



Attachment W Pharmacy FWA Audit Services Mandatory Scored Response Worksheet

Suppliers must provide responses to all questions in the **Supplier Response section** in this document and submit them as a **single** PDF attachment **bookmarked** in sequential order with the title(s) provided in the question.

Each narrative response must adhere to any assigned page limits and be in Arial, size twelve (12) font. The narrative page count will begin after the page containing the question, i.e. the page with the question and response on the remainder of that page will count as page #0.

The narrative response, along with any required supporting material, will be evaluated and awarded points in accordance with Attachment A – Lead State eRFP, Section 6 Proposal Evaluation and Award. Documents not requested will not be evaluated.

Failure to provide responses and any required supporting documentation for all questions may result in disqualification of the proposal.

DO NOT INCLUDE ANY COST INFORMATION IN YOUR RESPONSE TO THIS WORKSHEET.

1. Bookmark Title: MSQ1 - Executive Summary
The Executive Summary is limited to five (5) pages.

Provide an Executive Summary that illustrates the Supplier's understanding of and capability to provide the requested services as described in Attachment H - Pharmacy Fraud, Waste, and Abuse (FWA) Audit Services Scope of Work and Attachment C - Common Scope Requirements and Security Standards.

The Executive Summary must include a brief corporate background of the Supplier, including the date the Supplier was formed, established, or created, total number of employees, Equal Employment Opportunity policy and current percentages in key positions, and location of the Supplier's primary and any satellite offices.

Supplier Response

MSQ1 - Executive Summary

Since 1989, Optum Rx has developed and refined a complete range of PBM services as we have grown into a pharmacy care services organization whose 28,000 employees, including 12,000 clinicians, serve 69 million members and more than 2,400 clients across all lines of business. Headquartered in Eden Prairie, Minnesota, our satellite offices include our specialty pharmacy fulfillment center in Jeffersonville, Indiana; our Medicaid rebate operations office in Atlanta, Georgia; seven home delivery pharmacies and over 600 Genoa behavioral health pharmacies nationwide embedded within Community Mental Health Centers (CMHCs) to provide high-touch relationship-oriented pharmacy services to improve medication adherence through a variety of interventions.



For Fee-For-Service (FFS) Medicaid, Optum Rx's systems are currently operational in 24 state FFS Medicaid programs where we have management and/or specialty pharmacy services responsibilities, serving more than 24.8 million FFS Medicaid lives and delivering expertise across key areas of clinical management; drug rebate services; fraud, waste and abuse services; and overall pharmacy benefit administration.

Georgia Snapshot: Optum	
Optum Rx Employees	498
Optum Corporate Employees	52
Optum Health Employees	2,240
Optum Insight Employees	1,691
Total Optum Employees	4,481

Our parent company UnitedHealth Group has been and will continue to be an equal opportunity employer whose Affirmative Action and Equal Employment Opportunity policy hires and conducts personnel actions without regard to race, national origin, religion, age, color, sex, sexual orientation, gender identity, disability, pregnancy, genetic information, citizenship status, or protected veteran status. Employees and applicants are not subjected to harassment, intimidation, threats, coercion or discrimination related to equal opportunity laws or requirements.

The table below provides UnitedHealth Group demographics by gender percentage for EEO-1 Job Category Executive/Senior Officials and Managers:

UnitedHealth Group Executive/Senior Officials and Managers, by Gender Percentage								
Gender	All Races	Hispanic	White	Black	Asian	Pacific Islander	American Indian	Two+ Races
Male	60.1	3.1	83.6	3.1	8.7	0	0.28	1.1
Female	39.9	3.2	81.8	6.2	6.6	0.21	0.42	1.5

Combining the economies of scale of a large PBM with advanced clinical and data analytics capabilities along with a focused high-touch partnership model of a smaller PBM that offers access to Optum's senior leaders such as executive sponsor Allison Davenport, we will continue to maintain our local presence in Atlanta as we partner with you across any and all areas of your Fraud Waste and Abuse (FWA) program.

Whether our interactions involve our wide-ranging resources available to you as a large-scale entity or our brick-and-mortar presence as your Georgia neighbor, what underscore our partnership with you are our core values. Foremost among those are **Integrity** and **Compassion**.

Like you, we are dedicated to providing Georgians with access to quality health care at an affordable price that improves their health status, promotes healthy lifestyles and eliminates disparity.



We drive that dedication by honoring our commitments to the State of Georgia (the State) and to your members without compromising our ethics. Moreover, we recognize that each member is a unique individual as we strive to deliver a pharmacy experience designed to meet and exceed their needs.

Program Integrity Experience and Capabilities

Just as we have grown as a pharmacy care services organization since our inception in 1989, so too have our FWA scope and capabilities broadened to encompass the larger concerns around program integrity. To meet those challenges, we have recalibrated our FWA approach, expanding our strategies, tactics and tools for a more comprehensive, multi-layered offering that recognizes the whole pharmacy care environment and not just select components.

In tandem with our technical and logistical recalibration, we have also rethought our approach to our clients and their members. As the PBA incumbent for the State, our preference for you is an integrated, “better together” program integrity solution that will be provided by Optum Rx. However, we are cognizant of your options laid out in this RFP that include a standalone FWA solution that can involve multiple vendors as part of your overall approach. Optum Rx has the experience and ability to work with multiple vendors, particularly in the FFS Medicaid space, and we stand ready to stand by you and your choice for the solution that makes the best sense for you and the many Georgians depending on you to provide pharmacy care services.

Expert, Seasoned Account Management and FWA Teams

As your PBA incumbent, we have already established our local presence in Atlanta as our account management team provides the personal, client-friendly touch of a small organization but with the skilled, manifold resources of the entire Optum organization to draw upon for solutioning, support and innovations.

For the State, Optum Rx intends to establish a dedicated team located in Georgia. The local team will consist of a Georgia-licensed pharmacist and two pharmacy technicians and will be supplemented as needed by Optum Rx’s larger FWA team.

The dedicated Georgia Audit Team will be responsible for conducting all concurrent reviews, desk and on-site audits, investigations, handling of grievances and data mining as agreed upon in the scope of work and be able to provide customized reporting as needed. Optum Rx’s Proactive FWA artificial intelligence (AI) predictive model will be incorporated throughout the audit program in addition to traditional analytics.

Proactive FWA uses advanced analytic techniques of predictive modeling combined with the power of Artificial Intelligence (AI) machine learning technology. Proactive FWA is able to detect and predict high risk, potentially fraudulent pharmacy scenarios that traditional analytics does not.

Integrity

Honor commitments. Never compromise ethics.

Compassion

Walk in the shoes of people we serve and those with whom we work.

Relationships

Build trust through collaboration.

Innovation

Invent the future, learn from the past.

Inclusion

Welcome, value, respect and hear all voices and diverse points of view.

Performance

Demonstrate excellence in everything we do.

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These advanced analytics continuously learn new trends and suspect patterns on an ongoing basis. Earlier detection of potentially fraudulent billing patterns enables fraud investigators to address questionable pharmacies and claims more quickly therefore deterring fraud and minimizing financial exposure.

In-depth, Multi-layered Auditing Capabilities

Should we be awarded the claims processing component of the contract, we will be able to provide our proprietary **Real-Time Audit (RTA)** system. Our frontline defense against pharmacy fraud, waste, abuse and error, RTA is a type of desktop audit process that examines 100 percent of paid claims upon adjudication. Nearly 50 percent of our network pharmacies receive RTA outreaches annually.

Our unique RTA process provides our clients with significantly more audit recoveries compared to using retrospective claims audit procedures alone. Our RTA capabilities provide auditors with a front-row seat from which they can

monitor claim submissions immediately post-adjudication and proactively identify trends that may point toward fraud, waste, abuse and error. Since our strategic algorithms enable auditors to focus on claims with the most aberrant problems, our program returns a higher per-claim average recoveries than standard next-day audit processes.

When a more in-depth review is needed, our **Desktop Audit Team** analyzes a pharmacy's historical data, taking member and prescriber information into consideration during investigation of the integrity of individual claims submitted by pharmacies and paid on behalf of members. Desktop audits include filtering and examining prior claim transactions for aberrant issues where a larger number of source documents are requested from the pharmacy for review. We notify the pharmacy of the desktop audit and request documentation to support the claims. Pharmacies are afforded the opportunity to appeal all findings.

Concerns about the validity of a pharmacy's operations based on prescriber or member inquiry responses, detection of potential document alteration, findings from our RTA system, potential inventory reconciliation issues and other anomalies can trigger an **On-site Audit**. We conduct these quarterly to minimize network disruption. We work closely with the State for approvals prior to issuing notification to the pharmacy. Approximately 40 algorithms are used in combination to identify pharmacies where an on-site audit is appropriate and to select claims to be reviewed in those audits.

To combat potentially fraudulent billing, we perform **Investigative Auditing** to identify and document suspected instances that warrant closer examination. Our investigations team examines member complaints, tip lines, referrals from internal Optum Rx teams and an array of retrospective

Optum Rx Auditing Snapshot (2022)	
Pharmacies in Optum Rx network	64,673
Auditable base	47,288
Total drug costs audited	\$3.5 billion
Total drug costs recovered	\$363 million
Desktop audits	7,226
Average desktop recovery per audit	\$2,342
Total desktop recoveries, 2022	\$16.9 million
On-site audits	4,047
Average on-site recovery per audit	\$4,461
Total on-site recoveries, 2022	\$18.1 million
Total pharmacies investigated for fraud	316
Average fraud investigation recovery per audit	\$111,130
Total fraud investigation recoveries, 2022	\$35.1 million



analytics to identify unusual patterns, such as unusually high or low reversal rates or claims submitted when the pharmacy is not typically open, to detect potential offenders.

Moreover, our experience and capabilities imbue us with a high degree of sophistication that enables us to distinguish between blatant fraud, creative fraud and unintentional processing errors. For example, we send many different types of letters to members and prescribers asking them to attest to the validity of a claim. Responses from members and prescribers provide critical information that enables our investigators to determine if a pharmacy may be submitting ghost claims never dispensed to members or are billing for claims that do not correlate to a valid prescription.

Pharmacy Lock-in Program

To enhance patient safety and reduce the potential fraud and abuse associated with the use of high doses of controlled substances, our pharmacy lock-in program provides a monthly retrospective analysis of pharmacy claims data to identify aberrant utilization patterns based on various criteria that we can also modify based on your specific preferences. As a committed provider to the State, we are eager to help you mitigate the risks associated with members seeing multiple providers and obtaining high doses of controlled substances.

Members identified through the retrospective analysis are reviewed by clinicians to eliminate unusual but appropriate utilization before being presented to the State for lock-in consideration and approval. Recipients who are locked-in will be re-evaluated on a regular basis to determine the need for continued lock-in and/or the need to place the enrollee on controlled substance "prior authorization status."

In addition to these routine retrospective reviews, the State may refer members for review due to concerns they have identified through their own claims analysis or as a result of law enforcement and court actions.

Robust Reporting Capabilities

In accordance with the State's requirements, we provide comprehensive annual and/or ad-hoc reports that communicate specific program integrity-driven operations; including case files, recovery information, and other audit functions as identified through our fraud, waste and abuse monitoring activities. These reports can be compiled at the level of detail requested, in a format and frequency consistent with your expectations.

In addition, our Risk Assessment Report determines each pharmacy's risk and ranks the pharmacy against other enrolled pharmacies. This report reviews the previous month's or quarter's paid claims and provides the number of claims and percent of claims for each category. This information can then be used to determine pharmacies for additional reviews or questionable claims can be included in the desktop audit process or for further investigation. We submit outliers to you for approval and include our proposed audit strategy and rationale.



2. Bookmark Title: MSQ2 – Compliance
Narrative description is limited to two (2) pages.
- Describe in detail how you will ensure compliance of systems and services with federal and state law and the State's pharmacy program policies, procedures, and processes as required for this scope of work.

Supplier Response

MSQ2 - Compliance

Ensuring that the systems and services we use to support the State's pharmacy program, particularly with respect to program integrity and FWA, are fully compliant with federal and state laws and with your policies, procedures and process is critical to our continued mutual success.

With respect to new laws that can impact our processes, technology or clients such as the State, we maintain a course of action that includes the monitoring of state and federal websites and publications to identify new regulations or sub-regulatory guidance that may affect our business, enabling us to support our clients and deliver compliant programs.

Our established processes to support client reporting needs include those required by federal or state legislation (existing or future). During implementation, our experienced account management team establishes various communication and reporting channels and methodology, appropriately sets the level of customization required, and works closely with operational and compliance subject matter experts to deliver timely, effective support for business issues in order to meet your requirements.

Also addressed are contractual reporting requirements along with other ancillary reporting requirements. We maintain open lines of communication with you and communicate areas of concern where appropriate. Our account management, operational, and business teams work with our clients to provide any assistance as required.

We maintain an overview of the audit program in your Policies and Procedures Manual for Pharmacy Services. In clear detail, our updates provide your pharmacy audit policies and procedures that take into consideration specific individual State laws and include guidelines stipulating the scheduling and conducting of on-site and desktop audits, time allowances for receipt of documents, appeals of findings, and a post-audit process for reconsideration of audit results.

We do not knowingly allow fraudulent activity of any kind by any of your contracted providers, associates, members, vendors, contractors and/or other business entities. We investigate and report any such known activity to the appropriate regulatory, federal and state agencies for further action and investigation.

We work with the State to assist with any fraud investigation, and we ensure that all suspected or alleged cases of fraudulent behavior are reported promptly to you. We work with you and your state partners to develop preliminary investigations of potential provider fraud and respond to requests for documentation to support full investigations. We draft thorough and accurate written responses to all inquiries, regardless of source, pertaining to operations or performance, as directed by you.

We participate in and report continuous improvement efforts including but not limited to:

- Recommending changes that prevent payments to providers that are inconsistent with Medicaid policies as well as accepted standards of practice.



- Investigating new technology and techniques that will enhance the pharmacy audit function.
- Recommending changes to clarify policy as issues are identified through audit.

We contract with sponsors of the Medicaid prescription drug plan. All Medicaid sponsors are required by the Centers for Medicare & Medicaid Services (CMS) to have a comprehensive plan to detect, correct and prevent fraud, waste and abuse.

Pharmacies are required to maintain proper policies and procedures related to training on compliance, fraud, waste and abuse and must have a policy and procedure for checking the Office of the Inspector General (OIG)/General Services Administration (GSA) exclusion lists. These OIG/GSA exclusion list checks must be conducted at least monthly and upon initial hire. The OIG/GSA exclusion checks must be completed, tracked and logged for all employees who may have any touchpoint to the Medicaid program, its claims, members, etc.

The pharmacy and its staff must sign off on the required trainings and provide a log of the trainings, type and method, vendor and date and time and signoffs from the staff on its completion. These logs must be made available within 72 hours to Optum Rx in case of an audit or CMS request. If the pharmacy finds that a staff member is OIG/GSA excluded, it has a duty to report this issue and all the claims filled or billed by this person to the Optum Rx Fraud, Waste and Abuse (FWA) hotline at toll free number at 1-888-625-5685, 24 hours a day, seven days a week.

The accurate submission of a prescriber identifier is paramount to the claims processing system; claims that are submitted with incorrect, phony, bogus or dummy identifiers are subject to audit, corrective actions, penalties, and non-payment or recoupment of payment. Providers can report any suspected fraud, waste or abuse by calling the Optum Rx Ethics and Compliance Hotline, toll-free number at 1-877-217-4679, available 24 hours a day, seven days a week.

Compliance/FWA training is an important component of provider operations and is required to be completed annually and upon initial hire for all local, state and federally funded pharmacy benefit programs. For example, CMS requires that FWA training be completed by anyone who works with or provides services to or supports the Medicaid drug plan benefit. To assist providers with this training, Optum Rx has posted various materials on our website www.OptumRx.com. As noted in that training material, the provider must complete the training and keep a record of completion of the Optum Rx General Medicare/Medicaid Compliance and FWA Training for Participating Providers or any other generally acceptable training module. Providers who do not have access to the internet can contact our Provider Relations team to obtain information on how to maintain compliance.

Annually and upon reasonable request, providers are required to attest to the training mentioned above and provide specific proof down to the employee level that such training was completed as per the provisions noted above.

3. Bookmark Title: MSQ3 – Desk Audits
Bookmark Title for Supporting Material: MSQ3.1 - Desk Audit Flowchart
Narrative description is limited to two (2) pages, not including the required supporting material.

Describe in detail your process for selecting claims and conducting desk audits. Include in your response the procedure you will follow when a desk audit has been completed including, but not limited to, the requirements stated Attachment H - Fraud, Waste, and Abuse (FWA) Audit Services Scope of Work, Section 2.2 Desk Audits.

Supplier Response

MSQ3 - Desk Audits

In coordination with the State, our qualified and dedicated internal audit team, to be located in Georgia, will conduct desk audits of network pharmacies, which are performed consistently throughout each day to investigate the integrity of individual claims submitted by pharmacies and paid on the behalf of your members.

Desk audits include filtering and examining claim transactions for aberrant issues and matching the claims to source documents requested from the pharmacy for review. In these cases, we notify the pharmacy of the desk audit and request for documentation to support the claims in accordance with the client's requirements and all applicable state laws and regulations.

All desk audit selections will be based on criteria approved by the State and include random selection criteria as required.

Pharmacies are provided ample opportunity to provide documentation and are afforded the opportunity to appeal all findings.

Some examples of findings from desktop audits include:

- Incorrect days supply submitted resulting in dispensing of excessive quantity
- Circumventing plan edits
- Invalid proof of delivery/receipt
- Inappropriate use of emergency supply override
- Filled after patient date of death
- Duplicate claim/therapy
- Off-label use, unsupported by approved compendia
- Incorrect NDC submitted/dispensed
- Prescription not found/provided

Optum Rx understands that the State may choose to align the audit process with the Pharmacy Audit Bill of rights, including specific timelines for responding to findings. We work closely with the State to ensure that the desk audit process aligns with State policy and law. Additionally, Optum Rx will not adjust or reverse any claim or batch of claims unless express approval is provided by the State Pharmacy team or Program Integrity.



MSQ3.1 - Desk Audit Flow Chart

Please refer to the PFWA Exhibit Section, MSQ3.1 – Desk Audit Flow Chart.pdf of our proposal response.



4. Bookmark Title: MSQ4 – Field Audits
Bookmark Title for Supporting Material: MSQ4.1 – Field Audit Flowchart
Narrative description is limited to two (2) pages, not including the required supporting material.

Describe in detail your process for selecting claims and conducting field audits. Include in your response the procedure you will follow when a field audit has been completed, including, but not limited to, requirements identified in Attachment H - Fraud, Waste, and Abuse (FWA) Audit Services Scope of Work, Section 2.3 Field Audits.

Supplier Response

MSQ4 - Field Audit

In close coordination with the State, our dedicated local FWA team manages and conducts field (or on-site) audits of network pharmacies. This local team consists of a Georgia-licensed pharmacist and pharmacy technician and is supplemented as needed by our larger FWA team.

Pharmacy selection uses a state-approved randomized process designed to review claims and provider types reflective of the entire Georgia Medicaid pharmacy benefit to cover pharmacies in each geographical region of the state and in rural, suburban and urban settings. Both higher- and lower-volume pharmacies are subject to random selection and includes all pharmacy types: retail, LTC, specialty, compounding, infusion.

Field audits are conducted quarterly, and we work closely with the State for approvals prior to issuing notification to the pharmacy. Audit selection is based on complex analytics identifying outlier providers, audit history, sanctions by oversight agencies (Board of Pharmacy, DEA, etc.), and internal and external referrals. Our auditors are trained to always consider minimizing provider disruption without sacrificing the integrity of the audit. In addition, our auditors utilize field audits as an opportunity for education, providing documentation on State requirements, frequent erroneously billed claims and answer provider questions as able.

During a field audit, an auditor reviews a targeted subset of claims. This may include review of hardcopy prescription files, daily computer-generated transaction logs, purchase invoices, third-party signature logs, accuracy of data submission, compound and specialty medication orders. In addition to the claims review, auditors review the pharmacy's overall operations and understanding of applicable regulatory and plan requirements such as return-to-stock policy adherence, regulatory compliance, presence of expired medications, contract compliance, monitoring of foot traffic and inventory handling, pharmacy cleanliness and overall safety of the facility, and proper staffing. All procedures will be subject to review and approval of the State.

Following the completion of an audit, the pharmacy is provided an initial overpayment findings letter outlining the discrepancies identified and the pharmacy is provided an opportunity to provide any additional information in response to the findings. Additional information is reviewed prior to issuing final overpayment findings. All correspondence will be conducted in accordance with the timelines established by the State.

If a pharmacy provider disagrees with the final overpayment findings, the pharmacy has the right to file a grievance. Optum Rx provides the grievance process in response to the results of an audit based on state audit guidelines and all applicable regulations. An Adjusted Final Overpayment notice will be issued in response to a grievance and will include the information to file an appeal through an administrative review hearing.



Optum Rx understands that the State may choose to align the audit process with the Pharmacy Audit Bill of rights, including specific timelines for responding to findings. We work closely with the State to ensure that the desk audit process aligns with State policy and law. Additionally, Optum Rx will not adjust or reverse any claim or batch of claims unless express approval is provided by the State Pharmacy team or Program Integrity.

[MSQ4.1 - Field Audit Flow Chart](#)

Please refer to the PFWA Exhibit Section, MSQ4.1 – Field Audit Flow Chart.pdf of our proposal response.

5. Bookmark Title: MSQ5 – Grievances
Bookmark Title for Supporting Material: MSQ5.1 – Grievances Flowchart
Narrative description is limited to two (2) pages, not including the required supporting material.

Describe in detail your procedure for addressing grievances and processing State approved settlements utilizing, but not limited to, the requirements as stated in Attachment H - Fraud, Waste, and Abuse (FWA) Audit Services Scope of Work, Section 2.4a Grievances.

Supplier Response

MSQ5 - Grievances

Our grievance process grants pharmacies ample opportunity to provide documentation, and they are afforded the opportunity to dispute all findings in accordance with all applicable state laws and regulations.

Following the completion of an audit, the pharmacy is provided an initial overpayment findings letter outlining the discrepancies identified and the pharmacy is provided an opportunity to provide any additional information in response to the findings. Additional information is reviewed prior to issuing final overpayment findings.

If a pharmacy provider disagrees with the final overpayment findings, the pharmacy has the right to file a grievance. Optum Rx provides the grievance process in response to the results of an audit based on state audit guidelines and all applicable regulations. An Adjusted Final Overpayment notice will be issued in response to a grievance and will include the information to file an appeal through an administrative review hearing.

Optum Rx shall provide support to the client on an as needed basis for the following areas, which include but is not limited to:

- The administrative hearing process by providing appropriate, knowledgeable staff to attend and participate in scheduled meetings and hearings for those appeals that cannot be resolved via the informal process. Optum Rx shall provide written and oral testimony, witnesses, and necessary documentation to support audit findings and alleged overpayment findings at an appeal hearing.
- Settlement discussion, in coordination with and at the direction of the State Pharmacy Director and Office of Program Integrity.
- Support the State on an as needed basis in the audit, appeal, and financial recovery processes until all overpayments have been collected and the audit closed for the duration of the contract. This includes all open appeals at the time of the operational start date.

MSQ5.1 - Grievances Flow Chart

Please refer to the PFWA Exhibit Section, MSQ5.1 – Grievances Flow Chart.pdf of our proposal response.

6. Bookmark Title: MSQ6 - Review Process
Narrative description is limited to four (4) pages.
- Describe in detail your process to review pharmacy and medical utilization of Members to identify areas of concern for both Members and Providers utilizing, but not limited to, the requirements stated in Attachment H - Fraud, Waste, and Abuse (FWA) Audit Services Scope of Work, Section 5 Pharmacy Lock-In (PLI) Program.

Supplier Response

MSQ6 - Review Process

To identify areas of concern based on review of pharmacy and medical utilization for both members and providers is our dedicated audit team to be located in Georgia consisting of a Georgia-licensed pharmacist and pharmacy technician, supplemented as needed by Optum Rx's larger FWA team. This team is responsible for communicating with members, the State and any of the State's contractors as applicable for the pharmacy (or member) lock-in (PLI) program.

For the PLI, our audit team leverages eligibility information and all available claims data including, but not limited to, pharmacy, medical, behavioral health or durable medical equipment, prosthetics, orthotics and supplies (DMEPOS). All claims are analyzed systematically to identify high-risk members based on the number of prescribers, pharmacies, prescriptions, and controlled substances utilized. The team takes into account certain diagnoses and combinations of diagnoses as well as overall cost for this risk evaluation.

High risk members are manually reviewed to determine whether they should be recommended for the PLI program. We send our recommendations to the State for approval prior to communicating with members to help select a preferred pharmacy.

Items to review include, but are not limited to:

- Member has filled prescriptions at more than two pharmacies per month or more than five pharmacies per year;
- Member receives more than five therapeutic agents per month;
- Member receives more than three Controlled Substances per month;
- Member receives duplicative therapy from different prescribers;
- Member receives prescriptions from more than two prescribers per month;
- Number of prescriptions for controlled substances exceeds 10% of total number of prescriptions;

In coordination with the team's pharmacist, we conduct reviews at least quarterly or as needed. Following notification and State approval of an identified member for lock-in, the determination is re-reviewed at least annually or more often as agreed upon. Upon State approval for release from the PLI, the member's utilization will continue to be monitored for additional concerns and potential readmission to the PLI program.

The State receives monthly reporting on all PLI-identified members from our team, who can discuss findings with you as needed. Discussion will include any requests by the member for appeal. The



team works with you as needed to support any administrative hearings and for the development of communications to providers and members.



7. Bookmark Title: MSQ7 – Cost Avoidance Strategy
Narrative description is limited to four (4) pages.
- Describe in detail the effectiveness of your cost avoidance strategy for selecting claims in your concurrent review program.
- Refer to Attachment H - Fraud, Waste, and Abuse (FWA) Audit Services Scope of Work, Section 3 Concurrent Reviews.

Supplier Response

MSQ7 - Cost Avoidance Strategy

To drive an effective cost-avoidance strategy for the State, we will establish a dedicated team located in Georgia consisting of an Account Director, an Account Manager, a pharmacist supported by additional auditors and supplemented as needed by Optum Rx's larger FWA team. The local team will be tasked with identifying and resolving your concerns and reporting progress to the client as needed.

This local team conducts all concurrent reviews, desk and field audits, investigations, handling of grievances, and data mining as agreed upon in the scope of work and can provide customized reporting as needed. To augment traditional analytics, our local team can also leverage our Proactive FWA AI predictive model.

Should Optum Rx be awarded the claims processing component of the contract, we can also use our unique and proprietary real time audit (RTA) process. In concert with audits occurring at multiple levels including desk and field audits, RTA provides sentinel monitoring for pharmacy, member, and physician fraud, waste and abuse through various system edits and algorithms. This improves the health system for both members and the State by guarding against FWA.

Every claim we adjudicate is automatically subjected to various systematic reviews using both algorithms and machine learning to help the audit staff enforce rigorous auditing that occurs post-adjudication, prior to payment. Although all claims are audited, our specific real-time auditing algorithms are proprietary and confidential. These algorithms check for aberrant claims, outliers, errors, and other indicators which may suggest potential FWA.

RTA is our frontline process through which we detect pharmacy FWA, examining 100 percent of paid claims upon adjudication; nearly 50 percent of our network pharmacies receive annual outreach as a result of RTA.

Claims are filtered through algorithms that screen for appropriate utilization patterns, cost information and other criteria that may indicate error or abuse. Each claim is then scored and ranked. The highest scored claims are flagged for further review and, on average, are routed into actionable queues within three seconds of detection. Our audit team then investigates these flagged claims from this initial screening and, when deemed appropriate, the auditor performs an outreach to the pharmacy to verify the claim's accuracy against the actual prescription. If an inaccurate claims transaction is identified, the pharmacy reverses and resubmits the claim correctly.

RTA provides you with significantly more audit recoveries compared to using retrospective claims audit procedures alone. Our RTA capabilities give auditors a front-row seat from which they may monitor claim submissions post-adjudication and proactively identify trends that may point toward fraud, waste, abuse and error. Since our strategic algorithms enable auditors to focus on claims



with the most aberrant problems in near real time, our program returns a higher per-claim average recoveries than standard next-day audit processes.

Moreover, that narrow window of time between adjudication and auditing may improve the likelihood that potentially serious mistakes that lead to unnecessary adverse events are caught and corrected before the medication has been dispensed to members.

Other RTA benefits include:

- Pharmacists are educated about billing errors in a timely manner, which may result in fewer errors in the future. The resulting sentinel effect, which is a natural side effect of the RTA process, may encourage stricter attention to policies and procedures on the part of pharmacy staff. It may also assist pharmacies with compliance to government regulations and health plan procedures.
- Questionable claim patterns are more easily identified, which allows for more timely development of additional audit screening criteria. Based on this, we are able to assess the need for new edits or quantity limits quickly.

8. Bookmark Title: MSQ8 – Proposed Reports
Bookmark Title for Supporting Material: MSQ8.1 – FWA Reporting Samples
Narrative description is limited to five (5) pages including the outline(s) of the sample reports, not including the required supporting material.
- Provide a listing of all proposed reports including the frequency of each report, purpose and synopsis that will be provided to the State. Include with your response an outline of a quarterly utilization and performance report that will be developed and customized to meet the needs of the State and are readily accessible to authorized users along with any limitations with accessing each report.
- Refer to Attachment H - Fraud, Waste, and Abuse (FWA) Audit Services Scope of Work, Section 4.1 Reporting.

Supplier Response

MSQ8 – Proposed Reports

To deliver timely, comprehensive and meaningful FWA and program integrity reporting to the State, our dedicated local team will be tasked with identifying and resolving your concerns and reporting progress to you as needed.

Standard reports we provide to the State include the following.

Monthly Audit Activity Reports. Monthly summary of audits initiated, in progress or closed that is delivered on the 15th day of the following month. Activity is summarized by each audit type, excluding field audits, which are reported quarterly. Also provided are analyses of outlier pharmacies, members, prescribers and products. We also note recommendations to mitigate identified issues.

Quarterly Activity Audit Report. Quarterly summary of audits initiated, in progress or closed delivered on the 30th day following the close of the quarter. Activity is summarized by each audit type. Also provided are analyses of outlier pharmacies, members, prescribers and products. We also note recommendations to mitigate identified issues.

Annual Audit Activity Report. Annual summary of audits initiated, in progress or closed delivered on the 30th day following the close of the year. Activity is summarized by each audit type. Also provided are analyses of outlier pharmacies, members, prescribers and products. We also note recommendations to mitigate identified issues.

Annual Audit Strategy Report. Identifies the audit team's strategy for the upcoming year to continue processes shown to be effective as well as implementation of new approaches based on information from various sources such as CMS, OIG Work Plan, oversight agency disciplinary actions, social media and referrals. We collaborate with the State to create the plan, which is presented during November of each year.

Quarterly Watch List. Contains recommendations to mitigate FWA identified within the network through system edits, provider education or other actions. The identified area of concern is placed onto a quarterly watch list providing meaningful statistics, summary of the issue and any proposed action. The report tracks important dates such as date identified, date recommendation was made and, if applicable, the date action was taken. Client can use this report to help determine if action is



needed or, if implemented, how effective it has been. Items remain on the watch list until you have indicated it is no longer needed.

New Pharmacy List. Newly enrolled network pharmacies are reported to show a summary of their activity by month and by any notable information such as ownership of other pharmacies, audit or disciplinary history, unusual business models. Pharmacies will remain on the summary report for six months after their first paid claim.

Moreover, our local team can provide the State with ad hoc reporting and can incorporate additional items into existing reports at your request.

Examples of ad-hoc report available to you include:

- Top control substance utilizers/prescribers
- Claims after death
- Geo-spatial reporting
- Duplicate therapy
- Suspect product reports

MSQ8.1 - FWA Reporting Samples

Please refer to the PFWA Exhibit Section, MSQ8.1 – FWA Reporting Samples.pdf of our proposal response.



9. Bookmark Title: MSQ9 – Security Controls
Narrative description is limited to five (5) pages.
- Describe in detail how your administrative, technical, and physical security controls demonstrate compliance with HIPAA Security Laws and Regulations to meet the requirements stated in Attachment C - Common Scope Requirements and Security Standards Section 6: Medicaid Enterprise System Security Standards.

Supplier Response

MSQ9 - Security Controls

We are committed to the responsible and compliant collection, use, maintenance, and disclosure of protected and confidential information in alignment with the Privacy mission, our mission, and the Company's Code of Conduct.

Our Privacy program is designed so that the appropriate administrative, technical, and physical safeguards are in place to protect the privacy and security of our members' health information as required by the Health Insurance Portability and Accountability Act (HIPAA).

We have measures in place designed to meet HIPAA and the Health Information Technology for Economic and Clinical Health Act (HITECH) requirements and other applicable federal and state privacy and security laws for relevant parts of our business. Workforce members are trained on these policies and procedures upon onboarding, annually, and as part of ongoing job-related trainings. Our policies and procedures are confidential and cannot be shared outside of the company.

We comply with standardized requirements for transactions, code sets, and the exchange of electronic health information, including requirements under HIPAA, HITECH, the 21st Century Cures Act, and other applicable regulatory requirements. We also comply with widely accepted industry standards as appropriate.

We manage a robust Information Security Risk Management and Privacy Program that improves its ability to make risk-informed decisions by conducting systematic and structured reviews of information security risks. Its protocols are based on industry practices and applicable regulatory obligations such as HIPAA, Gramm-Leach-Bliley Act (GLBA), Payment Card Industry standards (PCI), General Data Protection Regulation (GDPR), and other requirements promulgated by state, federal, and international authorities.

We are supported by numerous independent assessments performed by well-known independent audit or security firms. We investigate the audit and security firms to ensure assessment practices and protocols are appropriately leveraged and managed independently. We are committed to take reasonable steps to mitigate and remediate areas of improvement identified in audit findings in accordance with our policies. Our internal monitoring controls, including internal audits, are documented in accordance with our policies, HIPAA, and other applicable state and federal laws. We have taken reasonable steps to mitigate and remediate areas of improvement identified in audit findings in accordance with our policies.

10. Bookmark Title: MSQ10 – Encryption
Narrative description is limited to five (5) pages.

Describe in detail your method(s) for ensuring encryption of all stored and transmitted State data containing Protected Health Information (PHI) including email and data that is stored in databases, file systems, desktop and mobile devices, removable media, disaster recovery platforms or other structured storage methods using NIST approved encryption protocols to meet the requirements stated in Attachment C - Common Scope Requirements and Security Standards Section 6: Medicaid Enterprise System Security Standards.

Supplier Response

MSQ10 - Encryption

Effective, secure encryption is crucial to safeguarding all stored and transmitted State data containing protected health information (PHI), and our Information Security program and practices are designed to satisfy all applicable requirements. The program, policies, and standards are based on relevant industry standards and frameworks and are designed to satisfy all applicable regulatory requirements.

Our Information Security policies and standards have been developed on the International Standards Organization (ISO) framework. The information security risk management and privacy program protocols are based on industry practices (for example, National Institute of Standards and Technology (NIST) and ISO and applicable regulatory obligations such as United States Department of Health and Human Services (HHS), Office of Civil Rights (OCR), Office of E-Health Standards & Services (OESS), Department of Insurance (DOI), Federal Trade Commission (FTC), State Attorney General's, International Implications (EU 95/46EC), CMS and other regulatory guidance.

We endorse the mission, charter, authority and structure of the Information Risk Management organization. Our information risk management team is responsible for developing, maintaining, and communicating a comprehensive information security program to protect the confidentiality, integrity and availability of information assets. These policies and standards apply to all employees, third parties and subcontractors.

Our Enterprise Information Security organization is responsible for developing and maintaining comprehensive Information Security policies and control standards. We review information security policies and standards annually to determine legal and regulatory compliance, proper governance, and alignment with the business objectives.

Data Protection Governance Organization (Safeguard Data)

Optum Rx's Data Protection Governance organization mission is protecting the privacy of clients, members, employees, shareholders, and vendors by implementing and overseeing an enterprise-wide data risk management program. We confirm controls and security policies and standards are in place to protect sensitive data through managed and repeatable processes. For example, we perform risk analysis for the following:

- Information, data security and privacy policies, and standards
- Payment Card Industry (PCI) compliance
- HIPAA



- Gramm-Leach-Bliley Act (GLBA) compliance
- Social Security Number (SSN) use, handling, controls and standards
- Alliance Partner processes

Information owners, resource administrators and information users are responsible for safeguarding communications to protect the confidentiality of information assets. A review of confidential and protected information determines if encryption is required when it is at rest or in transit. If encryption is required, only approved encryption tools may be used. Optum Rx owners and users, third-party consultants, contractors and vendors may not implement encryption, digital signatures, digital certificates or key escrow tools without prior authorization from information risk management. We use a selected algorithm to encrypt data according to a tested, best practice-based standard.

To safeguard confidential and PHI, we require emails containing sensitive data to be encrypted using secure delivery before being sent outside the company's email network. In addition, we use industry-leading tools to scan unencrypted emails sent outside the company's network to check for confidential, sensitive or protected health information. If unprotected sensitive data is found, the email is returned to the sender with a delivery failure notice and instructions to send the email using secure delivery.

We restrict the type of information stored on our employees' desktops and laptops; information classified as "protected" does not reside on a user's desktop or laptop. We store client data on secure servers and databases that reside in secure data centers. As an added safeguard, all company-owned desktops and laptops, and any workstation laptop or desktop used by telecommuters, have industry-standard full disk encryption installed, which meets NIST encryption standards. We include full disk encryption as part of our workstation configuration.

Access Controls

Our information technology (IT) systems users are uniquely identified and authenticated before access to information assets and/or information technology systems is granted. Our provisioning access follows defined and documented processes for granting new or modified levels of IT system access. Following are examples of how we control access with policy and procedure.

- Only organizational leadership can approve IT system access requests.
- We require formal approval to third parties who approve and manage their third-party employee's and contractor's access to our systems.
- Managers or a delegated authority may approve access for only those employees, contractors, or others who report either directly or indirectly to them, or where they have received approval authority from information risk management to grant access to certain systems.
- Any requests to modify the access rights of an employee or contractor are approved by his/her manager. Information owner or delegate approval is required if determined based upon risk and the classification of the information involved.
- A manager cannot approve his or her own access because we require separation of duties between the request and approval for authorization.



Access Authorization Process and Periodic Review

We grant access to IT systems based upon a documented business justification and approved by management. The use of standard provisioning processes and technologies, such as secure and corporate role-based access control tools (for example, power broker) are strongly advised. We limit access to our information systems and applications are based on minimum necessary access in order to complete job functions.

We review both standard user (anyone using an IT system) access annually and as needed for privileged user access (anyone granted elevated IT system rights).

Terminations and Revoking Access

When an employee leaves the organization or when an external party no longer performs services for us, the employee's manager or business owner responsible for the external party must take the appropriate actions including this process for revoking access:

- Managers promptly notify the relevant human capital resources of all terminated employees or contractors.
- Platform access is revoked as soon as possible, but no later than two business days. When an employee is involuntarily terminated through disciplinary action, platform access is revoked immediately. We reserve the right to end active sessions where an employee may already be authenticated to the network.
- Application access is revoked within 10 business days.
- The individual returns all computing devices (for example, workstations and laptops) and removable media.
- The individual's access cards, ID badge, smart cards and keys are revoked.
- The individual's personal effects are removed from the premises.
- Offices and information assets used by departing individuals are inventoried by management and business records must be properly retained, per our Records and Information Management Policy.

Physical Access Controls

We use a combination of security staff and video cameras to control and monitor physical access to buildings and data centers. We further secure access to our facilities using cards that permit entrance into restricted areas based on job function, day and time. This approach limits access to employees with legitimate reason to enter these areas. Staff members are required to wear appropriate photo ID badges.



11. Bookmark Title: MSQ11 – Data Mining
Narrative description is limited to five (5) pages.

Describe in detail the Data Mining tool(s) and strategy that will be used to identify patterns of fraud, waste and abuse for field and desk audits as stated in Attachment H - Fraud, Waste, and Abuse (FWA) Audit Services Scope of Work, Section 4.6 Data Mining.

Supplier Response

MSQ11 - Data Mining

To identify patterns of FWA for our field and desk audits, we use a number of proprietary tools and strategies that range from traditional spreadsheets to more in-depth database analytics using algorithms that are capable of being quickly adjusted to our more advanced Proactive FWA predictive AI models with machine learning capabilities. To meet the requirements of the State's contract, we intend to use a combination of these tools and strategies.

All data mining will be specific to the State's claims and not performed as a batch.

The overall strategy is outlined in our Anti-Fraud Plan. Anti-Fraud Plan activities include monitoring and auditing, conducting investigations, performing data mining and analysis, reporting pharmacy network FWA to affected clients, regulatory/law enforcement authorities and Optum Rx teams, and instituting corrective measures when needed. The specific algorithms are proprietary and confidential.

Moreover, we intend to establish a dedicated team located in Georgia. The local team will consist of a pharmacist supported by additional auditors. This team will be supplemented as needed by Optum Rx's larger FWA team. The local team will be tasked with identifying and resolving concerns, adjusting strategies to meet desired outcomes as defined by the client and reporting progress to the client as needed.

- 12.** Bookmark Title: MSQ12 – Staffing
Narrative description is limited to five (5) pages, exclusive of organizational chart(s) and Subcontractor contract(s) or letter(s) of agreement, if applicable.
- Provide a narrative description of the proposed staffing plan that details policies, plans and staffing strategies. The proposed plan must include the following:
- Organizational charts that provide a complete and detailed description of the proposed organizational structure the Supplier will use, including Subcontractors and how they fit into the Supplier's overall organizational structure.
 - Roles and responsibilities of staff.
 - Job titles and the requisite qualifications, skills, and credentials, including clinical licensures relevant to this Contract.
- If Subcontractors will be used, provide the following:
- Subcontractor's name and address.
 - Roles and responsibilities to be delegated to the Subcontractor for purposes of this Contract.
 - Subcontractor's qualifications to perform these roles and responsibilities.
 - Copy of the Subcontractor contract; the State will accept a letter of agreement with a prospective Subcontractor pending formalization of a final contract with details relevant to "c" in this section.
- Refer to Attachment H - Fraud, Waste, and Abuse (FWA) Audit Services Scope of Work and Attachment C - Common Scope Requirements and Security Standards, Sections 2.15 Staff Management and 3 Staffing.

Supplier Response

MSQ12 - Staffing

Our internal audit team is staffed with licensed and certified pharmacy technicians. This team also consults with our clinical department as needed where professional judgment or clinical evaluation is required. Our audit staff also undergoes annual FWA training to reinforce their ability to identify, react and resolve situations indicative of misuse.

For the State, we intend to establish a dedicated team located in Georgia. The local team will consist of a Georgia-licensed pharmacist (Sr. Manager) and two pharmacy technicians (Sr. Auditor/Investigator). This team will be supplemented as needed by Optum Rx's larger FWA team. The local team will be tasked with identifying and resolving the client's concerns and reporting progress to the client as needed. The team will be responsible for implementing the requirements of the PFWA as outlined in the scope of work and will work with the State to establish an acceptable audit program as determined by the State's guidance and approval.

MSQ12,a,b,c – Staffing

Please refer to the PFWA Exhibit Section, MSQ12,a,b,c – Staffing.pdf of our proposal response.

MSQ12,a, b, c and d (Subcontractors)

We are not using any subcontractors on the PFWA Module.



13. Bookmark Title: MSQ13 – Project Stages and Phases

Narrative description is limited to five (5) pages.

Demonstrate your understanding of the Project Stages, Project Phases, timeline, expectations, and responsibilities as outlined in the Attachment C - Common Scope Requirements and Security Standards, Section 2.2 Project Stages and Project Phases. If your plans for the proposed services differ from the suggested outline, please explain the differences and how the proposed plan is a better fit for the State's needs.

Include any best practices and lessons learned that may be applied in the execution of these services and identify any additional proposed Milestones for the project.

Supplier Response

MSQ13 - Project Stages and Phases

To implement and execute the fraud, waste and abuse portion of our administration of the State's program, our project team has adopted Project Management Institute (PMI) methodology, defined in the Project Management Body of Knowledge® (PMBOK), as the overarching framework for client implementations. We add, alter, or remove components depending on the scale of the project, the mechanisms used by client, and overall judgement of what works best for each phase of the project.

Optum Rx's Implementation phases closely align with the outlined data in Attachment C, section 2.2.

Optum Rx is prepared to submit a proposed Microsoft Project work plan within 10 business days from contract effective date. A representative Work Plan includes all operations phase activities and assigned responsible parties, as represented in the **PFWA Exhibit Section, MSQ15.1_2 - PFWA Work Plan.pdf of this proposal.**

Our Project Work Plan includes, but is not limited to:

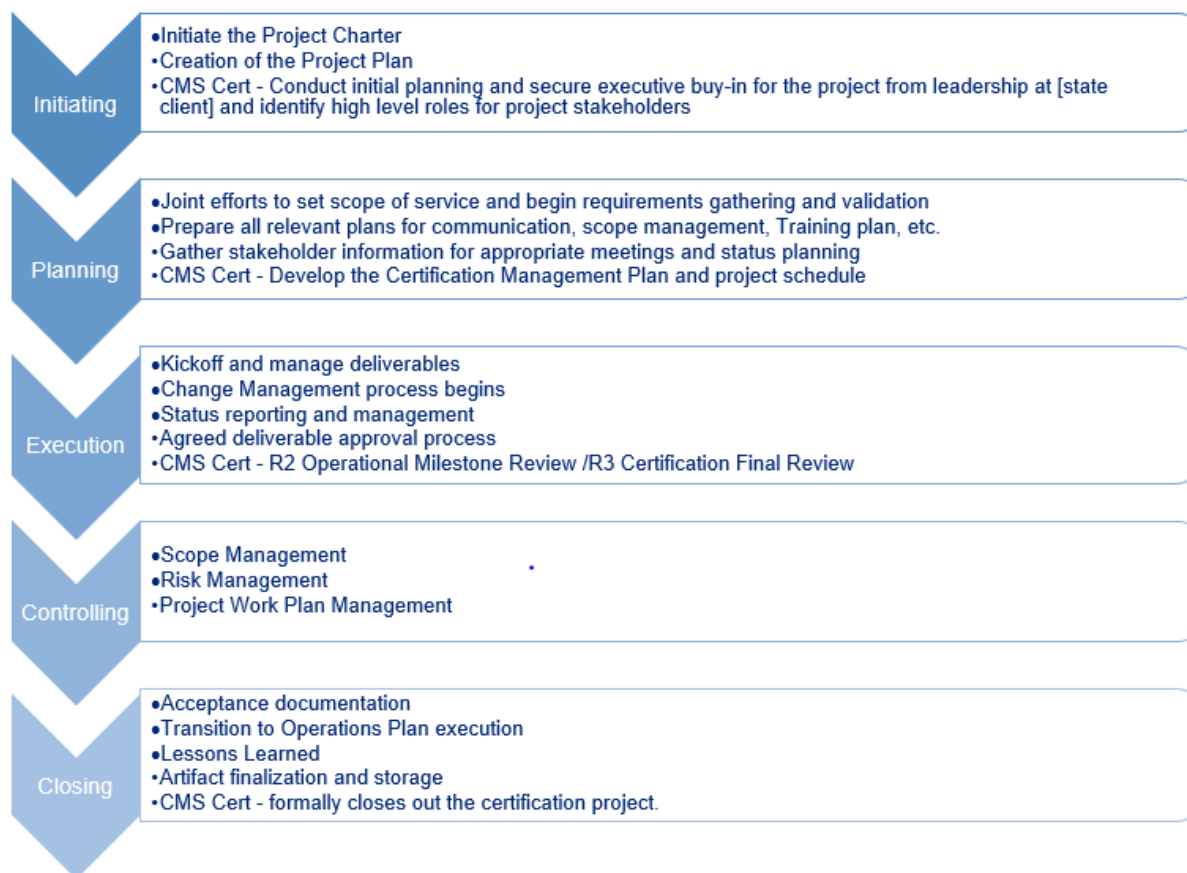
- Project timeline
- Resource loading
- Milestones and dates
- Critical path
- Dependencies
- Dates for submittal of deliverables



The following figure is a sample Project Plan representing milestones and key implementation phases.

Task Name	Duration	Predecessors	Start	Finish
RFP Project WBS	426 days		Wed 6/1/22	Wed 1/17/24
Key Milestones	301 days		Fri 8/5/22	Mon 10/2/23
PROCUREMENT INITIATION AND PLANNING	0 days	28	Fri 8/5/22	Fri 8/5/22
DDI INITIATION AND PLANNING	0 days	85	Tue 9/6/22	Tue 9/6/22
SOLUTION PLANNING COMPLETE	0 days	123	Tue 10/25/22	Tue 10/25/22
SOLUTION CONFIGURATION DESIGN	0 days	197	Tue 12/13/22	Tue 12/13/22
SOLUTION CONFIGURATION BUILD	0 days	259	Tue 1/31/23	Tue 1/31/23
SYSTEM INTEGRATION TESTING COMPLETE	0 days	340	Tue 4/11/23	Tue 4/11/23
SOLUTION USER ACCEPTANCE TESTING COMPLETE	0 days	355	Tue 4/4/23	Tue 4/4/23
SOLUTION OPERATIONAL READINESS COMPLETE	0 days	360	Tue 4/11/23	Tue 4/11/23
DEPLOY TO PRODUCTION COMPLETE	0 days	381	Mon 4/17/23	Mon 4/17/23
MAINTENANCE AND OPERATIONS	0 days	387	Mon 10/2/23	Mon 10/2/23
Implementation Plan	349 days		Wed 6/1/22	Mon 10/2/23
▷ PROCUREMENT INITIATION AND PLANNING	48 days		Wed 6/1/22	Fri 8/5/22
▷ DDI INITIATION AND PLANNING	35 days		Wed 7/20/22	Tue 9/6/22
▷ SOLUTION PLANNING	35 days		Wed 9/7/22	Tue 10/25/22
▷ SOLUTION CONFIGURATION DESIGN	35 days		Wed 10/26/22	Tue 12/13/22
▷ SOLUTION CONFIGURATION BUILD	35 days		Wed 12/14/22	Tue 1/31/23
▷ SYSTEM INTEGRATION TESTING	85 days		Wed 12/14/22	Tue 4/11/23
▷ SOLUTION USER ACCEPTANCE TESTING	45 days		Wed 2/1/23	Tue 4/4/23
▷ SOLUTION OPERATIONAL READINESS	50 days		Wed 2/1/23	Tue 4/11/23
▷ DEPLOY TO PRODUCTION	54 days		Wed 2/1/23	Mon 4/17/23
▷ KMS: MAINTENANCE AND OPERATIONS	120 days		Tue 4/18/23	Mon 10/2/23
CMS Certification	390 days		Thu 7/21/22	Wed 1/17/24
▷ Phase 1: Initiation	25.5 days		Thu 7/21/22	Thu 8/25/22
▷ Phase 2: Planning	147.5 days		Thu 7/21/22	Mon 2/13/23
▷ Phase 3: Execution	268 days		Mon 1/2/23	Wed 1/10/24
▷ Phase 4: Project Closeout	5 days		Thu 1/11/24	Wed 1/17/24

All project deliverables, as well as milestone dates and key dates are contingent upon the State's approval.



Transition to Operations

Optum Rx will participate in an Operation Readiness Review (ORR) prior to solution implementation. Before the final transition can take place, the following tasks are completed by our project management team and approved by the State:

- Execution of the data conversion and migration activities described within the Data Conversion Plan
- Execution of the activities described within the Testing, Validation, and Operational Readiness Plan including contingency plans for mitigation of risks, managed according to the Risk Management Plan
- Demonstration of the Disaster Recovery process and procedures prior to implementation
- Demonstration of the system operation at the performance levels specified by the State
- Demonstration that all the system access and security measures of the System Security Plan are in effect at the point of system implementation
- Execution of the Project Communication Plan
- Execution of the Implementation Plan
- Review and approval by the State at designated checkpoints during the implementation process

Turnover Activities

Upon completion of our contract for the State, we will work closely with the incoming vendor and the State to provide a controlled turnover of data, documentation, file layouts, and non-proprietary code, at no cost to the State and based on the turnover plan provided during implementation of the project.

We fully understand our responsibility to coordinate an orderly transition of work and ensure the accuracy of data in collaboration with the State, and the incoming vendor.

An initial turnover plan is submitted to the State 12 months prior to the end of the contract. We will submit a written report to the State prior to the end of the contract detailing the status of any open work orders at that time. We will develop and provide the State with a finalized turnover work plan, based on your comments to the initial turnover work plan. The approach to contract turnover is similar to our proven and effective implementation approach; close collaboration with the State, and the incoming vendor to ensure minimal impact of services to your members.

During a turnover plan from Optum Rx to the successor vendor or the State, appropriate reporting and status updates are provided throughout the turnover process and in closing. We use the standard suite of reports to bring transparency of the project to the team and work partnership with the successor vendor and the State to agree on the reporting that will be most helpful to the entire turnover team. This process will include but may not be limited to:

- Overall project health
- Project work plan updates, including a summary of updates and activities for the reporting period and scheduled and anticipated activities for the upcoming reporting period
- Plan updates for the reporting period
- Escalated risks and risk avoidance responses for the agreed reporting period
- Escalated issue and issue resolution plans for the agreed reporting period
- Deliverable updates for the agreed reporting period
- Technical assistance from all relevant areas of the business
- All standard policies, procedures, and documentation are tracked for appropriate transition to the successor vendor and the State
- Training plan to include training areas as well as training material

To ensure a successful turnover plan, we leverage our proven project management standards. This includes but may not be limited to a full and capable project plan, risk planning, communication planning, training needs, documentation requirements, and overall project health reporting.

All departmental areas work through the transition of the project to the incoming vendor. By approaching the turnover plan in the same way as the takeover plan, we can deliver a smooth transition to the new vendor.



14. Bookmark Title: MSQ14 – Transition & Integration

Narrative description is limited to three (3) pages.

Describe how you will handle the transition activities from the incumbent Fraud, Waste, and Abuse vendor. Include the value-add of your approach and techniques in terms of cost savings, quality improvement, and/or savings to the project schedule for the State.

Describe your integration approach with the Pharmacy Benefit Administrator vendor and its system.

Supplier Response

MSQ14 - Transition & Integration

Transitioning a program as complex and comprehensive as the State's requires effective and appropriate collaboration among vendors, and our extensive experience and expertise in the Fee-For-Service (FFS) Medicaid arena has prepared us to work closely and cooperatively with the State's outgoing vendors to minimize abrasion to your program and your members.

During the information- and requirements-gathering stage with the State, we incorporate the State's transition-plan requirements into our implementation process, which includes transition of fraud, waste and abuse resources dedicated to working with the outgoing vendor to gather appropriate data to support our requirements.

We are committed to transition strategies that fully satisfy the State, its members and state compliance. We accomplish this successful transition by incorporating extensive collaboration and consultation with the State and outgoing vendors while using strategies with quality assurance methodologies. Our implementation processes promote active engagement with the State's stakeholders throughout the process to achieve an accurate and timely installation.

During the planning phase, we spend considerable time maximizing our understanding of the State's existing benefit and clinical programs, with our overriding goal being the seamless transition for your members. We place particular emphasis on specialty medications and the classes of drugs that are required for continuity of care to high-risk beneficiaries. Our clinical consultant works closely with our formulary services teams to facilitate configuration and testing of these medications prior to go live.

During the test and quality assurance phase of the implementation, we review process results with the State to determine if any component of the program needs to be modified or revised. We also encourage the State to provide us with specific testing scenarios to increase the effectiveness of the validation process.

15. Bookmark Title: MSQ15 - Project Management

Bookmark Title for Supporting Material:

- MSQ15.1 - Project Schedule/Project Work Plan (Sample)
- MSQ15.2 - WBS tasks and Project Outputs (Sample)
- MSQ15.3 - Implementation Plan (Sample)
- MSQ15.4 - Quality Management Plan (Sample)
- MSQ15.5 - Requirements Management Plan (Sample)
- MSQ15.6 - Change Management Plan (Sample)
- MSQ15.7 - Risk Management Plan (Sample)
- MSQ15.8 - Communications Management Plan (Sample)
- MSQ15.9 - Integration Plan (Sample)
- MSQ15.10 - Operations & Maintenance Plan (Sample)
- MSQ15.11 - Training Plan (Sample)
- MSQ15.12 - Cost Management Plan (Sample)
- MSQ15.13 - Stakeholder Management Plan (Sample)

Narrative description is limited to five (5) Pages, not including the required supporting material.

Provide a description of the project management approach, including, but not limited to, the methodology and implementation of the system to be used for monitoring and control of scope, schedule, and cost. Additionally, describe any previous experience managing similar projects using the Project Management Lifecycle (PMLC) and Project Management Book of Knowledge (PMBOK) throughout the life of the contract.

Refer to Attachment C - Common Scope Requirements and Security Standards, Section 2 Project Organization and Management.

In the Supporting Material, include a draft or sample project management plan representative of this project. In your narrative response, explicitly identify any differences between the State's project management approach from your proposed approach, including all responsibilities.

Supplier Response

MSQ15 - Project Management

Implementing and executing the State's multifaceted program requires project management capabilities that are equally extensive and broad-ranging including methodologies necessary for monitoring and control of scope, schedule and cost. We follow PMI® standards and agree with the approach laid out in Attachment C – Common Scope Requirements and Security Standards.

We offer our partners a configurable implementation and project management plan based on the RFP scope. Within two weeks of contract execution, we assign a project manager and project team who collaborate closely with the State's internal project team to develop a custom implementation project plan according to your unique business needs and goals, particularly with respect to fraud, waste and abuse.

A representative bio for the IPM is provided below.

Implementation Project Manager

The IPM assigned to the State is responsible for ensuring project compliance and stakeholder management through the identification of project goals, objectives, and scope. With this data the



IPM will create series of project management plans including but not limited to a Work Breakdown Structure (WBS) Project Workplan, scope and change management plan etc. This resource will communicate with all team members of the project and present status updates via weekly status review meetings. They will work in collaboration with clients to present and finalize the project management plan documents.

- Manages the project to the agreed upon project management plan
- Manages risks and issues through mitigation and resolution
- Monitors project the project schedule and presents any deviations to the project teams
- Maintains control of scope, schedule, and budgetary requirements
- Manages the CMS certification process throughout the implementation and the certification phase
- Provides the project structure to the team
- Coordinates and tracks the deliverables activity

The IPM's credentials include:

- 5 years technical project management experience with 3+ years in the healthcare industry specifically in Medicaid and/or Medicare required.
- 3+ years' experience leading projects using SDLC, Agile and Lean methodologies required.
- Management of large-scale health care projects with teams of 10 or more and budgets greater than \$500,000 required.
- Bachelor's degree specializing in business, accounting, finance, or related field.
- PMP Certification required

In addition to product configuration, the project implementation scope includes project planning, project tracking and regularly scheduled conference calls throughout implementation to assure a successful implementation. All project team members attend regularly scheduled conference calls throughout implementation. The project work plan is a living document updated appropriately throughout the project lifecycle. We manage the plan throughout the project and provide periodic updates to the State on a mutually agreed-upon frequency.

The project team will refine and elaborate upon the draft project plan following project kickoff to assure the entire project. Our team agrees on resources, tasks, and durations for the transition project. Normally, we provide updates no less frequently than bi-weekly, and sometimes weekly depending on the project phase.

Our overall approach to project management follows the PMI® PMBOK® Guide.

Our project team members have in-depth experience with implementing claims processing solutions and will develop an executive summary and project work plan that will include management of:

- Integration
- Scope of Work
- Cost



- Scheduling
- Quality
- Communications
- Stakeholder

In addition to a comprehensive Project Management Plan, we provide a series of stand-alone management plans that address other critical elements of the project.

As described in the Scope Management Plan above, our project manager works collaboratively with the State's assigned project management team to define, document, control, and manage the scope using the project work plan. The project work plan is a living document updated appropriately throughout the project lifecycle.

We align with the State's interests to drive value to the pharmacy benefit. Our synchronized and transparent approach adds value to the health system and aligns with the State's goals. Our implementation team and implementation manager employ a customized project management methodology to determine the State's requirements to deliver agreed-upon services.

This methodology features key project management processes that represent the best practices for managing projects, as described below.

Initiation

The implementation team creates an implementation project plan that includes:

- Products and services to be set up during the implementation
- Roles and responsibilities of the project team

The primary purpose of this documentation is to obtain a mutual agreement of what products and services are included in the implementation. The documentation is completed after the initial internal call with the sales team. We review this document with the State during the initial implementation meeting to confirm that the information provided by the sales team is current and accurate.

Planning

Since the majority of activities performed during the implementation process are predefined, the generation of activities may not be applicable unless the State has custom requirements. In these situations, the implementation project manager generates activities for those custom requirements. This information is documented in the State's project plan.

Determine Roles and Responsibilities

Roles and responsibilities of the project team are pre-defined by the company and industry standards and are published, provided, and discussed with the State during the initial external meeting.

Define Activity Dependencies/ Analyze Critical Path

The critical path for a new client implementation is defined by the milestones and tasks that are directly related to those components necessary to adjudicate claims.



The implementation team has critical components and tasks documented based on either a 90-day or 180-day implementation, depending on the complexity of the plan. The department modifies this document to support an advanced implementation as needed.

Finalize the Plan

This is a standard practice within the implementation team. Project plan templates are broken out by client type. A finalized project plan is generated once all requirements have been determined and discussed.

The project plan is reviewed both internally and externally at the beginning of the implementation process, documenting mutual agreement to the plan.

Additionally, as defined by our implementation team and industry standards, we

- Develop a risk management plan
- Track and manage the performance of the project
- Perform a post-implementation project review

Please refer to the General Exhibits Section, Project Management Plan (Sample) for a sample project management plan representative of this project.

MSQ15.1 - Project Schedule/Project Work Plan (Sample)

Please refer to the PFWA Exhibit Section, MSQ15.1_2 - PFWA Work Plan.pdf of this proposal.

MSQ15.2 - WBS tasks and Project Outputs (Sample)

Please refer to the PFWA Exhibit Section, MSQ15.1_2 - PFWA Work Plan.pdf of this proposal.

MSQ15.3 - Implementation Plan (Sample)

Please refer to the General Exhibits Section, Implementation Plan (Sample).pdf of our proposal response.

MSQ15.4 - Quality Management Plan (Sample)

Please refer to the General Exhibits Section, Quality Management Plan (Sample).pdf of our proposal response.

MSQ15.5 - Requirements Management Plan (Sample)

Please refer to the General Exhibits Section, Requirements Management Plan (Sample).pdf of our proposal response.

MSQ15.6 - Change Management Plan (Sample)

Please refer to the General Exhibits Section, Change Management Plan (Sample).pdf of our proposal response.

MSQ15.7 - Risk Management Plan (Sample)

Please refer to the General Exhibits Section, Risk Management Plan (Sample).pdf of our proposal response.



MSQ15.8 - Communications Management Plan (Sample)

Please refer to the General Exhibits Section, Communications_Stakeholder Management Plan (Sample).pdf of our proposal response.

MSQ15.9 - Integration Plan (Sample)

Please refer to the General Exhibits Section, Integration Plan (Sample).pdf of our proposal response.

MSQ15.10 - Operations & Maintenance Plan (Sample)

Please refer to the General Exhibits Section, Operations & Maintenance Plan (Sample).pdf of our proposal response.

MSQ15.11 - Training Plan (Sample)

Please refer to the General Exhibits Section, Training Plan (Sample).pdf of our proposal response.

MSQ15.12 - Cost Management Plan (Sample)

Please refer to the General Exhibits Section, Cost Management Plan (Sample).pdf of our proposal response.

MSQ15.13 - Stakeholder Management Plan (Sample)

Please refer to the General Exhibits Section, Communications_Stakeholder Management Plan (Sample).pdf of our proposal response.



- 16.** Bookmark Title: MSQ16 – Role Understanding
Narrative description is limited to five (5) pages.

Describe your understanding of your role and responsibilities in the project, your relationship to the other resources and stakeholders involved, including the State's Project Management Office (PMO), or equivalent unit, Pharmacy Benefit Administrator (PBA) vendor, and Pharmacy Drug Rebate vendor. Describe how you will collaborate and provide leadership among the various resources and stakeholders and provide examples of past successes in a similar environment.

Refer to Attachment C - Common Scope Requirements and Security Standards.

Supplier Response

MSQ16 - Role Understanding

Roles and Responsibilities

As the Fraud Waste and Abuse (FWA) vendor, we understand our responsibility is to implement and operate your FFS Medicaid Pharmacy audit (desk and on-site) program, Lock-in program, RetroDUR program, concurrent reviews, and related reporting as directed by the State and in alignment with the commitments contained within this proposal and resulting contract.

Our experience as the FWA vendor in GA and other States requires a high level of integration with other State teams such as: Pharmacy, Legal, Program Integrity, PMO, and Provider Enrollment to name a few. A modular solution has the potential for requiring multiple organizations to work together to accomplish common state Medicaid program objectives. Optum Rx has proven time and time again that we work in a spirit of partnership with other vendors and State teams to accomplish the mission. We always make sure coordination with other State teams includes participation from a member of the Pharmacy Team and we encourage other teams to do the same.

Although the FWA solution can be different from State to State, there is usually a high degree of integration and coordination required with other State vendors and external entities for data exchanges, process handoffs, and joint meeting responsibilities. Figure 1: PFWA Integration in the Overall MEST below demonstrates the placement of the PBA solution within the Medicaid ecosystem and highlights the complex level of integration and dependencies tied to the FFS Medicaid pharmacy FWA solution.



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