



State of Georgia
In Conjunction with NASPO ValuePoint
Electronic Request for Proposals ("eRFP")
eRFP (Event) Number: 41900-DCH0000136
Event Name: Pharmacy Benefit Services
Attachment S - PBA Services Cost Worksheet

Instructions for Supplier

Suppliers are bidding on the Design, Development and Implementation (DDI), monthly Operations and Maintenance (O&M) costs, and additional program support the Supplier will charge to administer the Pharmacy Benefit Administrator Services as described in the eRFP. Please refer to the instructions below, Attachment A eRFP document "Section 5, Cost Proposal," Attachment C - Common Scope Requirements and Security Standards, Attachment E - Pharmacy Benefit Administrator Services Scope of Work for details describing the scope to be

- 1 Suppliers shall complete the Cost Proposal worksheet using the cells highlighted in yellow.
- 2 Suppliers shall not modify any cells in the spreadsheet other than those highlighted yellow. The other cells
- 3 Suppliers shall not modify the formulas in the worksheets.
- 4 Suppliers shall insert 0 in any yellow highlighted cells that are not applicable or for which the proposed cost
- 5 For evaluation purposes, the total cost will be determined by the value found in D14 which is comprised of total DDI (Table A) and O&M (Tables B.1 and B.2) costs over a period of ten (10) years.

Instructions for Adjusting Costs One or More Years After the Effective Date of the Master Agreement

For Participating Addenda signed one year or more years after the Effective Date of the Master Agreement, the cost will be adjusted using the Consumer Price Index Urban (CPI-U) to account for economic changes that may impact cost.

CPI-U for United States Adjustment Factor Calculation:

CPI-U Index for the month and year of the execution of a Participating Addendum

Less the CPI-U Index for the month and year of the Effective Date of the Master Agreement

Equals Index Point Change

Divided by CPI-U Index B: $C/B = D$

Result multiplied by 100: $D*100 = E$: Equals CPI-U Inflation Percentage

Steps to Adjust Costs for CPI-U

- 1 Follow the link below to access the CPI-U data.
<https://www.bls.gov/cpi/tables/supplemental-files/home.htm>
- 2 Select, download and save the file with the most recently published CPI-U data that is available for the month the Participating Addendum is signed. (Also find and select the CPI-U for when the Master Agreement was signed or executed). Use the "All Items" CPI-U "Unadjusted indexes" values instead of the "Seasonally adjusted indexes".
- 3 Enter the CPI-U value from the previous step in field C92 "CPI-U for Participating Addendum Date."
- 4 Enter the CPI-U value for the month of the Effective Date of the Master Agreement in C91 "CPI-U for Master Agreement Date."
- 5 The "CPI-U Inflation Percentage" will be calculated automatically based on the values from steps 3 and 4. The "CPI-U Adjusted Price" will also automatically update all the CPI-U Adjusted Price fields in the cost tables.
- 6 CPI-U Adjusted Prices will be subject to negotiation upon execution of a Participating Addendum.



State of Georgia
In Conjunction with NASPO ValuePoint
Electronic Request for Proposals (eRFP)
eRFP (Event) Number: #190-20-000015
Event Name: Pharmacy Benefit Services
Attachment 5 - PBA Services Cost Worksheet

SUPPLIER LEGAL ENTITY NAME	
SUPPLIER REPRESENTATIVE NAME	
SUPPLIER REPRESENTATIVE TITLE	
DATE	

TOTAL EVALUATION COST AMOUNT (Sum of Evaluation Costs Below): \$ 133,245,785.24

Design, Development, and Implementation (DDI) Cost		
	Initial Cost	CPI-U Adjusted Cost
Project Planning and Scoping	\$ 1,000,450.00	\$ 1,000,450.00
Analysis, Development, and Testing	\$ 175,700.00	\$ 175,700.00
Operational Readiness and Production Culture	\$ 207,750.00	\$ 207,750.00
Training	\$ 210,000.00	\$ 210,000.00
Acceptance, Deployment	\$ 185,150.00	\$ 185,150.00
Verification	\$ 201,700.00	\$ 201,700.00
Total DDI Costs	\$ 2,010,250.00	\$ 2,010,250.00

Table B.1 Point-of-Sale Claims Processing O&M Administrative Fees															10-Year Cumulative Total for Claims Processing Administration					
Evaluation Factor	Rate	Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		Year 7		Year 8		Year 9		10-Year Cumulative Total for Claims Processing Administration
		Initial Rate	CPI-U Adjusted Rate	Initial Rate	CPI-U Adjusted Rate	Initial Rate	CPI-U Adjusted Rate	Initial Rate	CPI-U Adjusted Rate	Initial Rate	CPI-U Adjusted Rate	Initial Rate	CPI-U Adjusted Rate	Initial Rate	CPI-U Adjusted Rate	Initial Rate	CPI-U Adjusted Rate			
Tier 1 Administrative Fees Claims Processing Administrative Fees Less Than 200,000 Claims per Month	175,000	Per Claim	\$ 0.00	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.08	\$ 0.08	\$ 0.09	\$ 0.09	\$ 0.10	\$ 0.10	\$ 0.11	\$ 0.11	\$ 0.12	\$ 0.12	\$ 0.13	\$ 0.13	\$ 0.14	\$ 1,119.00
Tier 1 Evaluation Cost			0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor	
			\$ -1445.700		\$ -1445.700		\$ -1550.400		\$ -1550.400		\$ -1661.200		\$ -1661.200		\$ -1772.000		\$ -1772.000		\$ -1883.000	
Tier 2 Administrative Fees Claims Processing Administrative Fees Minimum of 200,000 Claims per Month	225,000	Per Claim	\$ 0.00	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.08	\$ 0.08	\$ 0.09	\$ 0.09	\$ 0.10	\$ 0.10	\$ 0.11	\$ 0.11	\$ 0.12	\$ 0.12	\$ 0.13	\$ 0.13	\$ 0.14	\$ 1,440.00
Tier 2 Evaluation Cost			0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor	
			\$ -1140.000		\$ -1140.000		\$ -1215.000		\$ -1215.000		\$ -1290.000		\$ -1290.000		\$ -1365.000		\$ -1365.000		\$ -1440.000	
Tier 3 Administrative Fees Claims Processing Administrative Fees Minimum of 500,000 Claims per Month	500,000	Per Claim	\$ 0.00	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.08	\$ 0.08	\$ 0.09	\$ 0.09	\$ 0.10	\$ 0.10	\$ 0.11	\$ 0.11	\$ 0.12	\$ 0.12	\$ 0.13	\$ 0.13	\$ 0.14	\$ 3,540.00
Tier 3 Evaluation Cost			0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor	
			\$ -4440.000		\$ -4440.000		\$ -4752.000		\$ -4752.000		\$ -5064.000		\$ -5064.000		\$ -5376.000		\$ -5376.000		\$ -5688.000	
Tier 4 Administrative Fees Claims Processing Administrative Fees Minimum of 750,000 Claims per Month	750,000	Per Claim	\$ 0.00	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.08	\$ 0.08	\$ 0.09	\$ 0.09	\$ 0.10	\$ 0.10	\$ 0.11	\$ 0.11	\$ 0.12	\$ 0.12	\$ 0.13	\$ 0.13	\$ 0.14	\$ 5,616.00
Tier 4 Evaluation Cost			0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor	
			\$ -6660.000		\$ -6660.000		\$ -7128.000		\$ -7128.000		\$ -7596.000		\$ -7596.000		\$ -8064.000		\$ -8064.000		\$ -8532.000	
Tier 5 Administrative Fees Claims Processing Administrative Fees Minimum of 1,000,000 Claims per Month	1,000,000	Per Claim	\$ 0.00	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.08	\$ 0.08	\$ 0.09	\$ 0.09	\$ 0.10	\$ 0.10	\$ 0.11	\$ 0.11	\$ 0.12	\$ 0.12	\$ 0.13	\$ 0.13	\$ 0.14	\$ 7,920.00
Tier 5 Evaluation Cost			0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor		0.00 months' Evaluation Factor	
			\$ -8880.000		\$ -8880.000		\$ -9456.000		\$ -9456.000		\$ -10032.000		\$ -10032.000		\$ -10608.000		\$ -10608.000		\$ -11184.000	

Table B.2 Additional Pharmacy Benefit Administrator Program (PBAP) ODM Administrative Fees														Evaluation Factor	Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	10-Year Total Evaluation Cost
Monthly Prior Authorizations (PA) Administrative Fee for the Preferred Drug List (PDL) The monthly administrative fee should include all ODM costs to provide prior authorizations for the PDL.		N/A	Per Month	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate			
				\$ 31,000.00	\$ 21,000.00	\$ 34,100.00	\$ 34,000.00	\$ 60,500.00	\$ 60,200.00	\$ 93,000.00	\$ 93,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00		
				Total Period Cost				\$ -2,932.381	\$ -1,899.883	\$ -3,019.848	\$ -3,019.848	\$ -5,271.044	\$ -5,271.044	\$ -8,138.271	\$ -8,138.271	\$ -12,800.470	\$ -12,800.470	\$ -12,800.470	\$ -12,800.470	\$ -12,800.470	\$ -12,800.470	\$ -12,800.470	\$ -12,800.470	\$ -12,800.470	\$ -12,800.470	
Monthly PA Administrative Fee for the Preferred Administrator Drug List (PADL) The monthly administrative fee should include all ODM costs to provide prior authorizations for the PADL.		N/A	Per Month	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate			
				\$ 31,000.00	\$ 21,000.00	\$ 34,100.00	\$ 34,000.00	\$ 60,500.00	\$ 60,200.00	\$ 93,000.00	\$ 93,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00	\$ 160,000.00		
				Total Period Cost				\$ -2,932.381	\$ -1,899.883	\$ -3,019.848	\$ -3,019.848	\$ -5,271.044	\$ -5,271.044	\$ -8,138.271	\$ -8,138.271	\$ -12,800.470	\$ -12,800.470	\$ -12,800.470	\$ -12,800.470	\$ -12,800.470	\$ -12,800.470	\$ -12,800.470	\$ -12,800.470	\$ -12,800.470	\$ -12,800.470	
Appeals Administrative Fee The administrative fee should include all ODM costs to provide the required services per appeal.		250	Per Appeal	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate			
				\$ 47.00	\$ 67.50	\$ 100.00	\$ 100.00	\$ 160.00	\$ 159.00	\$ 250.00	\$ 250.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00		
				Total Period Cost				\$ -62,500.000	\$ -87,500.000	\$ -137,500.000	\$ -137,500.000	\$ -225,000.000	\$ -223,500.000	\$ -350,000.000	\$ -350,000.000	\$ -560,000.000	\$ -560,000.000	\$ -560,000.000	\$ -560,000.000	\$ -560,000.000	\$ -560,000.000	\$ -560,000.000	\$ -560,000.000	\$ -560,000.000	\$ -560,000.000	
Clinical Peer-to-Peer Reviews The administrative fee should include all ODM costs to provide the required services per clinical peer-to-peer review.		250	Per Clinical Peer-to-Peer Review	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate	Initial Hourly	CPI-U Adjusted Rate			
				\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00		
				Total Period Cost				\$ -62,500.000	\$ -62,500.000	\$ -62,500.000	\$ -62,500.000	\$ -62,500.000	\$ -62,500.000	\$ -62,500.000	\$ -62,500.000	\$ -62,500.000	\$ -62,500.000	\$ -62,500.000	\$ -62,500.000	\$ -62,500.000	\$ -62,500.000	\$ -62,500.000	\$ -62,500.000	\$ -62,500.000	\$ -62,500.000	

Table C
Instructions: Complete the section below by entering the Hourly Rate in the yellow boxes for each identified Role. As may be requested by the State on a case by case basis and agreed upon by the Contractor, the Contractor will provide all non-services related to potential rates as described herein.
Note: These charges will only be billed for project-related services not specified in the eRFP and requested by the State for each scenario in writing. The total cost for all State requested and approved projects shall not exceed the amount indicated by the State in this Participating Addendum. The proposed costs will not be evaluated as part of the total contract value.

Ad Hoc Professional Services		10-Year Average of Hourly Rates										10-Year Average of Hourly Rates										
Role	Potential Responsibilities	Initial Hourly	Year 1 CPI-U Adjusted Rate	Year 2 Initial Hourly	Year 2 CPI-U Adjusted Rate	Year 3 Initial Hourly	Year 3 CPI-U Adjusted Rate	Year 4 Initial Hourly	Year 4 CPI-U Adjusted Rate	Year 5 Initial Hourly	Year 5 CPI-U Adjusted Rate	Year 6 Initial Hourly	Year 6 CPI-U Adjusted Rate	Year 7 Initial Hourly	Year 7 CPI-U Adjusted Rate	Year 8 Initial Hourly	Year 8 CPI-U Adjusted Rate	Year 9 Initial Hourly	Year 9 CPI-U Adjusted Rate	Year 10 Initial Hourly	Year 10 CPI-U Adjusted Rate	10-Year Average of Hourly Rates
Business Analyst	Analyses business processes, anticipating requirements, identifying areas for improvement, and developing and implementing solutions.	\$ 60.32	\$ 60.32	\$ 62.13	\$ 63.90	\$ 65.91	\$ 67.80	\$ 69.83	\$ 71.82	\$ 73.85	\$ 75.91	\$ 77.94	\$ 79.97	\$ 82.00	\$ 84.03	\$ 86.06	\$ 88.09	\$ 90.12	\$ 92.15	\$ 94.18	\$ 96.21	\$ 75.70
Senior Developer	Responsible for designing, testing, and implementing new and updated software programs.	\$ 102.87	\$ 102.87	\$ 105.86	\$ 108.96	\$ 112.41	\$ 115.41	\$ 118.41	\$ 121.41	\$ 124.41	\$ 127.41	\$ 130.41	\$ 133.41	\$ 136.41	\$ 139.41	\$ 142.41	\$ 145.41	\$ 148.41	\$ 151.41	\$ 154.41	\$ 157.41	\$ 138.22
Developer	Responsible for developing, testing, and implementing software systems.	\$ 95.71	\$ 95.71	\$ 98.05	\$ 100.58	\$ 103.04	\$ 105.58	\$ 108.12	\$ 110.65	\$ 113.18	\$ 115.72	\$ 118.25	\$ 120.78	\$ 123.31	\$ 125.84	\$ 128.37	\$ 130.90	\$ 133.43	\$ 135.96	\$ 138.49	\$ 141.02	\$ 123.40
Quality assurance/Test	Works with the development team to debug code, correct errors, and troubleshoot any issues with software code.	\$ 97.90	\$ 97.90	\$ 100.07	\$ 102.25	\$ 104.43	\$ 106.60	\$ 108.78	\$ 110.95	\$ 113.13	\$ 115.30	\$ 117.48	\$ 119.65	\$ 121.83	\$ 124.00	\$ 126.17	\$ 128.35	\$ 130.52	\$ 132.69	\$ 134.86	\$ 137.03	\$ 114.75
Total Ad Hoc Professional Services Cost (Sum of 10-Year Average of Hourly Rates for all Identified Roles)																						\$ 322.40

Table D Consumer Price Index Urban (CPI-U) Adjustment	
A. CPI-U for Professional Services (2013=100)	0.000000
B. CPI-U for Professional Services (2013=100)	0.000000
C. CPI-U for Professional Services (2013=100)	0.000000
D. CPI-U for Professional Services (2013=100)	0.000000
E. CPI-U for Professional Services (2013=100)	0.000000



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Cost Scoring Formula

The Supplier deemed to have the most competitive cost response overall, as determined by the Lead State, will receive the maximum score for the cost criteria. As a general rule, other Suppliers' cost responses will receive a percentage of the maximum score based on the percentage differential between the most competitive cost proposal and the specific proposal in question. This cost scoring can be accomplished using the following formula:

$$L/R \times P = Z$$

L = Price of the Supplier's response with the lowest cost.

R = Total cost of the Proposal being ranked.

P = Total points available for cost scoring.

Z = Assigned Points.

EXAMPLE - The Lead State receives responses from two Suppliers on an RFP. The RFP assigned 700 possible points for technical scores and 300 possible points for cost scores. Supplier A's cost proposal is \$50,000. Supplier B's cost proposal is \$55,000. As Supplier A offered the lowest cost, Supplier A receives 300 points. The issuing officer can calculate the number of cost points to assign to Supplier B's cost score by using the formula noted above. As shown below, Supplier B's total cost score is 272.7 points.

$$L/R \times P = Z$$

$$(\$50,000/\$55,000) \times 300 = Z$$

$$.909 \times 300 = Z$$

$$272.7 = Z$$

