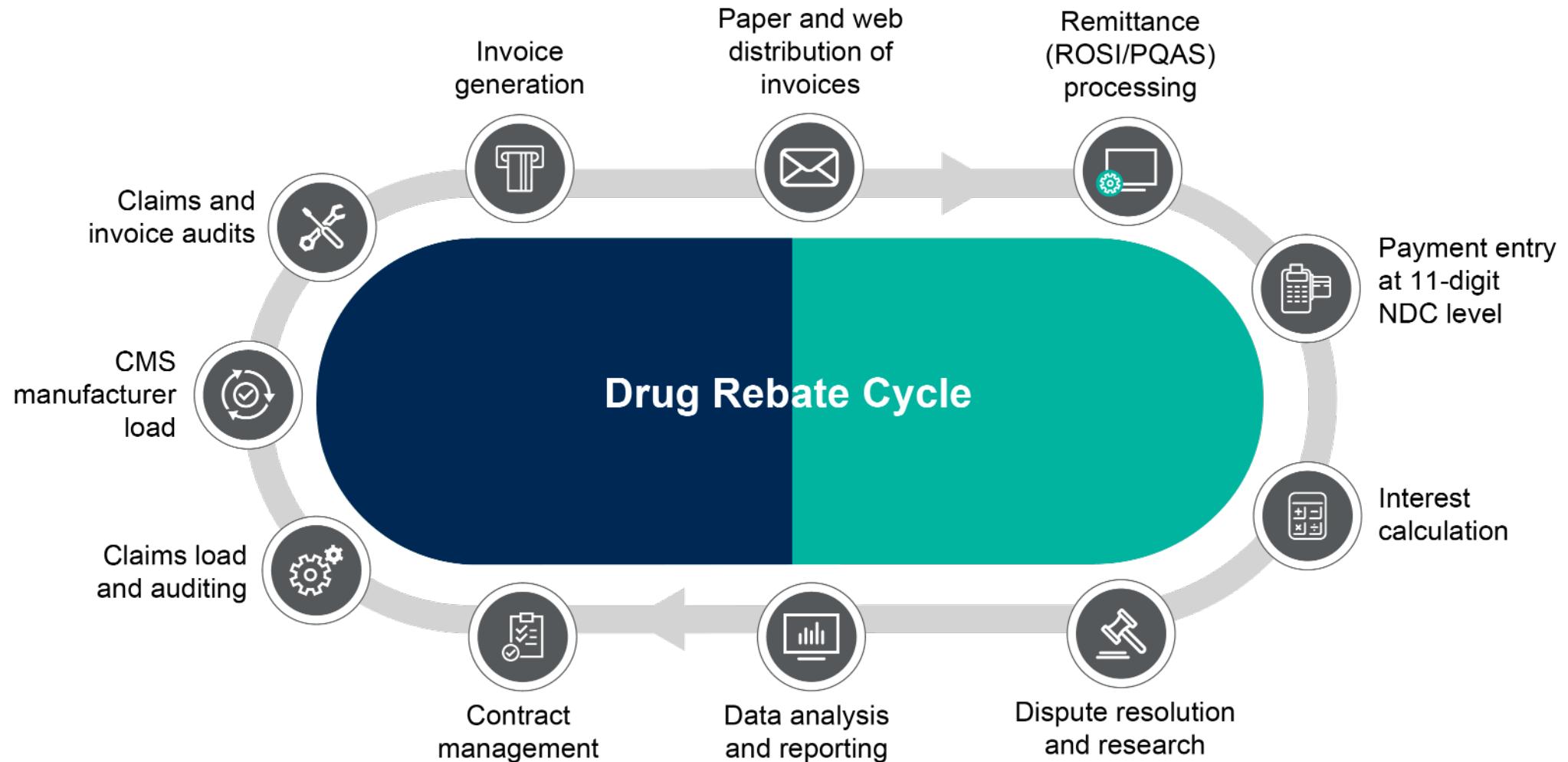
Lower print/mail costs; electronic format preferred by most large drug manufacturers

Role-based user access



Separation of duties and better auditing results

Drug Rebate Cycle



50.7.1.8 Drug Rebate Program Administration

Antoine Nelson

- Demonstrate rebate system operation
- Identify 340b eligible claims
- Demonstrate invoicing
- Demonstrate dispute and resolutions

Lunch

50.7.2. Technical Requirements

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Selva Balan

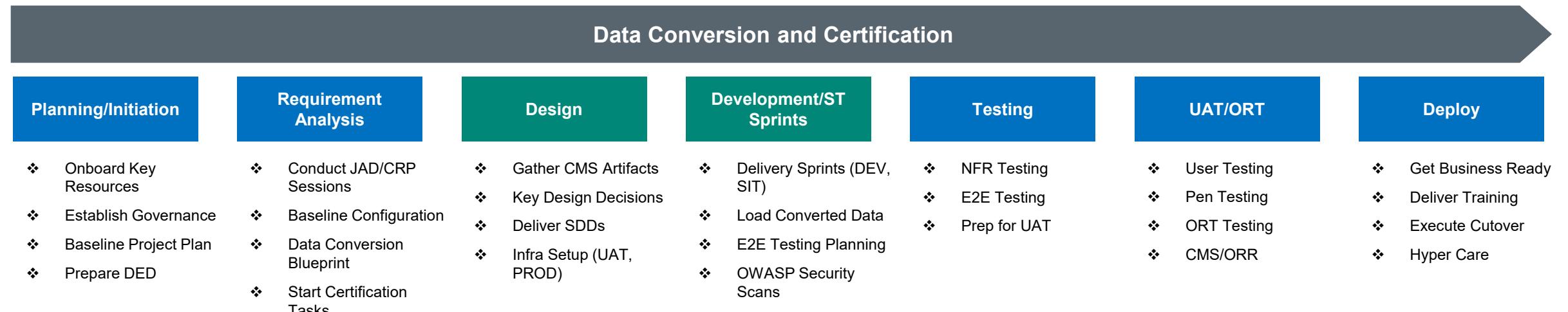
Address development approach

Address scheduling

Address resource loads

Proposed SDLC Model

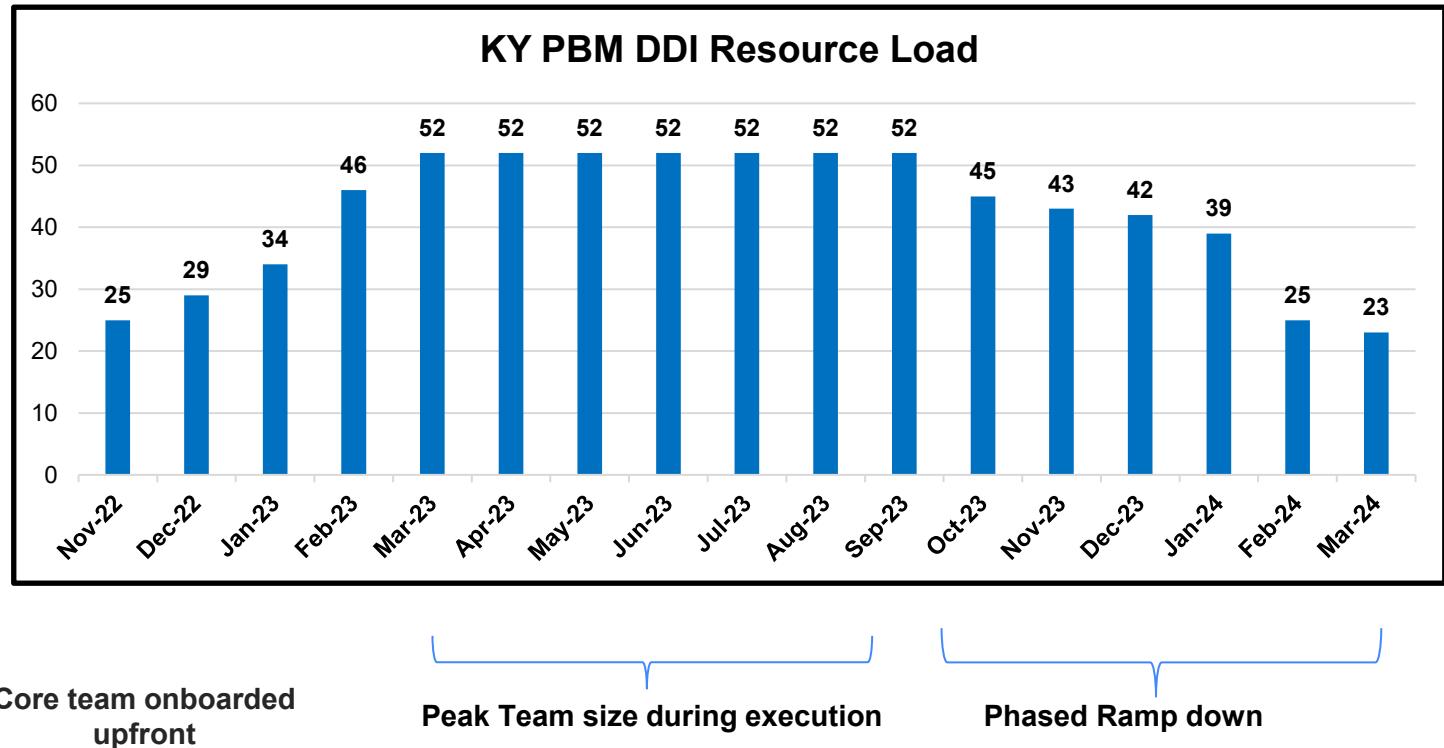
The proposed Hybrid approach leverages by blending the preferred traits of both waterfall and agile development methodologies to decrease risk and increase stakeholder feedback and impact throughout the project.



Implementation Timeline

Kentucky PBM	22-Nov	22-Dec	23-Jan	23-Feb	23-Mar	23-Apr	23-May	23-Jun	23-Jul	23-Aug	23-Sep	23-Oct	23-Nov	23-Dec	24-Jan	24-Feb	24-Mar	24-Apr	24-May	24-Jun	24-Jul
Phases	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Contract Start Date (11/01/2022)																					
Project Planning																					
Requirements Analysis																					
Design Sprints																					
Delivery Sprint (Dev+Config+SIT)																					
End to End Testing																					
Security, Performance, NFR Testing																					
Data Conversion Iteration																					
Iteration 1																					
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KY User																					
Provider																					
Training																					
Acceptance and Readiness																					
Operational Readiness Testing																					
CMS ORR																					
Implementation (02/01/2024)																					
Certification																					

Technology Staffing Plan



Key Highlights

- Key Roles such as PM, SME, Architects, QA Lead, DBA to be onboarded at the kick-off
- Peak Team size- **52** during development Phase

Core Team	Execution Team
<ul style="list-style-type: none">• Program Manager• Technical Architects• Data Analyst and DBAs• Implementation Manager• QA Manager• SMEs/Business Analysts• Infra Engineers• QA Manager• Certification Manager• Conversion Manager	<ul style="list-style-type: none">• Scrum Masters• Developers• Testers• System Administrators• UI/UX Developers• Technical Writers• Conversion Engineers• Trainers

O& M : 57 Months post Go-live. Ends Oct 2028. 23 Resources planned to support the O&M engagement

50.7.2. Technical Requirements

Selva Balan

- Address development approach
- Address scheduling
- Address resource loads

50.7.2.3 Solution Design

50.7.2.3 Solution Design

Vasu Sreenathan, Vishnu Kotichintala, Stephanie Levine, and Candace Dickerson

Address Web browsers the Solution supports

Demonstrate Business Rules Engine and its interfaces

Business Rules Management

Business Rules Management	Benefits	Features
	 Better adjudication visibility	 Integrated with data model
	 Faster development and implementation	 Analysis and debugging tools
	 Efficient rule processing for high volumes	 What if scenario analysis
	 Tested, ready-to-use rules library	 Rule duplicates, overlaps and conflicts analysis

Clinical Prior Authorization Process



50.7.2.3 Solution Design

Vasu Sreenathan, Vishnu Kotichintala, Stephanie Levine, and Candace Dickerson

- Address Web browsers the Solution supports
- Demonstrate Business Rules Engine and its interfaces

Break

50.8.2 Responsibilities

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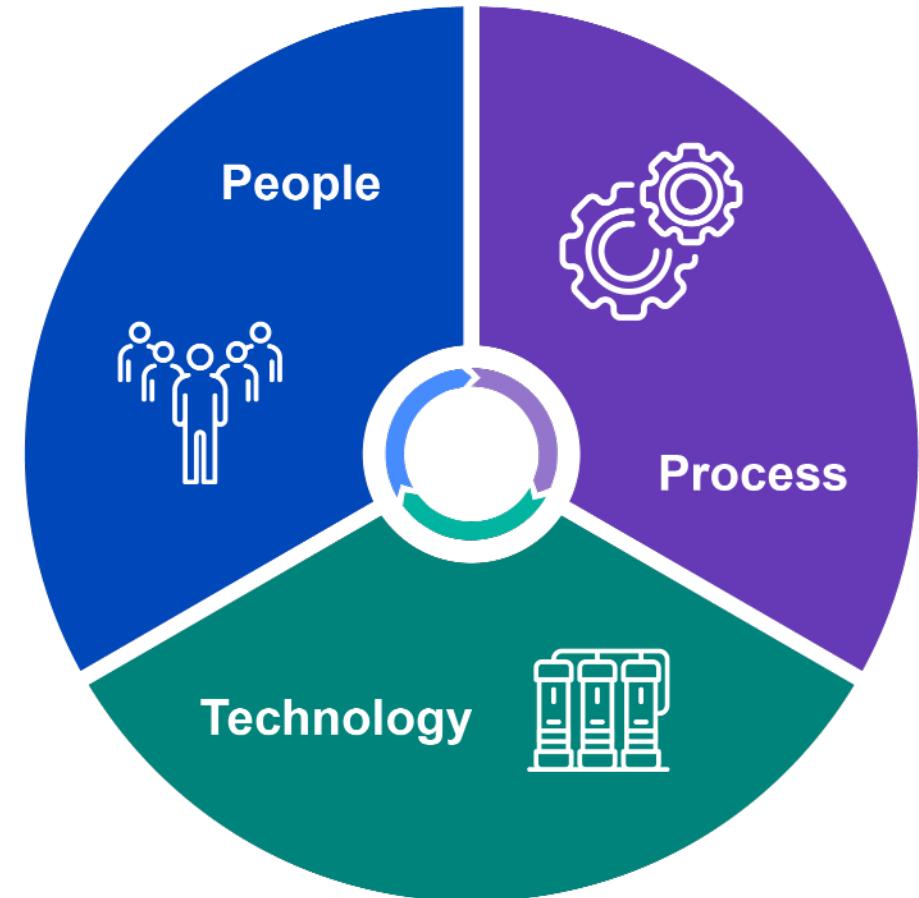
Lewis DiSanto

Address implementation process

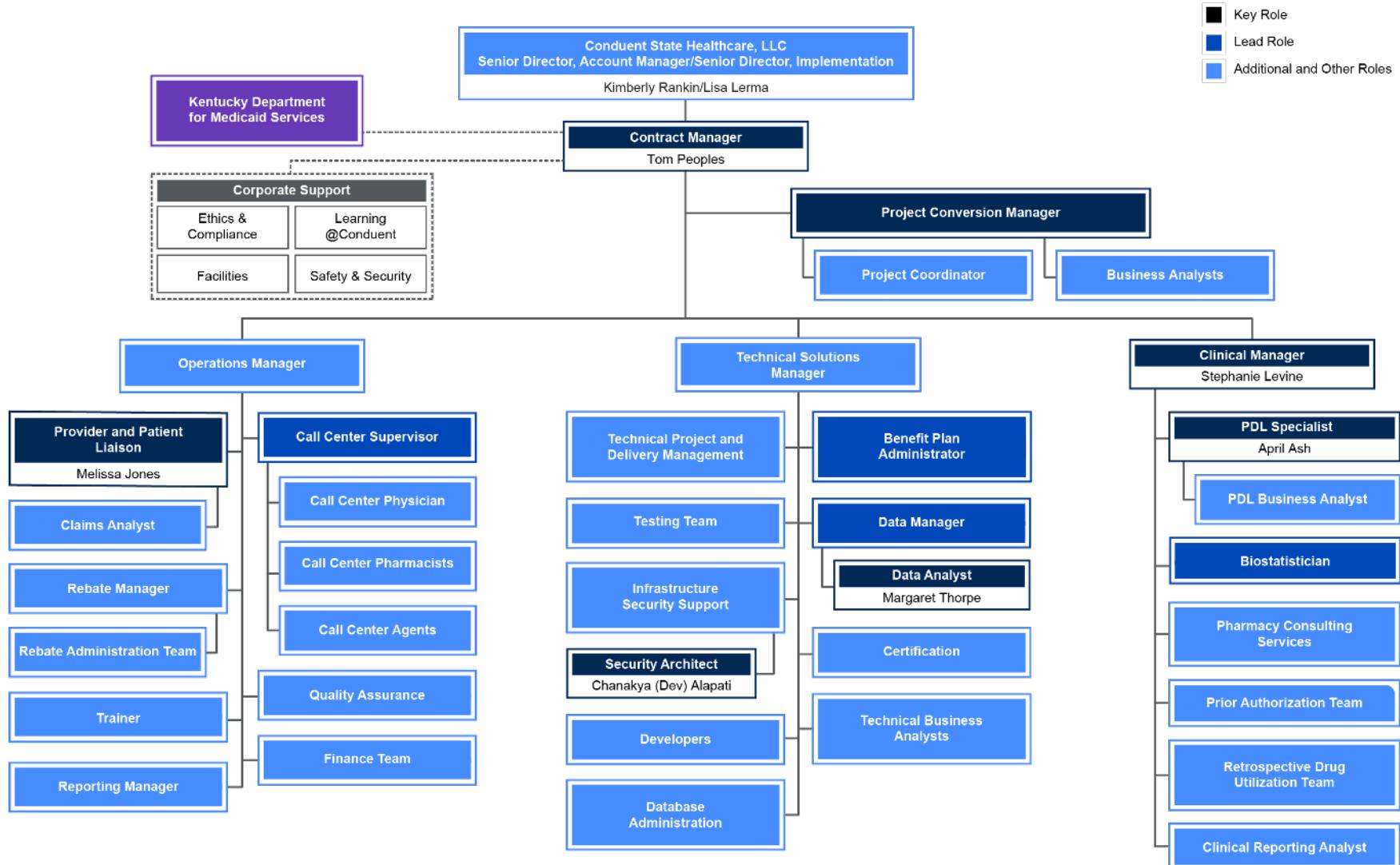
Implementation Approach

Features of Our Implementation Approach that Minimize the Impact on CHFS

- Adapting to the KY CHFS PBM FFS program standards
- Managing a professional and efficient transition
- Formally requesting and assessing the data
- Proactively addressing risks and issues
- Committing to open communication
- Training our team and broader stakeholder groups

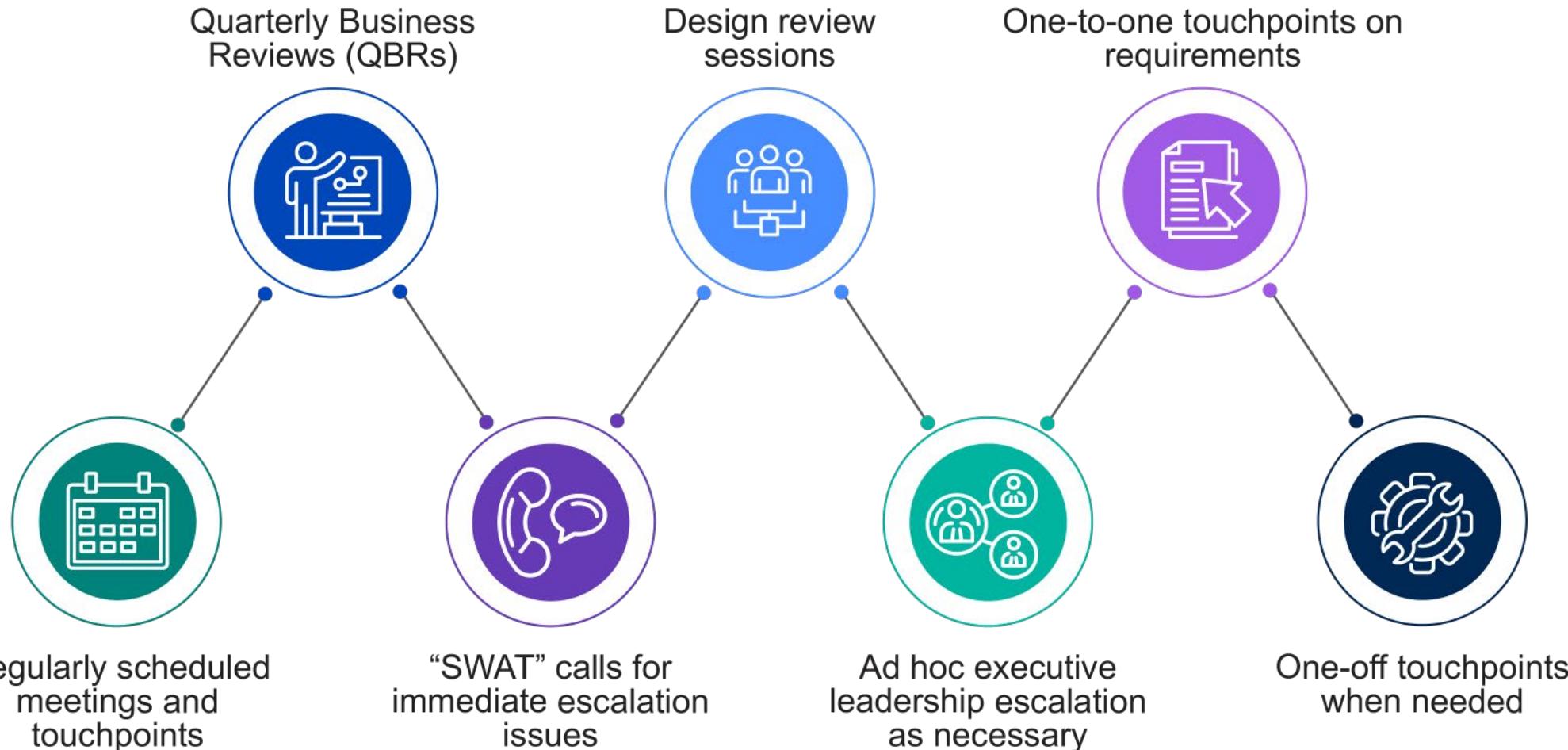


Organized for Success



Accessible Team

Conduent staff is accessible to the CHFS Project Team whenever necessary to get the job done.



Implementation



Implementation Timeline

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Methodology Summary

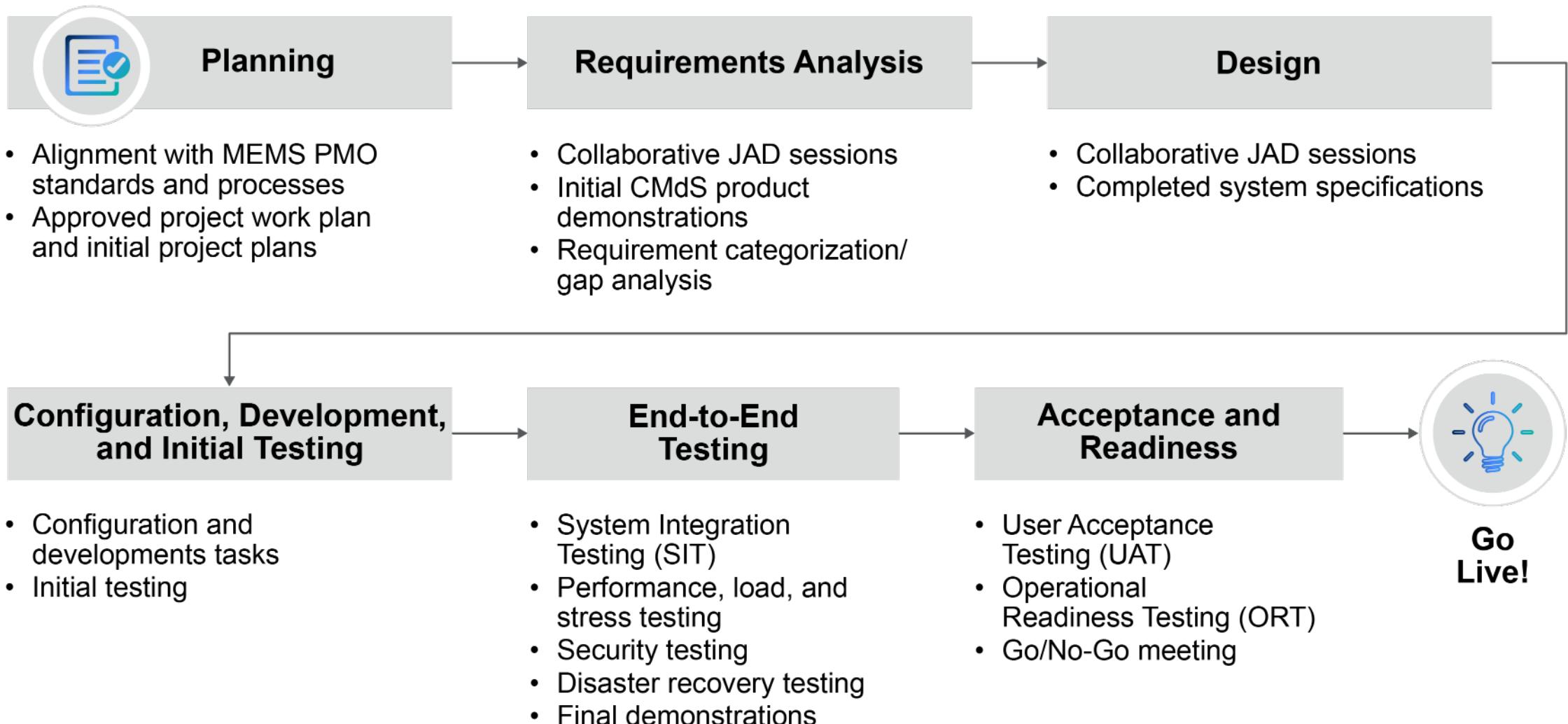


Project Plan Framework

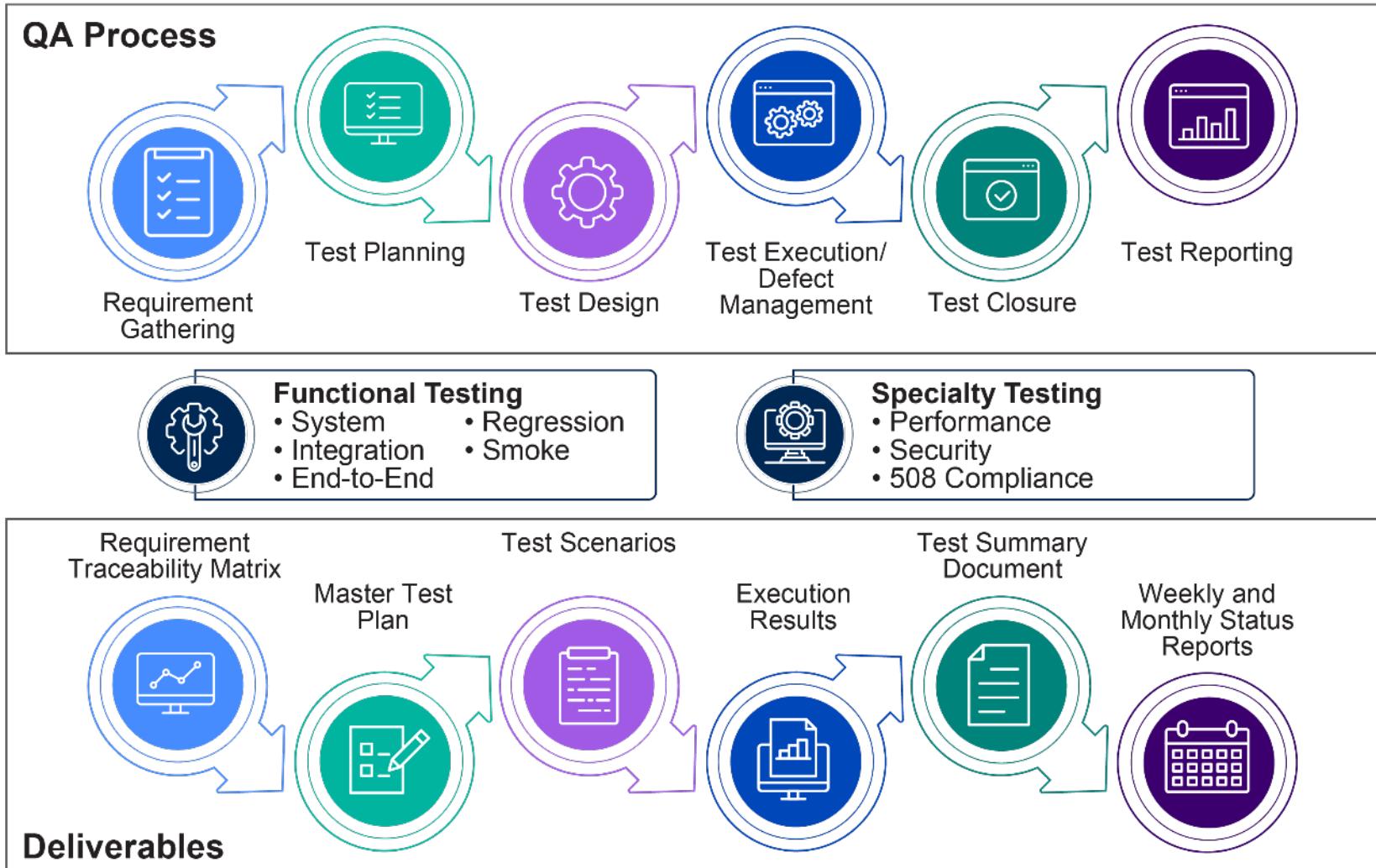
Our Project Management Plan and supporting artifacts expand upon the PMBOK Guide to include ready-made artifacts that help our projects hit the ground running.

Topics	Artifacts	Topics	Artifacts
 Schedule	<ul style="list-style-type: none">• Project Work Schedule• Project Schedule Standards• Schedule Maintenance Procedure	 Risk and Issue	<ul style="list-style-type: none">• Risk List• Issue List• Root Cause Analysis Template
 Staffing	<ul style="list-style-type: none">• Staffing Allocation Matrix	 Communication	<ul style="list-style-type: none">• Stakeholder Analysis• Communication Event Schedule• Escalation Procedure• Agenda and Meeting Minutes Template• Status Report Template
 Change	<ul style="list-style-type: none">• Change Request List• Impact Assessment Template• Change Request Approval Form	 Deliverable	<ul style="list-style-type: none">• Documentation Standards• Deliverable Tracking Spreadsheet• Deliverable Expectations Document
 Quality	<ul style="list-style-type: none">• Master Quality Review Workbook• Metrics List	 Facilities and Equipment	<ul style="list-style-type: none">• Security Procedures• Safety Procedures• Inventory Checklist

Implementation Phases



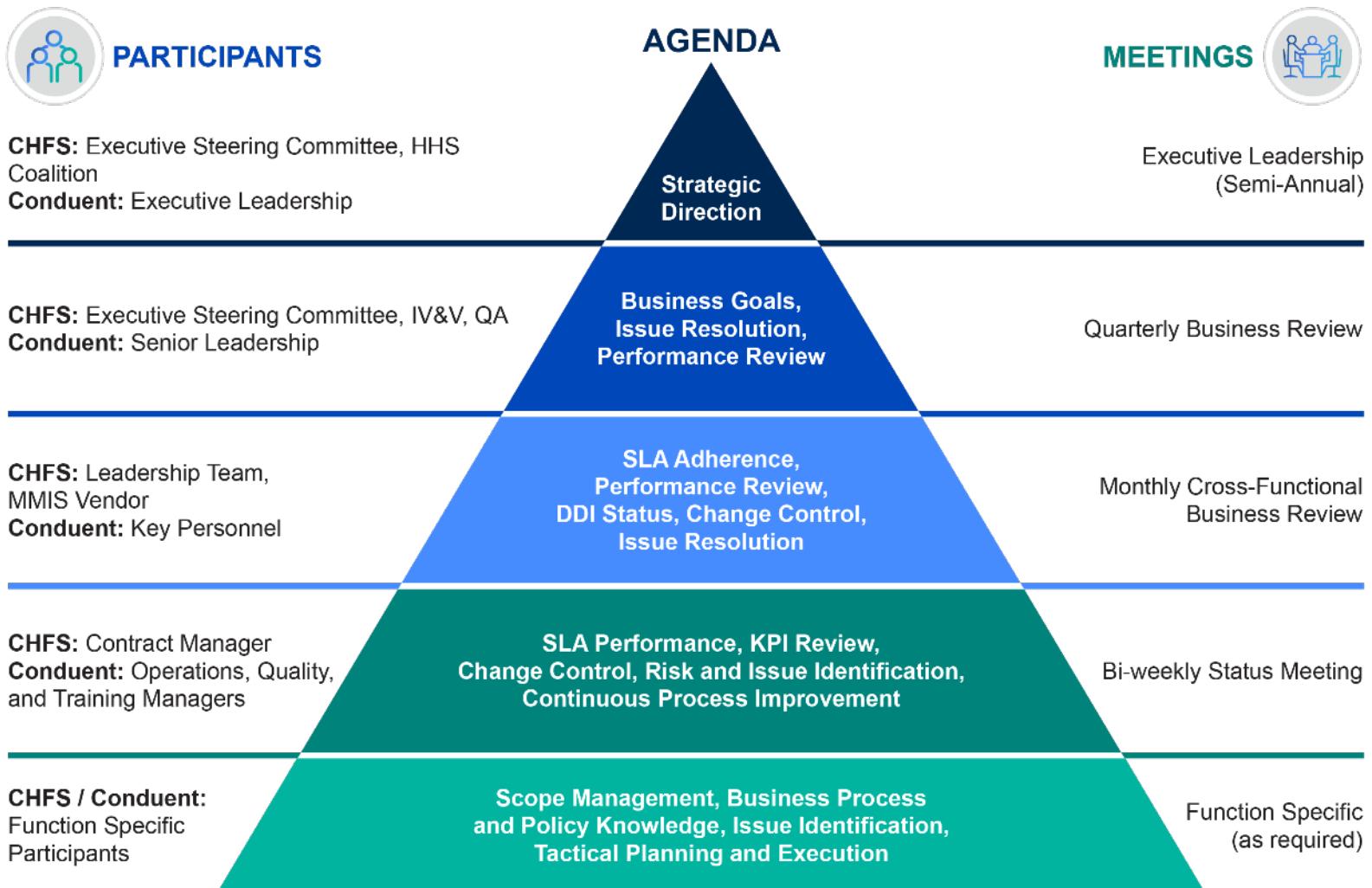
Testing Procedures



Operations Approach



Project Governance Model



50.8.2 Responsibilities

Lewis DiSanto



Address implementation process

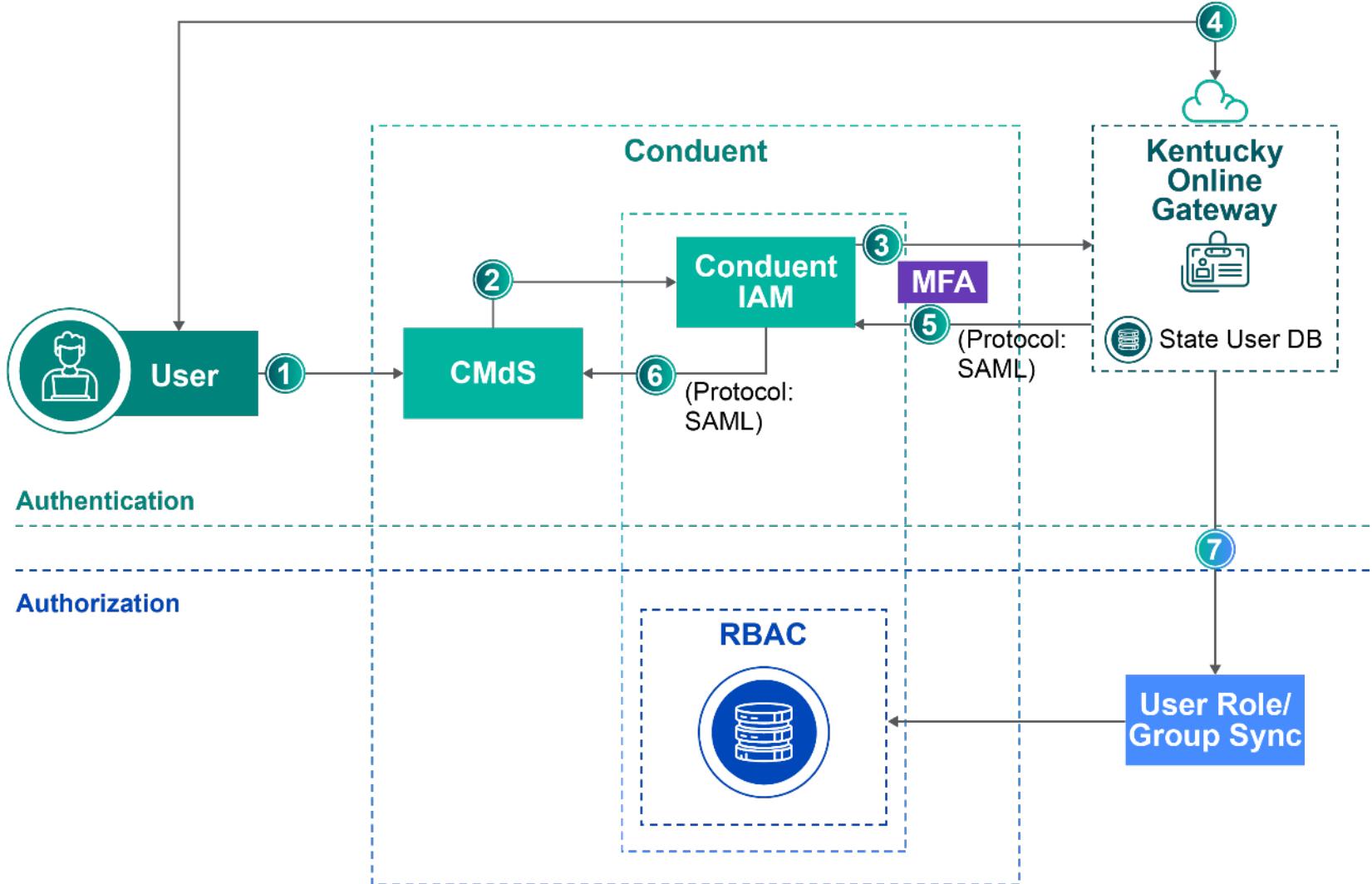
50.9.1 Kentucky Online Gateway

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Selva Balan, Gopal Venkatesh Murthy

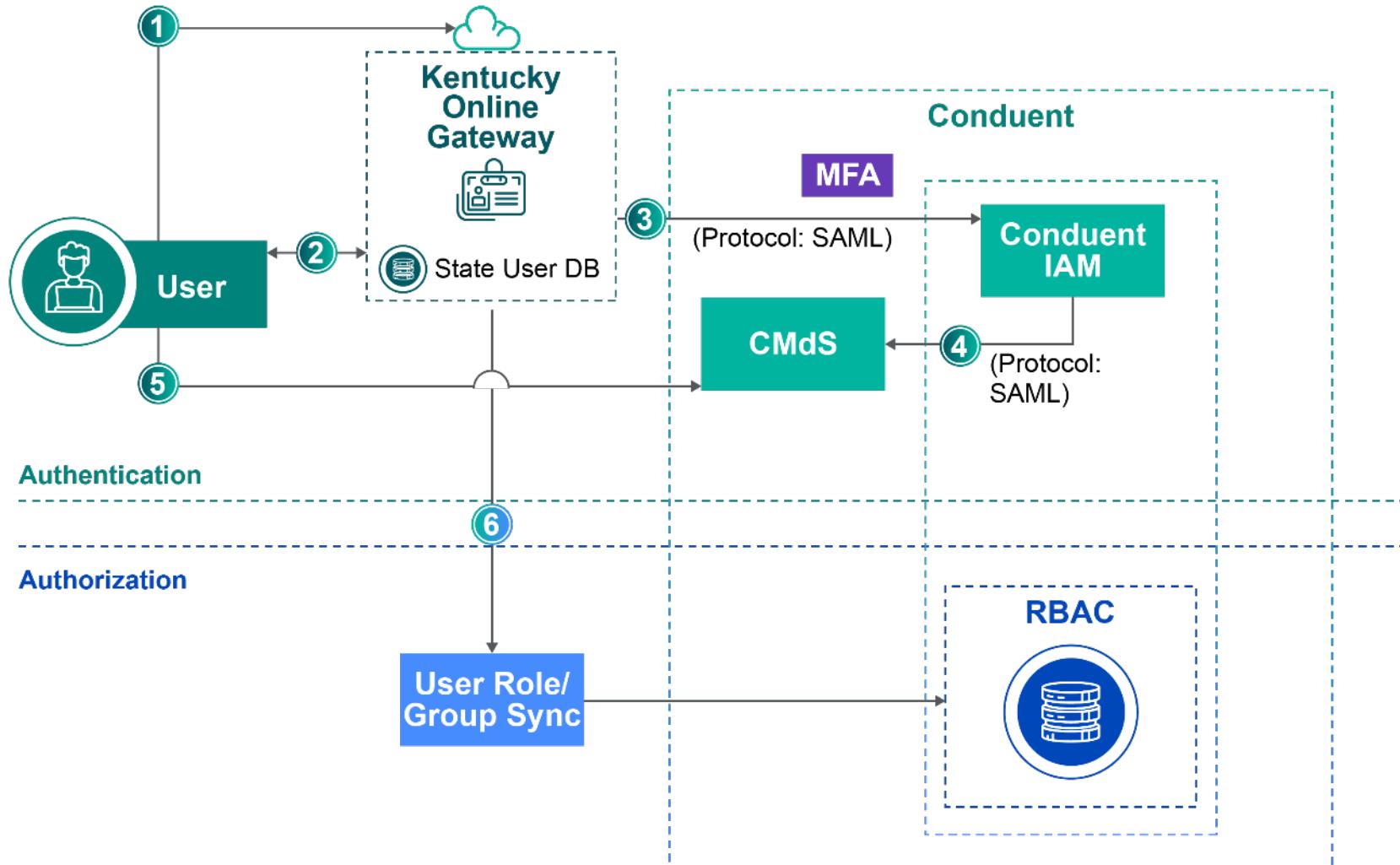
	Identify and explain the use or need for any multi-factor authentication techniques within the proposed solution, per TEC-019
	Discuss the utilization of the KOG for user provisioning, authorization, and authentication
	Discuss support of authentication mechanisms for external users via integration with KOG, per TEC-047
	Discuss the need for user accounts external to KOG, such as for internal admin users, external (non-CHFS) users, etc.

Service Provider Initiated Authentication Flow



1. User Clicks the login button on Conduent's KY PBM Portal
2. Portal redirects the user to Conduent's IAM
3. Conduent IAM redirects to KY IAM for state Users or external users for authentication
4. KY IAM Authenticates the user
5. KY IAM returns the auth token to Conduent IAM
6. Conduent's IAM validates SAML response and allow access based on user group
7. Group -> Role mapping can be synched automatically or manually

Identity Provider Initiated Authentication Flow



1. User Clicks on KOG Login
2. KOG Authenticates user and shows KY PBM Portal
3. When user clicks on KY PBM , KOG will transfer the user to Conduent IAM
4. Conduent IAM validates the token and allow access to Portal
5. Depending on the Role, access to sub application is allowed.
6. Group -> Role mapping can be synched automatically or manually

50.9.1 Kentucky Online Gateway

Selva Balan

<input checked="" type="checkbox"/>	Identify and explain the use or need for any multi-factor authentication techniques within the proposed solution, per TEC-019
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Security Plan

Security Plan

Chanakya (Dev) Alapati

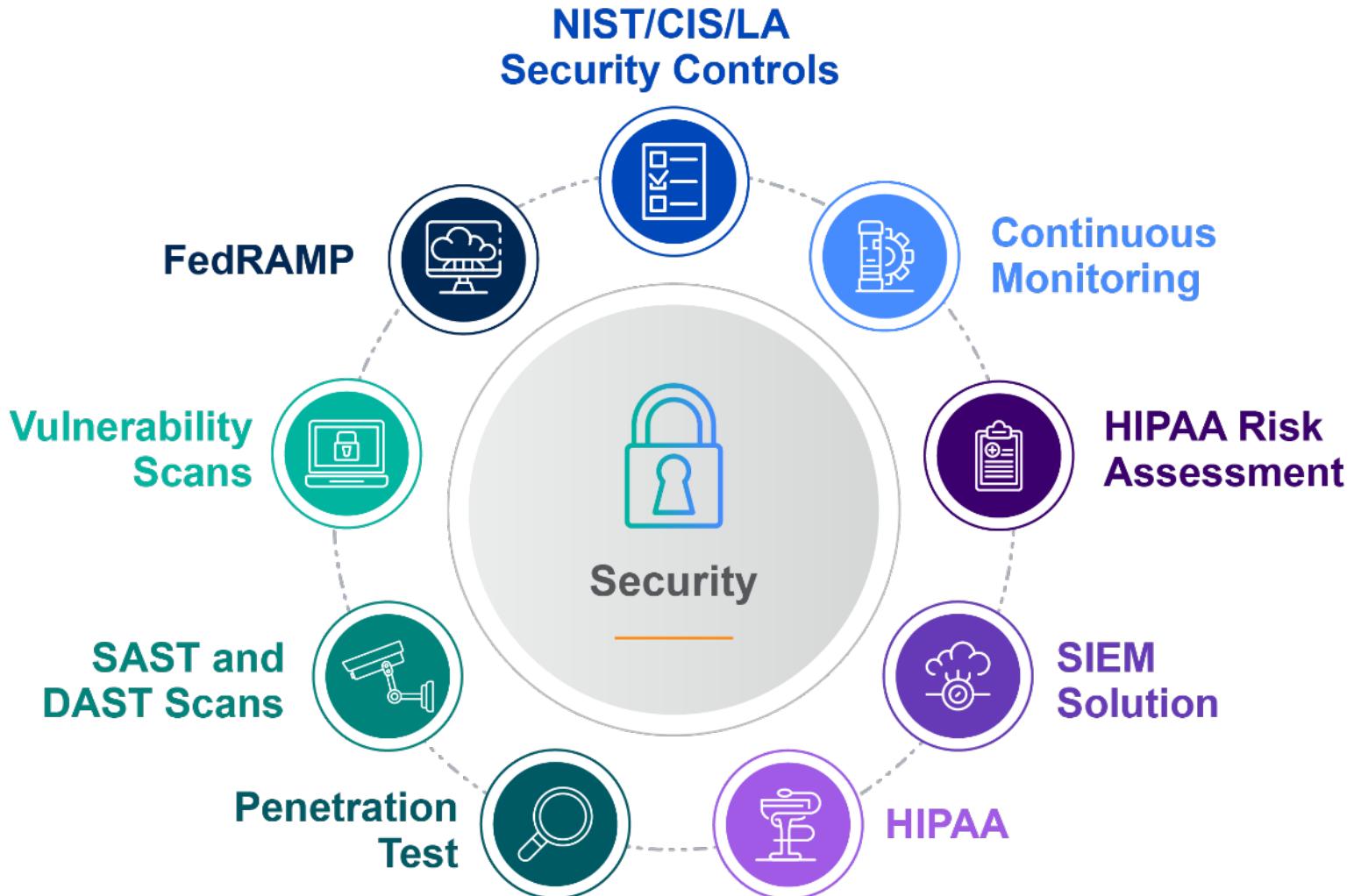
Address 50.8.4.2, M, Information Security Plan

Address 50.9.5 System Security Plan

Address 50.9.8 System Compliance

Address data security and environments, in transit and at rest, including their cloud environments

CMdS Security Components



System Security Plan

Privacy Impact Assessment



Determines if a system collects or stores PII and how it is protected

Network Boundary Diagram



Includes external connections, leverage cloud services, management tools, and system interconnections

IT Security Policies



Information Security Policies which map to the 19 NIST control families that govern the service described in the SSP

System Security Plan (SSP)



Primary document for NIST 800-53 security Package

Gap Analysis Report



Architecture Review



Control Imp. Summary (CIS)



FIPS 199 Categorization



Configuration Management Plan



Digital Identity Worksheet



Rules of Behavior



IT Contingency Plan



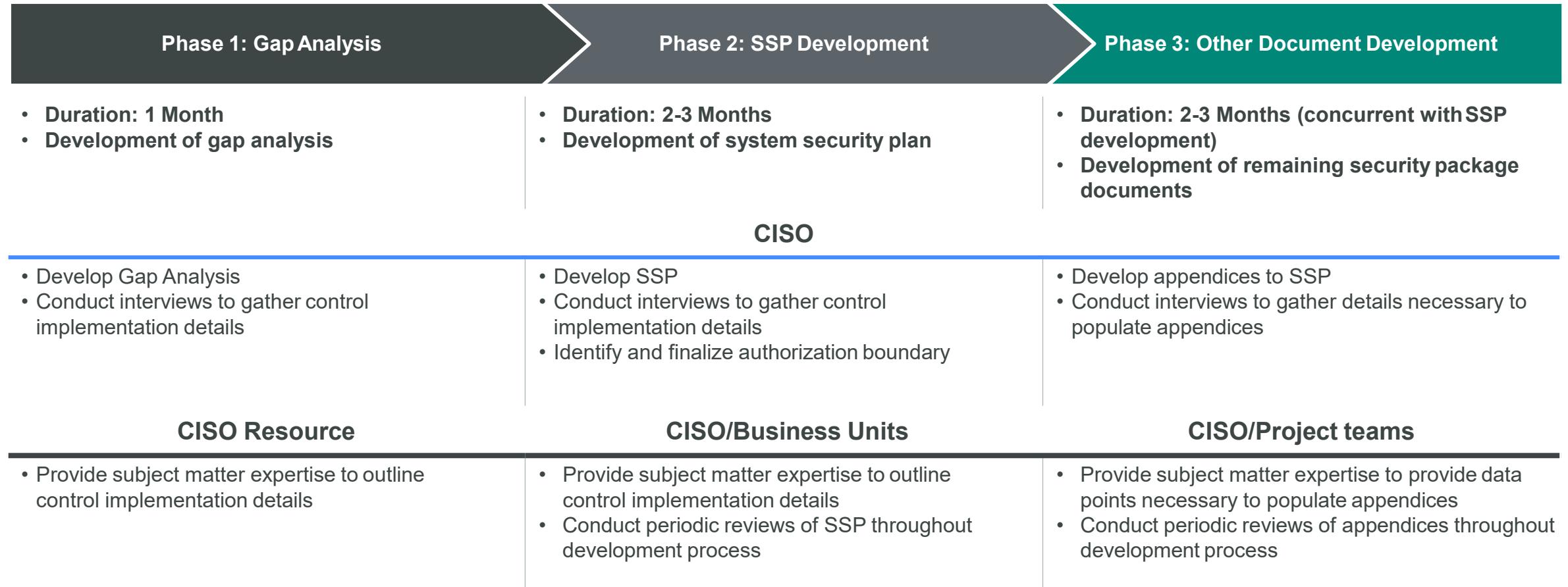
Incident Response Plan



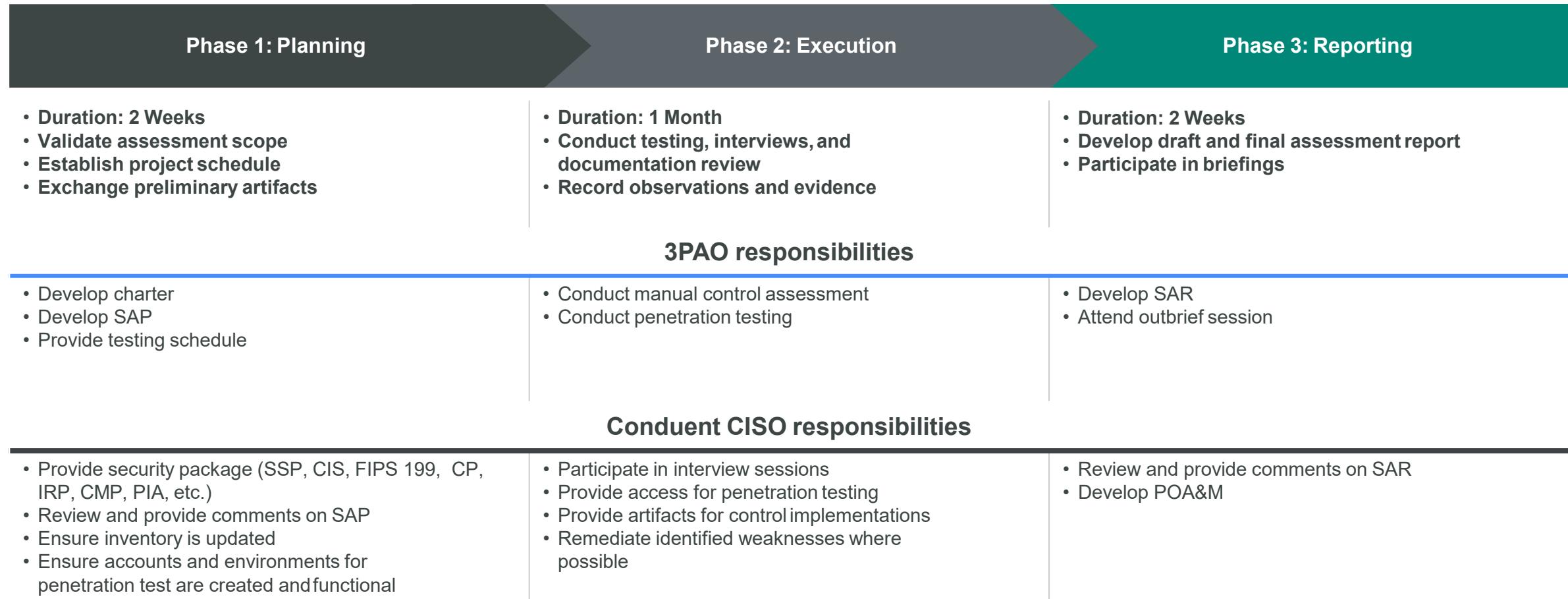
Interconnection Security Agreements



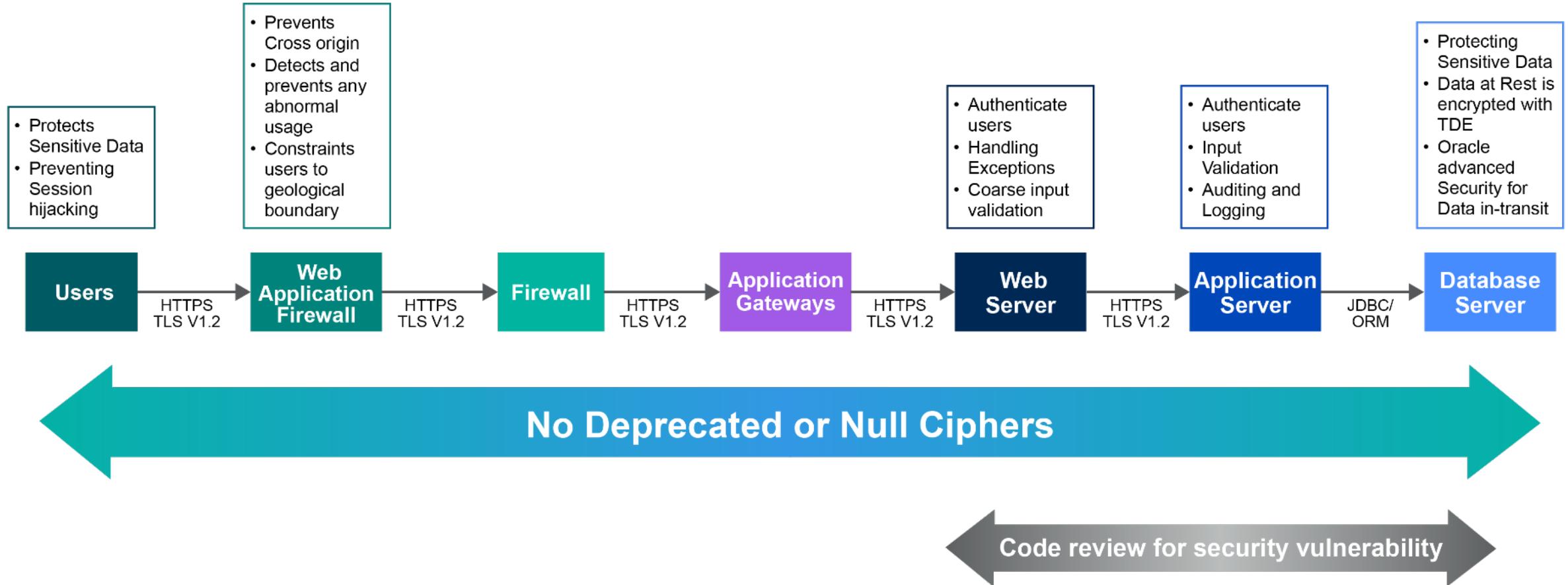
NIST Framework Documentation Development Process



Third Party Assessment Organization (3PAO) Engagement



CMdS Application Security



Security Plan

Chanakya (Dev) Alapati

- Address 50.8.4.2, M, Information Security Plan
- Address 50.9.5 System Security Plan
- Address 50.9.8 System Compliance
- Address data security and environments, in transit and at rest, including their cloud environments

Attachment B – Cost Proposal Form

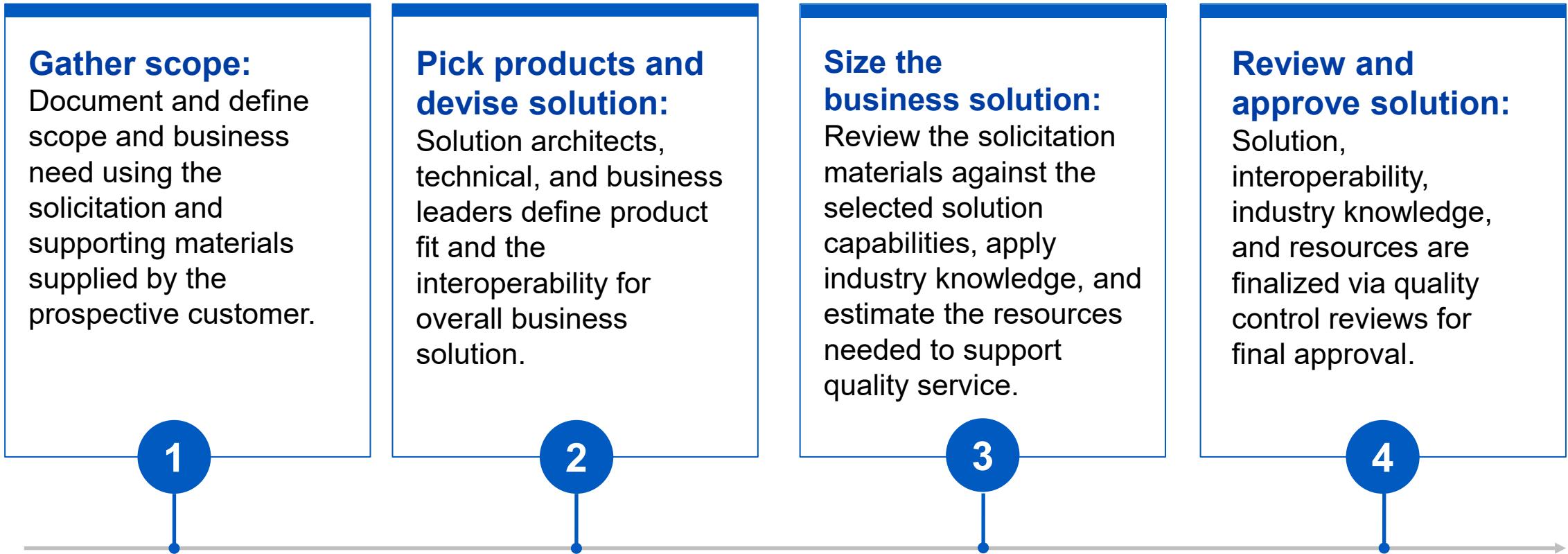
Attachment B – Cost Proposal Form

Tom Peoples

Discuss how cost was derived

Costing Approach

To respond to an opportunity, we:



Key DDI Costing Assumptions

Category	RFP Assumptions
Timeline	15-month implementation phase
Claims Processing Capacity	Based on volumes presented in Addendum 1: 350k FFS claims per month (87.5k per week). The volumes are assumed to be stable for the life of the contract.
Financial	Based on volumes presented in Addendum 1: 400 live checks and 1,000 EFT payments per month
Hosting	DEV, SIT, UAT, and PROD environments; hosted in MS Azure Commercial cloud
Reliability	The hosting infrastructure supports 99% availability (excluding approved downtime)
Data Conversion	Continual data conversion and quality assurance effort
Operational Readiness Review (ORR)	Complete support for Operational Readiness Review with CMS
CMS Certification	Integrated into DDI to allow certification 6 months after go-live; 100% success rate for CMS Certification

Approach to DDI Staffing / Pricing

Project Planning Kickoff Meeting	Product specialists, project management staff, CMS Certification Manager, and key personnel in attendance
Controlling and Monitoring	Project Managers, Project Coordinators ensure adherence to schedule
Requirements Analysis	Staffing aligned to multiple CMDS Pharmacy product segments running simultaneously; BAs, product specialists, technical managers meet with Commonwealth representatives; Allows for requirements to be gathered in parallel
Design	BAs, product specialists, technical managers, technical writers, infrastructure team design solution
Configuration, Development, and Initial Testing	Technical managers, developers, testers, infrastructure team build and integrate solution components
End to End Testing	Testers, BAs, technical managers ensure solution functions as expected
Acceptance and Readiness	Trainers, CHFS operations team ensure solution meets requirements; Operational Readiness Review with CMS
Implementation	CHFS and Conduent Technical Teams support go-live activities
CMS Certification	Collaboration between CMS Certification manager, technical managers, project managers, Business Analysts, Testers; Integration of CMS Certification Manager through entire process leads to faster certification results; 100% CMS Certification Rate; First Provider to obtain CMS certification for standalone PBM module.

Key Operations Costing Assumptions

Category	RFP Assumptions
Timeline	Initial 21-month operations phase under the 3-year base contract
Unit Cost PMPM - FFS	Variable cost based on the number of FFS members per month; not based on number of claims transactions, phone calls, reports and/or prior authorizations for a given month; estimated 110,000 members per month
Unit Cost PMPM - FFS	Services include FFS pharmacy claims processing, prior authorization, clinical and pharmacy helpdesks, clinical services, and reporting
Unit Cost PMPM - Combined FFS & MCO	Variable cost based on the number of FFS and MCO members per month; estimated 1.35M members per month
Unit Cost PMPM – Combined FFS & MCO	Services include RetroDUR, drug management, Federal and Supplemental Drug Rebate operations, Supplemental Rebate contracting
Key Project Staff	Fixed cost for the Key Project Staff listed on Cost Form
TPL Verification	Fixed cost for TPL Verification Services
Audits	Fixed cost per Onsite and Desktop Pharmacy Audit conducted
Enhancements	Hourly rates listed for Enhancement Requests
Print / Mail / Postage	Cost for print, mail, and postage is included in our operational cost proposal and will not be submitted as a pass-through cost

Approach to O&M Staffing

Staffing constructed by product segment

Product Segment	O&M Staffing	Staffing Drivers
POS Claims Processing	Business Staff, Technical Staff, Project Management Staff, Trainers	System configurability; Uptime requirements
Financial Records / Payment Processing	Business Staff, Finance Manager, Financial Staff; Mailroom Staff	Paper check and EFT volumes from the RFP; Experience with similar sized accounts with payment processing
Pharmacy Claims Pricing	Pharmacists	Required drug pricing compendia; estimated claims volume
RetroDUR	Pharmacists, Clinical Business Analysts, Reporting Business Analysts	Required number of annual interventions
Prior Authorization Processing	Pharmacists, Clinical Business Analysts, Pharmacy Technicians, Physician	Expected number of clinical algorithms; Estimated manual PA request volume
Pharmacy Rebate Administration	Rebate Manager, Allocations and Dispute Resolution Staff, Accounting Staff, Mailroom Staff	Expected number of rebate programs; automation of invoice distribution and payment information; Experience with similar State rebate programs
Preferred Drug List	Pharmacists, Clinical Business Analysts	Support needed for semi-annual PDL updates
Pharmacy Call Center Services	Business Staff, Service Representatives, Quality Analysts, Trainers	Estimated call and prior authorization volumes; Service level metrics; Required hours of operation
Reporting	Data Analysts, Biostatistician, Business Analysts	Quantity of daily, weekly, monthly, and quarterly reports required to support operations and client requirements

Attachment B – Cost Proposal Form

Tom Peoples



Discuss how cost was derived

Wrap Up / Q and A

A Common Ground (Video)

A New Way Forward

Improve care and care experience for enrollees, reduce cost, improve the health of populations and advance health equity across the Commonwealth.



Innovation



Ease of Use



Automation



**Secure and
Compliant**



Partnership

CONDUENT



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