



STATE OF TENNESSEE
FINANCE & ADMINISTRATION, BENEFITS ADMINISTRATION

**REQUEST FOR PROPOSALS # 31786-00151
AMENDMENT # TWO
FOR PHARMACY BENEFITS MANAGER SERVICES**

DATE: 11/19/2019

RFP # 31786-00151 IS AMENDED AS FOLLOWS:

1. This RFP Schedule of Events updates and confirms scheduled RFP dates. Any event, time, or date containing revised or new text is highlighted.

EVENT	TIME (central time zone)	DATE
1. RFP Issued		October 10, 2019
2. Disability Accommodation Request Deadline	2:00 p.m.	October 15, 2019
3. Pre-response Conference	9 a.m.	October 16, 2019
4. Notice of Intent to Respond Deadline	2:00 p.m.	October 17, 2019
5. Written "Questions & Comments" Deadline	noon	October 23, 2019
6. State Response to Written "Questions & Comments"		November 8, 2019
7. Response Deadline	noon	November 25, 2019
8. State Opening Cost Proposals		December 2, 2019
9. Cost Proposal Analysis		December 3, 2019 – January 8, 2020
10. State Completion of Technical Response Evaluations		January 8, 2020
11. State Notice of Intent to Award Released		Insurance Committee meeting January 24, 2020
12. RFP Files Opened for Public Inspection		January 27, 2020

13. End of Open File Period		February 3, 2020
14. State sends contract to Contractor for signature		February 4, 2020
15. Contractor Signature Deadline		February 5 -12, 2020

2. State responses to questions and comments in the table below amend and clarify this RFP.

Any restatement of RFP text in the Question/Comment column shall NOT be construed as a change in the actual wording of the RFP document.

Delete Question / Comment # 88 and the State's Response and insert the following in its place:

RFP SECTION	PAGE #	QUESTION / COMMENT	STATE RESPONSE
E.8.c		<p>88. Would the State be willing to review our vendor management program and audit process in exchange of performing audits of our subcontractors? We request the following revisions:</p> <p>Upon reasonable notice and at any reasonable time <u>and limited to once annually</u>, the Contractor and Subcontractor(s) agree to allow the State, the Comptroller of the Treasury, or their duly appointed representatives to perform information technology control audits of the Contractor and all Subcontractors used by the Contractor.</p>	<p>The State does not agree to these revisions. However, the State is willing to discuss adjusting the right to audit language for Contractors and Subcontractors where the State will perform limited audit procedures in response to ineffective or incomplete SOC examinations.</p>

RFP SECTION	PAGE #	QUESTION / COMMENT	STATE RESPONSE
		<p>Contractor will maintain and cause its Subcontractors to maintain a complete audit trail of all transactions and activities in connection with this Contract. Contractor will provide to the State, the Comptroller of the Treasury, or their duly appointed representatives access to Contractor and Subcontractor(s) personnel for the purpose of performing the information technology control audit.</p> <p>The information technology control audit may include a review of general controls and application controls. General controls are the policies and procedures that apply to all or a large segment of the Contractor's or Subcontractor's information systems and applications and include controls over security management, access controls, configuration management, segregation of duties, and contingency planning. Application controls are directly related to the application and help ensure that transactions are complete, accurate, valid, confidential, and available.</p> <p>The audit shall include the Contractor's and Subcontractor's compliance with the State's Enterprise Information Security Policies and all applicable requirements, laws, regulations or policies.</p>	

RFP SECTION	PAGE #	QUESTION / COMMENT	STATE RESPONSE
		<p>The audit may include interviews with technical and management personnel, physical inspection of controls, and review of paper or electronic documentation.</p> <p>For any audit issues identified, the Contractor and Subcontractor(s) shall provide a corrective action plan to the State within 30 days from the Contractor or Subcontractor receiving the audit report.</p> <p>Each party shall bear its own expenses incurred while conducting the information technology controls audit.</p>	

3. Delete pro forma Contract Section E.8.c. in its entirety and insert the following in its place (any sentence or paragraph containing revised or new text is highlighted):

a. Comptroller Audit Requirements

Upon reasonable notice and at any reasonable time, the Contractor and Subcontractor(s) agree to allow the State, the Comptroller of the Treasury, or their duly appointed representatives to perform information technology control audits of the Contractor and all Subcontractors used by the Contractor. Contractor will maintain and cause its Subcontractors to maintain a complete audit trail of all transactions and activities in connection with this Contract. Contractor will provide to the State, the Comptroller of the Treasury, or their duly appointed representatives access to Contractor and Subcontractor(s) personnel for the purpose of performing the information technology control audit.

The information technology control audit may include a review of general controls and application controls. General controls are the policies and procedures that apply to all or a large segment of the Contractor's or Subcontractor's information systems and applications and include controls over security management, access controls, configuration management, segregation of duties, and contingency planning. Application controls are directly related to the application and help ensure that transactions are complete, accurate, valid, confidential, and available. **The audit shall include the Contractor's and Subcontractor's compliance with the State's Enterprise Information Security Policies and all applicable requirements, laws, regulations or policies.**

The audit may include interviews with technical and management personnel, physical inspection of controls, and review of paper or electronic documentation.

For any audit issues identified, the Contractor and Subcontractor(s) shall provide a corrective action plan to the State within 30 days from the Contractor or Subcontractor receiving the audit report.

Each party shall bear its own expenses incurred while conducting the information technology controls audit.

4. **RFP Amendment Effective Date.** The revisions set forth herein shall be effective upon release. All other terms and conditions of this RFP not expressly amended herein shall remain in full force and effect.