

REQUEST FOR PROPOSALS FOR

Attestation of Retiree Prescription Drug Coverage

ISSUING OFFICE

Pennsylvania Turnpike Commission

Human Resources Department

RFP NUMBER

RFP 10-10380-2423

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APPENDIX A – RETIREE PRESCRIPTION DRUG PLAN

PART I

GENERAL INFORMATION FOR PROPOSERS

I-1. Purpose. This request for proposals (RFP) provides interested Proposers with sufficient information to enable them to prepare and submit proposals for consideration by the Pennsylvania Turnpike Commission (Commission) to satisfy **the requirement for an annual attestation of the Commission's retiree prescription drug coverage in compliance with Medicare Part D regulations.**

I-2. Issuing Office. This RFP is issued for the Commission by the **Human Resources Department. The mailing address is Post Office Box 67676, Human Resources, Harrisburg, PA 17106, 717-939-9551. Ms. Katie Jones, Benefits and Insurance Supervisor in the Human Resources Department** will be the contact person for this project. Ms. Jones' contact information is as follows:

Phone number: (717) 939-9551, extension 4124

Fax number: (717) 986-8760

Email address: kajones@paturndpike.com

The Issuing Office is the sole point of contact in the Commission for this RFP.

I-3. Scope. This RFP contains instructions governing the proposals to be submitted and the material to be included therein; a description of the service to be provided; requirements which must be met to be eligible for consideration; general evaluation criteria; and other requirements to be met by each proposal.

I-4. Problem Statement. **The Commission's retiree prescription drug coverage requires an annual certificate of actuarial equivalency attestation to ensure its drug plans are equal to or better than the standard prescription drug coverage under Medicare Part D regulations. The attestation must be made before November 30th of each year by a qualified actuary who is a member of the American Academy of Actuaries.**

I-5. Type of Contract. It is proposed that if a contract is entered into as a result of this RFP, it will be a **Fee for Service contract.** The Commission may in its sole discretion undertake negotiations with Proposers whose proposals as to price and other factors show them to be qualified, responsible, and capable of performing the work.

I-6. Rejection of Proposals. The Commission reserves the right to reject any and all proposals received as a result of this request, or to negotiate separately with competing Proposers.

I-7. Subcontracting. Any use of subcontractors by a Proposer must be identified in the proposal. During the contract period use of any subcontractors by the selected Proposer that were not previously identified in the proposal must be approved in advance in writing by the Commission.

I-8. Incurring Costs. The Commission is not liable for any costs the Proposer incurs in preparation and submission of its proposal, in participating in the RFP process or in anticipation of award of contract.

I-9. Questions and Answers. Written questions may be submitted to clarify any points in the RFP which may not have been clearly understood. Written questions should be submitted to the Issuing Office at the address indicated above to be received no later than March 3, 2010 by 12:00 p.m. local time. All questions and written answers will be issued as an addendum to and become part of this RFP.

I-10. Addenda to the RFP. If it becomes necessary to revise any part of this RFP before the proposal response date, addenda will be posted to the Commission's website under the original RFP document. It is the responsibility of the Proposer to periodically check the website for any new information or addenda to the RFP.

The Commission may revise a published advertisement. If the Commission revises a published advertisement less than ten days before the RFP due date, the due date will be extended to maintain the minimum ten-day advertisement duration if the revision alters the project scope or selection criteria. Firms are responsible to monitor advertisements/addenda to ensure the submitted proposal complies with any changes in the published advertisement.

I-11. Response. To be considered, proposals must be delivered to the Pennsylvania Turnpike Commission's Contracts Administration Department, Attention: Wanda Metzger, on or before **12:00 p.m. local time, March 19, 2010**. The Pennsylvania Turnpike Commission is located at 700 South Eisenhower Boulevard, Middletown, PA 17057 (Street address). Our mailing Address is P. O. Box 67676, Harrisburg, PA 17106.

Please note that use of U.S. Mail delivery does not guarantee delivery to this address by the above-listed time for submission. Proposers mailing proposals should allow sufficient delivery time to ensure timely receipt of their proposals. If the Commission office location to which proposals are to be delivered is closed on the proposal response date, due to inclement weather, natural disaster, or any other cause, the deadline for submission shall be automatically extended until the next Commission business day on which the office is open. Unless the Proposers are otherwise notified by the Commission, the time for submission of proposals shall remain the same.

I-12. Proposals. To be considered, Proposers should submit a complete response to this RFP, using the format provided in PART II. Each proposal should be submitted in **eight (8) hard** copies and **two (2) CDs** to the Contract Administration Department. No other distribution of proposals will be made by the Proposer. Each proposal page should be numbered for ease of reference. Proposals must be signed by an official authorized to bind the Proposer to its provisions and include the Proposer's Federal Identification Number. For this RFP, the proposal must remain valid for at least **180** days. Moreover, the contents of the proposal of the selected Proposer will become contractual obligations if a contract is entered into.

Each and every Proposer submitting a proposal specifically waives any right to withdraw or modify it, except as hereinafter provided. Proposals may be withdrawn by written or telefax notice received at the Commission's address for proposal delivery prior to the exact hour and date specified for proposal receipt. However, if the Proposer chooses to attempt to provide such written notice by telefax transmission, the Commission shall not be responsible or liable for errors in telefax transmission. A proposal may also be withdrawn in person by a Proposer or its authorized representative, provided its identity is made known and it signs a receipt for the proposal, but only if the withdrawal is made prior to the exact hour and date set for proposal receipt. A proposal may only be modified by the submission of a new sealed proposal or submission of a sealed modification which complies with the requirements of this RFP.

I-13. Economy of Preparation. Proposals should be prepared simply and economically, providing a straightforward, concise description of the Proposer’s ability to meet the requirements of the RFP.

I-14. Discussions for Clarification. Proposers who submit proposals may be required to make an oral or written clarification of their proposals to the Issuing Office to ensure thorough mutual understanding and Proposer responsiveness to the solicitation requirements. The Issuing Office will initiate requests for clarification.

I-15. Best and Final Offers. The Issuing Office reserves the right to conduct discussions with Proposers for the purpose of obtaining “best and final offers.” To obtain best and final offers from Proposers, the Issuing Office may do one or more of the following: a) enter into pre-selection negotiations; b) schedule oral presentations; and c) request revised proposals. The Issuing Office will limit any discussions to responsible Proposers whose proposals the Issuing Office has determined to be reasonably susceptible of being selected for award.

I-16. Prime Proposer Responsibilities. The selected Proposer will be required to assume responsibility for all services offered in its proposal whether or not it produces them. Further, the Commission will consider the selected Proposer to be the sole point of contact with regard to contractual matters.

I-17. Proposal Contents. Proposals will be held in confidence and will not be revealed or discussed with competitors, unless disclosure is required to be made (i) under the provisions of any Commonwealth or United States statute or regulation; or (ii) by rule or order of any court of competent jurisdiction. If a contract is executed, however, the successful proposal submitted in response to this RFP shall be subject to disclosure. All material submitted with the proposal becomes the property of the Pennsylvania Turnpike Commission and may be returned only at the Commission’s option. Proposals submitted to the Commission may be reviewed and evaluated by any person other than competing Proposers at the discretion of the Commission. The Commission has the right to use any or all ideas presented in any proposal. Selection or rejection of the proposal does not affect this right.

In accordance with the Pennsylvania Right-to-Know Law (RTKL), 65 P.S. § 67.707 (Production of Certain Records), Proposers shall identify any and all portions of their Proposal that contains confidential proprietary information or is protected by a trade secret. Proposals shall include a written statement signed by a representative of the company/firm identifying the specific portion(s) of the Proposal that contains the trade secret or confidential proprietary information.

Proposers should note that “trade secrets” and “confidential proprietary information” are exempt from access under Section 708(b)(11) of the RTKL. Section 102 defines both “trade secrets” and “confidential proprietary information” as follows:

Confidential proprietary information: Commercial or financial information received by an agency: (1) which is privileged or confidential; **and** (2) the disclosure of which would cause substantial harm to the competitive position of the person that submitted the information.

Trade secret: Information, including a formula, drawing, pattern, compilation, including a customer list, program, device, method, technique or process that: (1) derives independent economic value, actual or potential, from not being generally known to and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use; **and** (2) is the

subject of efforts that are reasonable under the circumstances to maintain its secrecy. The term includes data processing software by an agency under a licensing agreement prohibiting disclosure.

65 P.S. §67.102 (emphasis added).

The Office of Open Records has determined that a third party must establish a trade secret based upon factors established by the appellate courts, which include the following:

- the extent to which the information is known outside of his business;
- the extent to which the information is known by employees and others in the business;
- the extent of measures taken to guard the secrecy of the information;
- the value of the information to his business and to competitors;
- the amount of effort or money expended in developing the information; and
- the ease of difficulty with which the information could be properly acquired or duplicated by others.

See Crum v. Bridgestone/Firestone North Amer. Tire., 907 A.2d 578, 585 (Pa. Super. 2006).

The Office of Open Records also notes that with regard to “confidential proprietary information the standard is equally high and may only be established when the party asserting protection shows that the information at issue is either ‘commercial’ or ‘financial’ and is privileged or confidential, and the disclosure *would* cause substantial competitive harm.” (emphasis in original).

For more information regarding the RTKL, visit the Office of Open Records’ website at www.openrecords.state.pa.us.

I-18. Debriefing Conferences. Proposers whose proposals are not selected will be notified of the name of the selected Proposer and given the opportunity to be debriefed, at the Proposer’s request. The Issuing Office will schedule the time and location of the debriefing. The Proposer will not be compared with other Proposers, other than the position of its proposal in relation to all other proposals.

I-19. News Releases. News releases pertaining to this project will not be made without prior Commission approval, and then only in coordination with the Issuing Office.

I-20. Commission Participation. Unless specifically noted in this section, Proposers must provide all services to complete the identified work. Human Resources will provide an administrative contact/liaison for oversight of billing and coordination of benefits.

I-21. Cost Submittal. The cost submittal shall be placed in a separately sealed envelope within the sealed proposal and kept separate from the technical submittal. **Failure to meet this requirement may result in disqualification of the proposal.**

I-22. Term of Contract. The term of the contract will commence on the Effective Date (as defined below) and will end three (3) years from that date with options of up to two (2) one-year contract extensions. The Commission shall fix the Effective Date after the contract has been fully executed by the Contractor and by the Commission and all approvals required by Commission contracting procedures have been obtained.

I-23. Proposer's Representations and Authorizations. Each Proposer by submitting its proposal understands, represents, and acknowledges that:

- a. All information provided by, and representations made by, the Proposer in the proposal are material and important and will be relied upon by the Issuing Office in awarding the contract(s). Any misstatement, omission or misrepresentation shall be treated as fraudulent concealment from the Issuing Office of the true facts relating to the submission of this proposal. A misrepresentation shall be punishable under 18 Pa. C.S. 4904.
- b. The price(s) and amount of this proposal have been arrived at independently and without consultation, communication or agreement with any other Proposer or potential Proposer.
- c. Neither the price(s) nor the amount of the proposal, and neither the approximate price(s) nor the approximate amount of this proposal, have been disclosed to any other firm or person who is a Proposer or potential Proposer, and they will not be disclosed on or before the proposal submission deadline specified in the cover letter to this RFP.
- d. No attempt has been made or will be made to induce any firm or person to refrain from submitting a proposal on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.
- e. The proposal is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.
- f. To the best knowledge of the person signing the proposal for the Proposer, the Proposer, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four (4) years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, except as disclosed by the Proposer in its proposal.
- g. To the best of the knowledge of the person signing the proposal for the Proposer and except as otherwise disclosed by the Proposer in its proposal, the Proposer has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the Proposer that is owed to the Commonwealth.
- h. The Proposer is not currently under suspension or debarment by the Commonwealth, or any other state, or the federal government, and if the Proposer cannot certify, then it shall submit along with the proposal a written explanation of why such certification cannot be made.
- i. The Proposer has not, under separate contract with the Issuing Office, made any recommendations to the Issuing Office concerning the need for the services described in the proposal or the specifications for the services described in the proposal.

- j. Each Proposer, by submitting its proposal, authorizes all Commonwealth agencies to release to the Commission information related to liabilities to the Commonwealth including, but not limited to, taxes, unemployment compensation, and workers' compensation liabilities.

PART II

INFORMATION REQUIRED FROM PROPOSERS

Proposals must be submitted in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements in this part of the RFP. Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal. Each proposal shall consist of two (2) separately sealed submittals. The submittals are as follows: (i) Technical Submittal, in response to Sections II-1 through II-6 hereof; (ii) Cost Submittal, in response to Section II-7 hereof.

The Commission reserves the right to request additional information which, in the Commission's opinion, is necessary to assure that the Proposer's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the RFP.

The Commission may make such investigations as deemed necessary to determine the ability of the Proposer to perform the work, and the Proposer shall furnish to the Issuing Office all such information and data for this purpose as requested by the Commission. The Commission reserves the right to reject any proposal if the evidence submitted by, or investigation of, such Proposer fails to satisfy the Commission that such Proposer is properly qualified to carry out the obligations of the agreement and to complete the work specified.

II-1. Statement of the Problem. State in succinct terms your understanding of the problem presented or the service required by this RFP.

II-2. Management Summary. Include a narrative description of the proposed effort and a list of the items to be delivered or services to be provided.

II-3. Work Plan. Describe in narrative form your technical plan for accomplishing the work. Use the Questionnaire in Part V of this RFP as your reference point. Please formulate your response in detail to ensure a full understanding of your capabilities.

II-4. Prior Experience. Include experience **testing benefit and contribution levels for actuarial equivalence, including the requirements for attestation set forth by the Centers for Medicare and Medicaid Services (CMS)**. Experience shown should be work done by individuals who will be assigned to this project as well as that of your company. Studies or projects referred to should be identified and the name of the customer shown, including the name, address, and telephone number of the responsible official of the customer, company, or agency who may be contacted.

II-5. Personnel. Include the number, and names where practicable, of executive and professional personnel, analysts, auditors, researchers, programmers, consultants, etc., who will be engaged in the work. Show where these personnel will be physically located during the time they are engaged in the work. Include through a resume or similar document education and experience **testing benefit and contribution levels for actuarial equivalence, including the requirements for attestation set forth by the Centers for Medicare and Medicaid Services (CMS)**. Indicate the responsibilities each will have in this project and how long each has been with your company. Identify subcontractors you intend to use and the services they will perform.

II-6. DBE/MBE/WBE Information. The Turnpike Commission is committed to the inclusion of disadvantaged, minority, and woman firms in contracting opportunities. Responding firms shall clearly identify DBE/MBE/WBE firms, expected to participate in this contract, in their Proposal. Proposed DBE/MBE/WBE firms must be certified by the Pennsylvania Department of General Services (www.dgs.state.pa.us) or the Pennsylvania Unified Certification Program (www.paucp.com) at the time of the submission of the proposal. While D/M/WBE participation is not a requirement for this RFP, inclusion of D/M/WBEs will be a factor in the evaluation determination. **If further information is desired concerning DBE/MBE/WBE participation,** direct inquiries to the Pennsylvania Turnpike Commission's Contract Administration Department by calling (717) 939-9551 Ext. 4241.

II-7. Cost Submittal. The information requested in this section shall constitute your cost submittal. **The Cost Submittal shall be placed in a separate sealed envelope within the sealed proposal, separate from the technical submittal.**

Proposers should **not** include any assumptions in their cost submittals. If the proposer includes assumptions in its cost submittal, the Issuing Office may reject the proposal.

The total cost you are proposing must be broken down into the following components:

- a. Direct Labor Costs.** Itemize to show the following for each category of personnel with a different rate per hour:
 - (1) Category: e.g., partner, project manager, analyst, senior auditor, research associate.
 - (2) Estimated hours.
 - (3) Rate per hour.
 - (4) Total cost for each category and for all direct labor costs.
- b. Consultant Costs.** Itemize as in (a) above. If there are no consultant costs in your proposal, so state.
- c. Subcontract Costs.** Itemize as in (a) above. If there are no subcontract costs in your proposal, so state.
- d. Cost of Supplies and Materials.** Itemize.
- e. Other Direct Costs.** Itemize. If there are no other direct costs in your proposal, so state.
- f. Total Cost.**

Any costs not provided in the cost proposal will be assumed as no charge to the Commission.

The selected Proposer shall only perform work on this contract after the Effective Date is affixed and the fully-executed contract sent to the selected Proposer. The Commission shall issue a written Notice to Proceed to the selected Proposer authorizing the work to begin on a date which is on or after the Effective Date. The selected Proposer shall not start the performance of any work prior to the date set forth in the Notice of Proceed and the Commission shall not be liable to pay the selected Proposer for any service or work performed or expenses incurred before the date set forth in the Notice to Proceed. No Commission employee has the authority to verbally direct the commencement of any work under this Contract.

PART III

CRITERIA FOR SELECTION

III-1. Mandatory Responsiveness Requirements. To be eligible for selection, a proposal should be (a) timely received from a Proposer; (b) properly signed by the Proposer; and (c) formatted such that all cost data is kept separate from and not included in the Technical Submittal.

III-2. Proposals will be reviewed and evaluated by a committee of qualified personnel selected by the Commission. This committee will recommend for selection the proposal that most closely meets the requirements of the RFP and satisfies Commission needs. Award will only be made to a Proposer determined to be responsive and responsible in accordance with Commonwealth Management Directive 215.9, Contractor Responsibility Program.

III-3. The following criteria will be used in evaluating each proposal:

a. Understanding the Problem. This refers to the Proposer's understanding of the Commission needs that generated the RFP, of the Commission's objectives in asking for the services or undertaking the study, and of the nature and scope of the work involved.

b. Proposer Qualifications. This refers to the ability of the Proposer to meet the terms of the RFP, especially the time constraint and the quality, relevancy, and recency of studies and projects completed by the Proposer. This also includes the Proposer's financial ability to undertake a project of this size.

c. Personnel Qualifications. This refers to the competence of professional personnel who would be assigned to the job by the Proposer. Qualifications of professional personnel will be measured by experience and education, with particular reference to experience on studies/services similar to that described in the RFP. Particular emphasis is placed on the qualifications of the project manager.

d. Soundness of Approach. Emphasis here is on the techniques for collecting and analyzing data, sequence and relationships of major steps, and methods for managing the service/project. Of equal importance is whether the technical approach is completely responsive to all written specifications and requirements contained in the RFP and if it appears to meet Commission objectives.

e. Cost. While this area may be weighted heavily, it will not normally be the deciding factor in the selection process. The Commission reserves the right to select a proposal based upon all the factors listed above, and will not necessarily choose the firm offering the best price. The Commission will select the firm with the proposal that best meets its needs, at the sole discretion of the Commission.

f. DBE/MBE/WBE Participation. This refers to the inclusion of D/M/WBE firms, as described in Part II-6, and the extent to which they are expected to participate in this contract. Participation will be measured in terms of total dollars committed to certified D/M/WBE firms.

PART IV

WORK STATEMENT

IV-1. Objectives.

- a. **General.** The Human Resources Department is seeking an accredited actuarial organization to provide an annual certificate of actuarial equivalence attestation for the Commission's prescription drug plans.
- b. **Specific.** The Commission requires an annual attestation of its retiree prescription drug coverage to ensure that it meets or exceeds the actuarial value of the defined standard prescription drug coverage under the Medicare Part D regulation.

IV-2. Nature and Scope of the Project.

Background

The PTC is an independent agency of the Commonwealth of Pennsylvania. As a government agency, the PTC is not governed by the rules, regulations, or legislative requirements of ERISA.

The PA Turnpike is a key transportation route within the state of Pennsylvania and a vital link in the network of the eastern United States. The Turnpike is 531 miles in length with 57 fare collection facilities, 21 service plazas, two traveler information centers, 21 maintenance facilities, 8 State Police barracks and 5 tunnels. (www.paturndpike.com)

The Commission is self-insured for retiree prescription coverage. Retiree prescription costs are paid from a trust setup and funded by the Commission. The plan year runs from March 1 through February 28. The Commission has applied annually for the Retiree Part D drug subsidy and has been found to have creditable coverage since 2006. The Commission pays the cost of the retiree prescription drug plan with the exception of nine (9) surviving spouses of retirees, who pay the premium in full. Attached as Appendix A is a summary of the Commission's current retiree prescription plans, which are to be included in the attestation process.

Scope

Medicare Part D, a federally funded prescription drug program, went into effect on January 1, 2006. As part of the federal legislation, employers were encouraged to continue prescription coverage for their retirees through various means, including a federal subsidy. The Commission has applied for the subsidy and must comply with the federal regulation in that regard.

The Centers for Medicare and Medicaid Services (CMS) have issued rules for companies that wish to apply for the subsidy, requiring that the retiree prescription drug coverage meet or exceed the standard prescription drug coverage under the Part D regulation.

IV-3. Requirements. Since our plan year begins March 1st, the attestation must be made before November 30th of each year by a qualified actuary who is a member of the American Academy of Actuaries. The attestation must be submitted to CMS in accordance with Medicare Part D regulations.

IV-4. Tasks. The requirement for attestation set forth by CMS defines the steps for attestation, including a two-part test that must be passed before a company can apply for the subsidy:

1. A “gross value” test in which the expected amount of paid claims for Medicare beneficiaries under the sponsor’s plan must be at least equal to the expected amount of paid claims for the same beneficiaries under the defined standard prescription drug coverage.
2. A “net value” test in which the net value of the sponsor’s plan must be at least equal to the net value of the defined standard prescription drug coverage.

IV-5. Reports and Project Control.

- a. **Task Plan.** Indicate the activities, responsibilities (both yours and the Commission’s), timetable and services you will provide. Where appropriate, a PERT or GANTT chart display should be used to show project, task, and time relationship. Provide a list of the information you will need from the PTC for implementation.
- b. **Status Report.** A periodic progress report covering activities, problems, and recommendations; the report should be keyed to the work plan developed by the contractor in its proposal, as amended or approved by the Commission.
- c. **Problem Identification Report.** An “as required” report, identifying problem areas. The report should describe the problem and its impact on the overall project and on each affected task. It should list possible courses of action with advantages and disadvantages of each, and include Proposer recommendations with supporting rationale.
- d. **Final Report.** The final report should specify the following:
 1. Abstract or summarize the result of the study or service in terminology that will be meaningful to management and others generally familiar with the subject areas and complies with Medicare Part D regulations.
 2. Describe data collection, analytical and other techniques used during the attestation process, including the assumptions and information used.
 3. Summarize findings, conclusions, and recommendations developed in each task.
 4. Include all supporting documentation; e.g., flow charts, forms, questionnaires, etc.

PART V
QUESTIONNAIRE

A. COMPANY BACKGROUND

Years in Actuarial Attestation for Medicare Part D
Number of total Actuarial Attestation for Medicare Part D Groups
Company financial information and ratings
Explain what differentiates you from your competitor

B. ACCOUNT MANAGEMENT

Provide background and location of key personnel responsible for the Commission's account
Provide biographies on all individuals responsible for the Commission's account

C. PROCESS/PROCEDURE

Describe your Attestation process/procedure and include a timeline of action items for the Commission as well as your organization
Indicate each team member's role in the Attestation process

D. MISCELLANEOUS

Explain your HIPAA compliance procedures and the impact of the regulation on communications with the Commission
Describe billing process
Describe any additional resources offered

E. REFERENCES

Provide three references of current employer groups of similar size and scope
Provide three references of former employer groups of similar size and scope

F. SAMPLE DOCUMENTS

Contract
Most recent annual report
Flow chart of your process for Actuarial Attestation for Medicare Part D

Aetna Prescription Drug Plan for Retirees

The Aetna Prescription Drug program is a three-tiered mandatory generic open formulary plan with the following co-pays:

Under Age 65 Retirees, Spouses and Dependents

	Retail (Up to 31-day supply)	Mail Order (Up to 90-day supply)	Retail Maintenance (Up to 31-day supply)
Generic	\$10.00	\$15.00	\$20.00
Preferred Brand	\$18.00	\$27.00	\$36.00
Non-Preferred Brand	\$36.00	\$54.00	\$72.00

Age 65 and Older Retirees, Spouses and Dependents

	Retail (Up to 31-day supply)	Mail Order (Up to 90-day supply)	Retail Maintenance (Up to 31-day supply)
Generic	\$10.00 or 20% whichever is greater	\$15.00 or 20% whichever is greater	\$20.00 or 20% whichever is greater
Preferred Brand	\$18.00 or 20% whichever is greater	\$27.00 or 20% whichever is greater	\$36.00 or 20% whichever is greater
Non-Preferred Brand	\$36.00 or 20% whichever is greater	\$54.00 or 20% whichever is greater	\$72.00 or 20% whichever is greater

Co-payments

The level of coverage varies based on age for you, your spouse and dependents.

Retail	This co-pay applies to the prescription medications dispensed at retail pharmacies, for up to a 31-day supply.
Mail Order	This co-pay applies up to a 90-day supply of medication for all maintenance prescriptions, or medications that are taken regularly for chronic conditions such as: arthritis, asthma, diabetes, and high cholesterol.
Retail Maintenance	This co-pay applies starting with the third retail fill of up to a 31-day supply of a maintenance prescription and all refills thereafter.
Mandatory Generic	If the retiree selects, or the physician indicates that there is no substitution permissible for a brand retail or mail order prescription when a generic is available, the retiree will pay the applicable Preferred or Non-Preferred Brand co-pay plus the difference between the cost of the generic and brand.

With your prescription drug benefits, there are two ways to keep prescription medication costs low.

1. Purchase Generic medications instead of brand-name medications when Generic medications are available.
2. Purchase Preferred Brand medications from Aetna's Preferred Drug List when Generic medications are unavailable.



Generic Medications

Your plan covers all Generic medications at the lowest retail, mail order, and retail maintenance co-pays. Generic medications are:

- Identical to brand-name medication in dosage, strength, route of administration, performance characteristics, and intended use.
- Sold at a substantial discount from the brand-name medication although they contain the same active ingredients.
- Included in the plan at the generic co-pay as they become available.
- All approved by the U.S. Food and Drug Administration (FDA).

Preferred Brand Medications

Your plan uses Aetna's Preferred Drug List which is a list of medications selected by Aetna in consultation with a team of health care providers. The medications on the Preferred Drug List are:

- Brand-name medications covered on a preferred basis.
- Chosen on the basis of sound medical data, safety, and cost.
- Reviewed by Aetna's Pharmacy and Therapeutics (P&T) Committee for inclusion on the Preferred Drug List. The committee is comprised of Aetna staff, practicing doctors, and pharmacists who are chosen to represent various clinical specialties.
- Updated on a regular basis and subject to change.
- All approved by the U.S. Food and Drug Administration (FDA).

To view a complete list of the Preferred Brand Medications, visit Aetna's website www.aetnapharmacy.com or call Customer Service at 1-800-238-6279.



We want you to know®



Non-Preferred Brand Medications

Non-Preferred Brand Medications are not found on the Preferred Drug List because Aetna does not consider them to be as safe or cost-effective. The P&T's clinical determinations are based on the strength of scientific evidence including relevant findings of federal government agencies, pharmaceutical manufacturers, and medical professionals.

Aetna Rx Home Delivery®

Aetna Rx Home Delivery is a mail-order prescription drug service and is an ideal way to obtain medications that are taken regularly for chronic conditions. The Aetna Rx Home Delivery service brings the prescriptions right to your home.

- Shipping is quick, confidential and free.
- Registered pharmacists check all prescriptions for accuracy and can answer questions anytime, day or night.
- Ordering is easy, including online refills.
- Toll-free customer assistance is provided.
- You may save over a month's co-pay on a 90-day supply.

To order medications through Aetna Rx Home Delivery, call Customer Service at 1-800-238-6279 or place your order with Aetna Rx Home Delivery using the address below.

Aetna Rx Home Delivery
P.O. Box 417019
Kansas City, MO 64179-9892

For ease in refilling your prescriptions, contact Aetna Rx Home Delivery toll-free at 1-866-612-3862 or visit www.AetnaRxHomeDelivery.com and order your refill online.

Aetna Specialty Pharmacy®

The Aetna Specialty Pharmacy service is available to fill your specialty medication needs that may require special handling, storage, and shipping. These medications are delivered to your home, doctor's office, or any location.

Health care professionals are also available by phone 24-hours a day to answer questions and offer patient support. To contact Aetna Specialty Pharmacy, call 1-866-782-ASRX (2779) or visit www.AetnaSpecialtyRx.com.

Aetna Specialty Pharmacy standard is to fill medications for no more than a 31-day supply, and retail co-pays apply.

Reliable Prescription Medication Information

To learn about your prescriptions and your health, visit the Aetna website and learn about:

- Possible medication side-effects.
- Generic medication substitutes.
- Medication safety.
- Tips for saving money and answers to benefits questions.
- Specialty injectable medication.

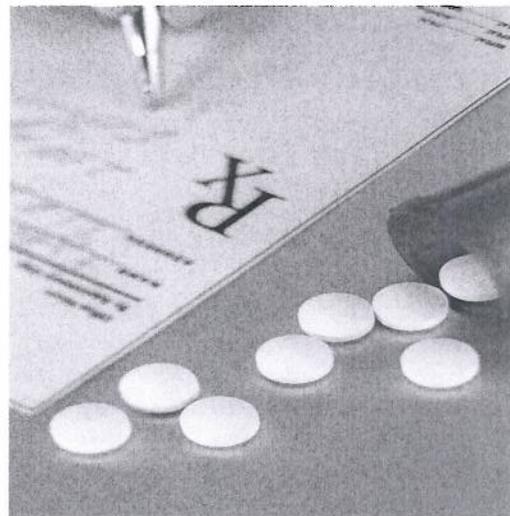
Aetna members can register on the Aetna Navigator® member website, www.aetn navigator.com, which can help provide them with estimates of prescription drug costs and information about claims.

Plan Exclusions

This plan does not cover every medication your doctor might prescribe. For example, medications prescribed for cosmetic purposes or for enhancing physical performance are typically not covered. Aetna also does not cover replacement of lost or stolen prescriptions.

Participating Pharmacies

To view a complete list of participating pharmacies, visit DocFind® on Aetna Navigator or call Customer Service to ask for a directory. If you visit a pharmacy outside of the Aetna network, you will pay full price for your prescription medications and must submit a claim for reimbursement. You may be reimbursed at a lower amount than the amount charged by the out of network pharmacy.



Learn more about Aetna Prescription Drug benefits at www.aetnapharmacy.com

or

Call Customer Service at
1-800-238-6279

Monday-Friday
7 a.m. to 11 p.m. (ET)

Saturday
7 a.m. to 9:30 p.m. (ET)

Sunday
8 a.m. to 5:30 p.m. (ET)

This material is for informational purposes only and is not an offer of coverage. It contains only a partial, general description of plan benefits or programs and does not constitute a contract. While this material is believed to be accurate as of the print date, it is subject to change.

We want you to know®



ADDENDUM NO. 1

RFP 10-10380-2423

Attestation of Retiree Prescription Drug Coverage

Following are the answers to questions submitted in response to the above referenced RFP as of March 3, 2010. All of the questions have been listed verbatim, as received by the Pennsylvania Turnpike Commission.

1. Are there any anticipated material changes in plan design (or number of options to value beyond what is in the RFP)?

No.

2. Please confirm that other than the 9 surviving spouses, retirees pay no contributions.

Confirmed. Retirees pay no contributions aside from the copay amounts and percentages listed in Appendix A of the RFP.

3. Does your current vendor provide any additional services to the Turnpike commission? If so, what?

No.

4. Is there anything that you would want improved from this work?

Services should be provided as stated in the RFP, and in accordance with CMS guidelines.

5. Why is the work being put out to bid?

The contract with the previous vendor has expired.

6. What is the budget for this work?

This information will not be provided.

7. What is the amount of the Medicare Part D subsidy that has been received by the Commission for each of the past three years?

The average amount received annually for the past three years is \$240,000.

8. Is the Commission's actual retiree claims data used to assess actuarial equivalence?

Yes.

9. How many retirees are enrolled in the health plan that offers actuarially equivalent coverage? Are there other groups for which the Commission collects the subsidy? (For example, disabled employees eligible for Medicare) If so, how many?

There are approximately 380 retirees and 220 dependents covered under the plan. There are no other groups for which the Commission collects the subsidy.

10. How many Medicare retirees are covered under the plan?

There are approximately 380 retirees and 220 dependents covered under the plan.

11. Did you have any issues with the prior actuary (e.g., service, turnaround time, etc.)

No.

Answer to all prior actuary questions below (12-17):

AON Consulting, Inc. provided this service for the Commission beginning in October 5, 2006. Prior year attestation reports or consulting fee information will not be provided.

12. If available, can you advise who the prior actuary was and what the prior actuary's fees were?

13. Who is the incumbent actuary? How long have they been engaged by the Commission?

14. Who provided this attestation for you over the last 3 years?

15. Can we obtain a copy of the prior year attestation report from the prior actuary?

16. Please provide a copy of the prior years actuarial attestation report.

17. What are the historical consulting fees for this work?

All other terms, conditions and requirements of the original RFP dated **February 17, 2010**, remain unchanged unless modified by this Addendum.