Prescription Benefit Management Audit

ANNUAL FINDINGS REPORT

State of Nevada Pharmacy Plan(s)

Administered by Express Scripts

Audit Period: July 1, 2023 – June 30, 2024

Presented to

State of Nevada Public Employee Benefit Program

Prepared by

PillarRx Consulting

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EXECUTUVE SUMMARY

This ***Specific Findings Report*** contains detailed information, findings, and conclusions the PillarRx Consulting, LLC's (PillarRx) audit team has drawn from our Prescription Benefit Management Audit of Express Scripts' (ESI's) administration of State of Nevada Public Employee Benefit Program's (PEBP's) pharmacy plan.

Scope

PillarRx performed an audit of ESI's administration of PEBP's pharmacy plan for the period of July 1, 2023, through June 30, 2024 (FY2024). The claims population and amount paid during the audit period reported by ESI:

Pharmacy	
Number of Prescriptions Paid	484,411
Net Plan Paid	$88,195,345.55

The audit included the following components which are described in more detail on the following pages.

1. Pricing and Fees Audit
2. Reconciliation of Pricing Guarantees
3. Benefit Payment Accuracy Review
4. Rebate Review
5. Performance Guarantee Review

Auditor's Findings

PillarRx has the following opinion/recommendations based on the FY2024 audit of ESI:

- ESI should complete a re-reconciliation of Pricing and Fees at the conclusion of the audit for the confirmed errors found. PEBP should ensure this is complete and variance is reimbursed.
- PillarRx recommends PEBP follow up with ESI to obtain reimbursement for penalty payments due PEBP for FY2024.
- ESI should provide an action plan to ensure performance guarantee will be met moving forward.
- For the minimum rebate guarantees, ESI should complete a re-reconciliation at the conclusion of the audit for the confirmed errors found. PEBP should ensure this is complete and variance is reimbursed.

Pricing and Fees Reconciliation	No additional money is owed to PEBP.
SLA Performance Guarantees	Missed targets for nine performance standards additional PillarRx calculated $529,865.31 owed to PEBP (see detail below). ESI calculated a penalty of $936,557.08.
Minimum Rebate Reconciliation	No additional money is owed to PEBP.

Performance Guarantees FY 2024 (Missed Targets)			
Service Performance Standard	**PillarRx Calculated Penalty**	**ESI Penalty**	**Met/Not Met**
Ongoing Service – Network Access (p. 16)	$46,925.35	$78,311.77 $9,574.35	Not Met
Retail Direct Reimbursement Timeliness (p. 17)	$20,767.61	$34,044.83	Not Met
Mail Order Turnaround (Clean RXs) (p. 17)	$93,850.70	$34,044.83 $57,307.52 $38,746.13 $26,525.07	Not Met
Mail Order Turnaround (Protocol RXs) (p. 17)	$93,850.70	$34,044.83	Not Met

		$57,307.52 $38,746.13 $19,148.71	
Phone Avg Speed of Answer (p. 17)	$46,455.32	$38,746.13 $26,525.07 $19,148.71	Not Met
Phone Abandonment Rate (p. 17)	$19,546.62	$38,746.13	Not Met
First Call Resolution (p. 17)	$93,850.70	$34,044.83 $57,307.52 $38,746.13 $26,525.07 $19,148.71	Not Met
Prior Approvals (p. 17)	$20,767.61	$34,044.83	Not Met
Member Satisfaction (p. 18)	$93,850.70	$34,044.83 $57,307.52 $38,746.13 $26,525.07 $19,148.71	Not Met

AUDIT OBJECTIVES

This ***Specific Findings Report*** contains detailed information, findings, and conclusions the PillarRx Consulting, LLC (PillarRx) audit team has drawn from its Prescription Benefit Management Audit of Express Scripts (ESI) administration of State of Nevada's (PEBP) pharmacy plan. This report is provided to PEBP and ESI, the pharmacy benefit manager (PBM). Text designated as *ESI Responses* and presented in blue reflects verbatim excerpts from the PBM's official response.

The findings in this report are based on data and information ESI and PEBP provided to PillarRx, and the report's validity relies upon the accuracy and completeness of that information.

The audit was planned and performed to obtain a reasonable assurance that prescription drug claims were adjudicated according to the terms of the contract between ESI and PEBP as well as client approved benefit descriptions (summary plan descriptions, plan documents or other communications).

PillarRx is a firm specializing in audit and control of pharmacy benefit plan administration. The statements made by PillarRx in this report relate narrowly and specifically to the overall efficacy of ESI's policies, processes, and systems relative to PEBP's paid claims during the audit period.

While performing the audit, PillarRx complied with all confidentiality, non-disclosure, and conflict of interest requirements and did not receive anything of value or any benefit of any kind other than agreed upon audit fees.

The objectives of the PillarRx audit of ESI's pharmacy benefit management were to:

- verify claims were processed in accordance with the pricing terms specified in the contract between PEBP and ESI.
- verify claims adjudicated according to plan provisions.
- validate rebate calculations based on PEBP's actual rebate payments.
- validate ESI met contractually approved performance guarantees.

Audit Scope

PillarRx's audit encompassed the contract(s) in force and the pharmacy benefit claims administered by ESI for the audit period of July 1, 2023 – June 30, 2024 for PEBP. The population of claims and the total net plan paid (total payment, less member copayment) during the audit period was:

	Number of Prescriptions Paid	Net Plan Paid
July 1, 2023 – June 30, 2024	484,411	$88,195,345.55

The audit included the following components.

1. **Pricing and Fees Audit**
2. **Reconciliation of Pricing Guarantees**
3. **Benefit Payment Accuracy Review**
4. **Rebate Review**
5. **Performance Guarantees Review**

Key findings for each component can be found in the following sections of this report. All work papers and system documentation in support of any finding will be provided to PEBP upon request.

PRICING AND FEES AUDIT

Objective

The Pricing and Fees Audit verified claims were processed in compliance with the discounts and fees specified in ESI's contract with PEBP.

Scope

After verification of the electronic claim data provided by ESI, PillarRx systematically repriced 100% of prescription drug claims paid during the audit period to determine whether:

- discounts were applied correctly based on the PBM contract.
- pharmacy dispensing fees were applied correctly.

Methodology

Contract Document Review

PillarRx requested and received from PEBP and ESI all contracts, amendments, formulary drug lists, and reconciliation documents.

Claim Validation

PillarRx mapped and validated the raw claims data provided by ESI to our standard layout. Raw claims data represented the successive pharmacy claim transactions that included both paid and reversed claims and was critical to our understanding of ESI's processing and adjudication rules. Once mapped, the data was reconciled against control totals and put through a rigorous process referred to at PillarRx as data forensics – or the verification of claim data by assessing appropriate patterns and relationships. The resulting data forensics included comparing the mapped data to verify:

- Prior authorizations (PA)
- Rejections
- Reversals
- National Provider Identifier (NPI)
- National Drug Code (NDC)

Pricing and Fees Analysis

The analysis of pricing and fees included 100% electronic comparison of the pharmacy guarantees for all brand, generic, and specialty drugs, or products.

For this audit of ESI, the ingredient cost allowance was determined using the AWP from the Medi-Span® Drug Database or the pharmacy's usual and customary (U&C) listed on the claim for the date each prescription was dispensed.

PillarRx also electronically verified dispensing fees for each drug type, distribution channel, and service fees (e.g., compound drug service fees) were charged in accordance with ESI's contract.

Findings

Pricing Findings

The pricing discounts are the amounts contractually agreed upon by PEBP and ESI as the amounts to be calculated for the ingredient cost of a prescription.

As shown in the following table, the overall ingredient costs charged was an under performance by ESI which represents a plan liability to PEBP's prescription drug plan.

ESI did not apply all adjudication methods for determining the correct allowance for prescriptions drugs by type and distribution method during the audit period. The following tables demonstrate our findings relative to pricing guarantees.

Key	Over Performance *> Greater Than Contracted Rates*	Acceptable Performance *— Same as Contracted Rates*	Under-Performance *< Less Than Contracted Rates*

Discounts (7/1/2023 6/30/2024)							
Component Description*	**Number of Claims**	**Contracted Discount Rate**	**Actual Discount Rate**	**Contracted Claim Ingredient Cost**	**Actual Claim Ingredient Cost**	**Variance Total Overage/ (Shortfall) ****	
Retail Brand 1-83 DS	33,247	22.55%	23.67%	$15,249,563.57	$15,029,040.53	$220,523.04	>
Retail Brand 84+ DS	6,182	27.66%	27.78%	$8,857,343.70	$8,842,397.75	$14,945.95	>
Retail Generic 1-83 DS	286,531	85.65%	86.33%	$4,869,515.62	$4,637,683.71	$231,831.91	>
Retail Generic 84+ DS	53,708	88.20%	88.47%	$2,236,898.21	$2,186,641.47	$50,256.74	>
Mail Brand	8,998	21.25%	21.27%	$12,897,662.68	$12,894,940.44	$2,722.24	>
Mail Generic	61,190	95.00%	93.15%	$1,128,925.76	$1,547,295.23	($418,369.47)	<
Specialty Brand	5,259	21.40%	21.03%	$42,274,218.96	$42,472,728.70	($198,509.74)	<
Specialty Generic	513	86.00%	70.17%	$503,779.74	$1,073,575.07	($569,795.33)	<
			TOTAL	**$88,017,908.24**	**$88,684,302.90**	**($1,186,674.54)**	**<**

**Compounds, bulk chemicals, powders, COB claims, subrogation claims, prescriptions filled at VA hospitals, 340b pricing, client-owned pharmacies if not a participating pharmacy, out of network paper claims, 100% member cost share program claims, claims from entities eligible for federal supply schedule prices, discount card claims, no bill no remit, onsite pharmacy utilization, out of network claims, paper/member submitted claims, tribal pharmacy claims (excluded from 84-90 days' supply claims). DS equals Days' Supply.*

*** Variance Total Overage/(Shortfall) Total is based upon the under-performing components only.*

In summary, PillarRx's analysis shows an aggregate under performance of discount guarantees in the amount of $1,186,674.54. The differences found were:

- PillarRx accepted that COVID anti-viral products were to be excluded from the pricing guarantees even without contract documentation. COVID anti-viral products are a common exclusion found across all PBM's; ESI will discuss directly with the PEBP if there are any concerns.

  ESI Response: This client was enrolled in ESI's COVID Antiviral program in early 2022. A notification would have been sent to the Client informing this of the enrollment as well as noting that these products would be excluded from all pricing and rebate guarantees. ESI is unable to locate this notification that was sent to the Client. ESI's Account team is available to discuss with the Client should questions remain.

  ESI Draft Response: ESI maintains its stance that This client was enrolled in ESI's COVID Antiviral program in early 2022. A notification would have been sent to the Client informing this of the enrollment as well as noting that these products would be excluded from all pricing and rebate guarantees. ESI is unable to locate this notification that was sent to the Client. ESI's Account team is available to discuss with the Client should questions remain.

ESI Update 4/30/2026: This exclusion is not explicitly listed in the contract, and this was a book of business exclusion utilized at the time by ESI due to the federal emergency order, still in place during this period. (See attached exhibit for email correspondence)

- PillarRx disagrees with 60 claims that were incorrectly classified as a Brand or Generic medication. Per 5.3. All-In Guarantees. Notwithstanding anything herein to the contrary: (i) a Prescription Drug Claim that processes as a brand at adjudication shall be reconciled as part of the brand guarantees; and (ii) a Prescription Drug Claim that processes as a generic at the time of adjudication shall be reconciled as part of the generic guarantee. Based on the language stated, the guarantee is based on how the claims were processed and not how the claim was billed to the client.

  ESI Response: ESI maintains this claim was appropriately reconciled in the generic guarantee. Section 5.3 states that 'The application of brand and generic pricing below may be subject to certain "dispensed as written" (DAW) protocols and Sponsor or Plan defined plan design and coverage policies for adjudication and Member Copayment purposes.' Per this language, multi-source brand drugs with a DAW code of 0, 3, 4, 5, 6, or 9 adjudicate at the generic billed cost to the Client therefore they are appropriately reconciled in the generic guarantees.

  ESI Draft Response: ESI maintains these claims were appropriately reconciled in the generic guarantee. Section 5.3 states that 'The application of brand and generic pricing below may be subject to certain "dispensed as written" (DAW) protocols and Sponsor or Plan defined plan design and coverage policies for adjudication and Member Copayment purposes.' Per this language, multi-source brand drugs with a DAW code of 0, 3, 4, 5, 6, or 9 adjudicate at the generic billed cost to the Client therefore they are appropriately reconciled in the generic guarantees. ESI's Account team is available to discuss with the Client should questions remain.

Dispensing Fee Findings

The dispensing fee was the amount contractually agreed upon by PEBP and ESI as the amount paid by the plan to the pharmacy for dispensing a prescription.

As shown in the following table, the dispensing fee analysis identified fees were overcharged by ESI for July 1, 2023 – June 30, 2024, which represents a liability to PEBP prescription drug plan. ***Note:*** *In the following chart, a negative variance indicates a higher than contracted dispensing fee collected. A positive variance indicates a lower than contracted dispensing fee collected.*

Dispensing Fees (7/1/2023 6/30/2024)					
Component Description*	**Contracted Dispensing Fee**	**Number of Claims**	**Total Actual Dispensing Fee**	**Total Contracted Dispensing Fee**	**Total Overage/ (Shortfall)****
Retail Brand 1-83 DS	$0.35	33,247	$12,860.61	$11,636.45	($1,224.16)
Retail Brand 84+ DS	$0.00	6,182	$36.64	$0.00	($36.64)
Retail Generic 1-83 DS	$0.35	286,531	$110,633.96	$100,285.85	($10,348.11)
Retail Generic 84+ DS	$0.00	53,708	$540.89	$0.00	($540.89)
Mail Brand	$16.93	8,998	$183,615.72	$152,336.14	($31,279.58)
Mail Generic	$16.93	61,190	$1,033,957.10	$1,035,946.70	$1,989.60
Specialty Brand	$180.00	5,259	$942,691.39	$946,620.00	$3,928.61
Specialty Generic	$180.00	513	$75,823.14	$92,340.00	$16,516.86
			TOTAL	**$2,339,165.14**	**($43,429.38)**

**Compounds, bulk chemicals, powders, COB claims, subrogation claims, prescriptions filled at VA hospitals, 340b pricing, client-owned pharmacies if not a participating pharmacy, out of network paper claims, 100% member cost share program claims, claims from entities eligible for federal supply schedule prices, discount card claims, no bill no remit, onsite pharmacy utilization, out of network claims, paper/member submitted claims, tribal pharmacy claims (excluded from 84-90 days' supply claims). DS equals Days' Supply.*

*** Variance Total Overage/(Shortfall) Total is based upon the under-performing components only.*

In summary, PillarRx's analysis shows an aggregate over collection in dispensing fees of $43,429.38, which is in alignment with what was reported by ESI.

ESI Draft Response: ESI maintains that the Dispensing Fee guarantees were reconciled accurately. Please note that no dispensing fee discrepancy samples were provided to ESI to respond to.

RECONCILIATION OF PRICING GUARANTEES

Objective

The Reconciliation of Pricing Guarantees determined if the discount savings and other price controls with guaranteed performance levels in PEBP's contract with ESI were met, and if not met, that accurate credit or payment was made to PEBP within the timeframe specified in the contract.

Scope

Using the terms of PEBP's contract with ESI, we accumulated all prescription claims by type and distribution method for the period specified in the contract and balanced the total discount savings against the specified minimum discount guarantees. Similarly, all other performance guarantees were mapped against the actual prescription claims adjudicated during the prescribed contract periods for performance guarantees. This reconciliation included the following contractual guarantees:

- Average Wholesale Price (AWP) discounts applied for all drugs against third party pricing sources;
- Maximum Allowable Cost (MAC) allowance for generic;
- specialty drug allowance; and
- dispensing fees.

Methodology

PillarRx used its proprietary AccuCAST® system to electronically compile total discount savings by drug type and distribution method (also known as silo) and compare them to the contract guarantees in the ESI contract. If ESI's performance fell short of any guarantees, we validated that ESI recognized the shortfall and credited or paid the difference to PEBP on a timely basis.

Findings

When aggregating the discounts with the dispensing fee outcomes, ESI's self-reported calculated reconciliation paid out appropriately. See the following chart for breakout. No further action is necessary.

	Combined Discounts and Dispensing Fee Guarantees	
	PillarRx	**ESI Reconciliation**
July 1, 2023 – June 30, 2024	Discounts: ($1,186,674.54) Dispensing Fees: ($43,429.38) Price Assured Savings: $70,522.16 **Combined: ($1,159,581.76)**	Discounts: ($1,248,292.61) Dispensing Fees: ($51,487.07) Price Assured Savings: $70,694.41 **Combined: ($1,230,085.27)**

There is no additional money due to the client. Client was paid $1,230,085.27 via EFT on 10/1/2024.

ESI Draft Response: ESI agrees that the self-reported calculated reconciliation paid out appropriately and in accordance with the contractual requirements. ESI agrees no further action is necessary and no additional monies are due to the Client.

BENEFIT PAYMENT ACCURACY

Objective

The objectives of the Benefit Payment Accuracy Review were to verify correct adjudication of plan design provisions and quantify potential opportunities for recovery and/or cost savings.

Scope

PillarRx created an exact model of the benefit plan parameters of PEBP's pharmacy plan in AccuCAST and systematically re-adjudicated 100% of paid prescription drugs. Benefit plan parameters analyzed included, but were not limited to:

- Copayments/Coinsurance
- Drug Exclusions
- Prior Authorizations (PA)
- Age/Gender Rules
- Day Supply Maximums
- Quantity Limits

Exceptions that were identified, but could not be explained by PillarRx's benefit analysts, were provided to ESI for explanation. When adequate documentation was provided to support exceptions were adjudicated correctly, AccuCAST was reset to represent the revised plan parameters and the claims were electronically re-adjudicated again to ensure consistency.

Methodology

After receiving the plan documentation from PEBP and ESI, including copayment and coverage rules and summary plan descriptions and/or plan documents, PillarRx programmed PEBP's plan design in AccuCAST. We adjudicated each claim and identified any exceptions. We then aggregated the exceptions by category and our benefit analysts reviewed each category. Exceptions that could not be explained were submitted to ESI for review.

PillarRx then provided a sample of 181 claims in the identified exception categories to ESI for review and response. The audit results presented are based upon those responses. ESI's responses can be made available upon request.

Findings

Copayments/Coinsurace

Copayments represented the dollar amount required to be paid by the member when a prescription drug was purchased. Our observations and conclusions relative to copayment are shown in the following chart.

Copayments	
Total Claims	**Copays Collected**
484,411	$18,878,494.49

PillarRx submitted 181 sample claims based on five separate observations to ESI that represented potential exceptions to the copayment requirements. ESI provided adequate explanation and documentation for each category of exception, which allowed PillarRx to conclude all copayments were applied correctly.

PillarRx agrees with ESI's responses and copays adjudicated according to plan design specifications.

ESI Draft Response: ESI acknowledges that PillarRx agrees with ESI's responses and that copays were adjudicated according to plan design specifications.

Drug Exclusions/Prior Authorizations

Exclusions specify the drugs and products that a plan would not cover unless there was a PA on file. Based on documentation provided by ESI, PillarRx created excluded drug and PA drug listings and re-adjudicated the claims for these non-covered and prior authorized medications. The claim data and documentation provided by ESI allowed PillarRx to confirm that drug exclusions and prior authorizations were administered correctly.

ESI Draft Response: ESI acknowledges that PillarRx agrees with ESI's responses and that drug exclusions and prior authorizations were administered correctly.

Age/Gender Rules

Age rules specify that a participant must be within a given age group and/or gender for a specific medication to be covered. PillarRx noted no issues related to age rules.

ESI Draft Response: ESI acknowledges that PillarRx noted no issues related to age rules.

Quantity Limits/Day Supply Maximums

Quantity limits and/or day supply maximums were included in the plan to ensure safety and appropriate utilization. PillarRx noted that based on the language in the drug coverage documents provided by ESI, claims were adjudicating within the parameters.

ESI Draft Response: ESI acknowledges that PillarRx noted that claims adjudicated within the quantity limits and day supply maximums according to plan design.

REBATE REVIEW

Objective

The Rebate Review provided confirmation ESI reimbursed PEBP the minimum amount per brand claim as outlined in the contract.

Scope

PillarRx reviewed the rebate reports provided by ESI and assessed these based on the minimum per claim rebates listed within the contract with PEBP. The rebate review identified any differences between the rebates contractually agreed upon between PEBP and ESI, and the rebate amounts actually paid to PEBP.

Methodology

PillarRx identified all brand claims per distribution channel and calculated the minimum rebate amount owed to PEBP based upon the contract terms. These amounts were then reconciled against rebate reports provided by the PBM and assessed to determine whether ESI appropriately reimbursed PEBP.

Findings

PillarRx has previously found that differences can occur in the rebate amounts billed to manufacturers by a PBM and the rebate amount calculated by PillarRx for an individual health plan. The primary reason for these differences lies in the common practice by PBMs of submitting rebate-eligible claims to a manufacturer for a PBM's book of business rather than for each individual client's plan. This typically works to the advantage of all plans, as the amount of rebates paid by the manufacturer will be based on a larger pool of claims. The PBM then pays rebates to each plan separately based on the plan's claims.

Rebate Calculations		
Component Description	**Number of Claims**	**Total Rebate**
Retail Brand 1-83 DS	19,243	$5,483,292.85
Retail Brand 84+ DS	5,871	$5,018,824.35
Retail Specialty	431	$968,026.00
Mail Brand	8,744	$7,474,808.40
Mail Specialty	4,937	$11,088,502.00
TOTAL	**39,226**	**$30,033,453.60**

PillarRx's Rebate Review shows, based on the minimum rebates stipulated within the contract with PEBP, ESI met and exceeded the minimum rebates owed of $30,033,453.60. ESI paid out a total of **$31,055,486.45** in rebates to PEBP – a difference of $1,022,032.85 in PEBP's favor.

PillarRx concludes that ESI processed and paid rebates to PEBP in compliance with its contract with the exception of the following observations. It is PillarRx's view that there is no financial impact with these findings because ESI paid more than PillarRx's calculated amount due.

- Non-Preferred Formulary (NPF) claims need to be manually reviewed one at a time for verification to prove inclusion or exclusion from rebates. PillarRx accepts most as NPF except Cimzia and Entyvio which are listed on the Formulary. (The formulary report is a PDF by name and not in a usable audit requested file layout and all claims are received with the formulary flag = Y).

PillarRx recommends that ESI correct the claim extract for a more accurate formulary indicator and requests future audits have a full formulary file in excel by GPI and NDC.

ESI Draft Response: ESI will work to improve its upfront files and processes to make auditor review more efficient. ESI notes all upfront documentation was provided for PillarRx to effectively conduct their analysis, however, ESI acknowledges PillarRx's recommendation related to future process improvements. Please note non formulary products are still included in the rebate guarantee. The National Preferred Formulary contains a list of products that are explicitly excluded from the formulary. Only those products that are on that NPF exclusion list are excluded from the rebate guarantee as they do not adhere to the terms of the National Preferred Formulary. The terms of the formulary being that products excluded will not be covered.

- PillarRx found two claims incorrectly classified as retail when they should have been mail order.

  ESI Response: ESI agrees the claim in question was reconciled incorrectly and ESI will re-reconcile at the conclusion of the audit.

  ESI Draft Response: ESI agrees the claims in question were incorrectly reconciled and is working on re-reconciling to correct this issue and determine any potential reimbursement. While ESI does agree to the error, ESI does not agree to the alleged financial impact noted. ESI will need to reconcile all eligible claims to confirm any potential impact. Please note Pillar Rx's alleged impact may not take into account that the claims in question may be excluded for other reasons.

  ESI 4/30/2026 Update: Confirming these are set to be reconciled and paid on the May rebate payment for PEBP.

- PillarRx found 16 Specialty claims filled at Express Scripts Pharmacy that did not have a rebate.

  ESI Response: ESI agrees the claim was reconciled incorrectly and ESI will re-reconcile at the conclusion of the audit.

  ESI Draft Response: ESI agrees the claims in question were incorrectly reconciled and is working on re-reconciling to correct this issue and determine any potential reimbursement. While ESI does agree to the error, ESI does not agree to the alleged financial impact noted. ESI will need to reconcile all eligible claims to confirm any potential impact. Please note Pillar Rx's alleged impact may not take into account that the claims in question may be excluded for other reasons.

  ESI 4/30/2026 Update: Confirming that 16 claims that the audit team advised that were reviewed will be paid on the May rebate payment for PEBP.

PERFORMANCE GUARANTEE REVIEW

Objective

The objective of PillarRx's Performance Guarantee Review was to verify ESI met contractual service level guarantees outlined in the client/PBM contract.

Methodology

PillarRx reviewed all service level guarantee summaries and detail reports provided by the PBM. If service levels were not met, PillarRx provided recommendations for process improvements or detail any money that may be owed back to the client based upon contractual penalties if service levels were not met.

Findings

#	Service Performance Standard	Guarantee	Method of Measurement	Penalty	Met / Not-Met	Penalty Amount	Auditor Recommendations
1	Implementation Guarantee – Benefit Set Up	Load, test, release plan benefit coding within 6 weeks	Vendor's ability to complete all key functions accurately	$5.00 per member	N/A	–	Not reported
2	Implementation Guarantee – ID Card Mailing	Produce/distribute ID cards within 5 business days	Same as above	$5.00 per member	N/A	–	Not reported
3	Implementation Guarantee – Open Enrollment	Provide support for open enrollment meetings	Same as above	$5.00 per member	N/A	–	Not reported
4	Implementation Guarantee – Pre-Implementation Audit	Complete audit 15 days prior to effective date	Same as above	$30,000 per audit	N/A	–	Not reported
5	Ongoing Service – Overall Client Satisfaction	PEBP satisfaction; quarterly reviews	Measured annually	$300,000	Met	–	–
6	Ongoing Service – Network Access	97% access within defined miles	Measured annually	1% Admin Fees	Not Met (Q1–Q4: 93%)	$46,925.35	Expand rural network or mail-order
7	Ongoing Service – Network Stability	≤ 5% net loss of pharmacies	Measured annually	1% Admin Fees	Met	–	–
8	Ongoing Service – Overall Account Satisfaction	≥ 4.0 on scale of 1–5	Annual survey	1% Admin Fees	Met	–	–
9	Ongoing Service – Open Issue Log	100% monthly log	Quarterly	2% Admin Fees	Met	–	–
10	Account Management Responsiveness	Respond within 2 business days	Quarterly	2% Admin Fees	Met	–	–
11	Account Management Team Continuity	100% continuity	Quarterly	2% Admin Fees	Met	–	–
12	Annual Benefit Plan Review	By Nov 15	Annually	1% Admin Fees	Met	–	–

#	Service Performance Standard	Guarantee	Method of Measurement	Penalty	Met / Not-Met	Penalty Amount	Auditor Recommendations
13	Timeliness of Standard Reports	Monthly: 15 days; Quarterly: 30 days	Quarterly	2% Admin Fees	Met	–	–
14	Timeliness of Billing Reports	5 business days	Quarterly	2% Admin Fees	Met	–	–
15	Timeliness of Management Reports	45 calendar days	Quarterly	2% Admin Fees	Met	–	–
16	Fraud, Waste, and Abuse Reporting	30 calendar days	Quarterly	2% Admin Fees	Met	–	–
17	Claims Compliance Format	99% HIPAA-compliant	Quarterly	2% Admin Fees	Met	–	–
18	Claims Processing Accuracy	99.99%	Quarterly	2% Admin Fees	Met	–	–
19	Eligibility Processing Accuracy	100%	Quarterly	2% Admin Fees	Met	–	–
20	Eligibility Updates	2 business days	Quarterly	2% Admin Fees	Met	–	–
21	Retail Direct Reimbursement Timeliness	5 business days	Quarterly	2% Admin Fees	Not Met (Q1–97%)	$20,767.61	Review workflows; set alerts
22	Mail Order Turnaround (Clean RXs)	2 business days	Quarterly	2% Admin Fees	Not Met (Q1–Q4: 85–92%)	$93,850.70	Investigate delays; automate
23	Mail Order Turnaround (Protocol RXs)	4 business days	Quarterly	2% Admin Fees	Not Met (Q1–Q4: 92–95%)	$93,850.70	Investigate delays; automate
24	Mail Order Dispensing Accuracy	99.996%	Quarterly	2% Admin Fees	Met	–	–
25	Phone Avg Speed of Answer	≤ 25 sec	Quarterly	2% Admin Fees	Not Met (Q3–79.9; Q4–39.8)	$46,455.32	Train reps; adjust staffing
26	Phone Abandonment Rate	≤ 2%	Quarterly	2% Admin Fees	Not Met (Q3–3.6%)	$19,546.62	Train reps; adjust staffing
27	First Call Resolution	98%	Quarterly	2% Admin Fees	Not Met (Q1–Q4: 96–97%)	$93,850.70	Train reps; monitor metrics
28	Prior Approvals	2 business days	Quarterly	2% Admin Fees	Not Met (Q1–94%)	$20,767.61	Review workflows; set alerts
29	Plan Admin Turnaround	10 calendar days	Quarterly	2% Admin Fees	Met	–	–
30	Member Satisfaction	95%	Quarterly	2% Admin Fees	Not Met (Q1–Q4: 87–93%)	$93,850.70	Analyze feedback; improve service
31	ID Card Mailing	99%	Quarterly	2% Admin Fees	N/A	–	–

#	Service Performance Standard	Guarantee	Method of Measurement	Penalty	Met / Not-Met	Penalty Amount	Auditor Recommendations
32	Written Inquiry Response	100%–5 days; 98%–7 days	Quarterly	2% Admin Fees	Met	–	–
33	Performance Guarantee Reporting	45 calendar days	Quarterly	2% Admin Fees	Met	–	–
						Total Penalty	**$529,865.31**

PillarRx reviewed the performance guarantee documents provided by ESI. Overall, ESI did not meet expectations for the contracted standards. For the performance guarantee standards that were not met, PillarRx would recommend ESI provide details for all actions to be implemented to ensure the performance guarantee will be met moving forward.

ESI Draft Response: ESI agrees that for any performance guarantees missed a penalty is applicable. The State of Nevada Public Employee Benefit Program's (PEBP's) pharmacy plan will provide ESI with a payment request upon completion of the audit which has not yet been received. ESI notes the penalty is based on the admin fees for the year.

The penalties shown in the table above, *Performance Guarantees FY 2023 (Missed Targets*), have been calculated based on the total admin fees reported by ESI for FY 2023. Please see table below for breakout:

Total Admin Fees FY2023		
Quarter	**Amount**	**Calculated 2%**
1	$1,065,334.43	$21,306.69
2	$1,952,855.04	$39,057.10
3	$1,474,306.11	$29,486.12
4	$1,946,098.91	$38,921.98
Total FY 2023	$6,438,594.59	$128,771.89

ESI 4/30/2026 Update: There were two payments we made for this period -one payment was made in September 2024 and the other was made in October 2024. Reporting for missed performance guarantees attached. Total amount paid payment 1 $876,912.96 and payment 2 $105,317.90. We are reporting more paid than Pillar on missed PGs.

- Network/Pharmacy Access – Pillar reporting and ESI reporting $78,311.77 (7.23-6.24) + $9574.35 (7.23-6.24)
- Retail Direct Reimbursement Timeliness/Direct Claim Turnaround – Pillar reporting $20,767.61 and ESI reporting $34,044.83 (7.23-9.23)
- Mail Order Turnaround – Pillar reporting $93,850.70 and ESI reporting - $34,044.83 (7.23-9.23) + $57,307.52 (10.23-12.23) + $38,746.13 (1.24-3.24) + $26,525.07 (4.24-6.24) + 19,148.71 (4.24-6.24)
- Mail Order Turnaround (Protocols) – Pillar reporting $93,850.70 and ESI reporting - $19,148.71 (4.24-6.24) + 34,044.83 (7.23-9.23) + 57,307.52 (10.23-12.23) +$38,746.13 (1.24-3.24) +$26,525.07 (4.24-6.24)
- Phone Ave Speed – Pillar reporting $46,455.32 and ESI Reporting $38,746.13 (1.24-3.24) + $26,525.07 (4.24-6.24) +$19,148.71 (4.24-6.24)

- Phone Abandonment Rate – Pillar reporting $19,546.62 and ESI Reporting $38,746.13 (1.24-3.24)
- First Call Resolution – Pillar reporting $93,850.70 and ESI Reporting $34,044.83 (7.23-9.23) + $57,307.52 (10.23-12.23) + 38,746.13 (1.24-3.24) + $26,525.17 (4.24-6.24) + $19,148.71 (4.24-6.24)
- Prior Authorization – Pillar reporting $20,767.61 and ESI Reporting $34,044.83 (7.23-9.23)
- Member Satisfaction – Pillar reporting $93,850.70 and ESI Reporting $34,044.83 (7.23-9.23) + $57,307.52 (10.23-12.23) +$38,746.13 (1.24-3.24) + $26,525.07 (4.24-6.24) + $19,148.71 (4.24-6.24)

CONCLUSION

We consider it a privilege to have worked for, and with, your staff and PBM. Thank you again for choosing PillarRx.

EXHIBITS

Accompanying this report are the exhibits listed below. These exhibits provide data and/or detailed information upon which the findings and recommendations discussed in this report are based.

Caution: These exhibits may contain Protected Health Information (PHI) and may be subject to protection under Federal law, including the Health Insurance Portability and Accountability Act of 1996, as amended (HIPAA).

1. COVID email May 20, 2022
2. 47787_30_PerformanceGtee_Jul23toJun24
3. 47787_25_PerformancePenalty_Jul23toJun24
4. 47787_25_PerformancePenalty_Jul23toJun24_1

This document has been prepared in good faith based on information provided to PillarRx Consulting, without any independent verification. If the data, information, and observations received are inaccurate or incomplete, our review, analysis, and conclusions may likewise be inaccurate or incomplete. Our conclusions and recommendations are developed after careful analysis and reflect our best professional judgment.

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PillarRx Consulting representatives may from time to time provide observations regarding certain tax and legal requirements including the requirements of federal and state health care reform legislation. These observations are based on our good faith interpretation of laws and regulations currently in effect and are not intended to be a substitute for legal or tax advice. Please contact your legal counsel and tax accountant for advice regarding legal and tax requirements.

Julie Weissmann

From: Langeland, Nancy (VIR) <nancy_langeland@express-scripts.com>
Sent: Friday, May 20, 2022 8:23 AM
To: Laura Rich
Cc: Williams, Amy R; Zeyaee, Harris A
Subject: Update requested: Provide a $0 patient copay with the COVID-19 Oral Antiviral Therapeutics Program - Carrier 7787

Good morning Laura -

To meet the federal government's expectations of providing COVID-19 therapeutics to patients at no cost, we are updating the COVID-19 Oral Antiviral Therapeutics Program to cover FDA-approved oral antiviral medications at a $0 patient copay.

Take action to meet federal expectations

We are strongly recommending that enrolled clients align their copay setup to provide patients with a $0 copay. This change is not required; however, we urge clients to opt in to this update to ensure their population can obtain these therapies at no cost.

The federal government is now aware that some patients are paying out-of-pocket copays for these therapies, and they are beginning to reach out to organizations directly to emphasize the importance of providing these therapies at no cost.

Delivering on your plan and population's needs: coverage for COVID-19 therapies

This program is designed to deliver optimal support to your plan and your population as you continue to navigate the ongoing pandemic and its costs. This has been achieved by:

- providing access to COVID-19 oral antiviral medications, which currently include Pfizer's pill, Paxlovid™, and Merck's monlupiravir, which have been added to the formulary.
- providing access to the broadest retail pharmacy network offered by Express Scripts® PBM.
- delivering a $0 ingredient cost while funded by the Federal government.
- passing through the dispensing fee from the pharmacy.

Opt in by June 10, 2022

If you plan to align your offering with this update, please fill out the brief form here by June 10, 2022.

The change will go into effect as soon as operationally possible following your submission. By opting your plan into this update, the dispensing fee will shift from the patient to your plan. If you would like to make this change after June 10, you can do so by contacting me directly.

Thank you,

Nancy Langeland
Senior Account Executive | Express Scripts
☎Direct: 201.452.0416
nancy_langeland@express-scripts.com

NEVADA PEBP
Carrier 7787

Performance Guarantee Report

Client Name: 47787 - NEVADA PUBLIC EMPLOY PEBP

Reporting Period: Jul23 to Jun24

Performance Guarantee	Guarantee Language	Q1	Q2	Q3	Q4	YTD
Dispensing Timeliness	100% dispensed within 2 business days (not an average). This guarantee is measured in business days from the date the prescription drug claim is received by the vendor (either via paper, phone, fax or Internet) to the date it is shipped. Measured and Reported Quarterly	92%	92%	91%	85%	90%
Dispensing Timeliness	100% dispensed within 4 business days (not an average). This guarantee is measured in business days from the date the prescription drug claim is received by the vendor (either via paper, phone, fax or Internet) to the date it is shipped. Measured and Reported Quarterly	95%	95%	93%	92%	94%
Direct Claim Turnaround	At least 100% of Retail direct reimbursement claims processed for payment or rejected and responded to within five (5) business days (not an average). Measured and Reported Quarterly	97%	100%	100%	100%	99%
Eligibility	Vendor will process any processable maintenance eligibility transactions received in a mutually agreed upon format within two (2) business days of receipt (if received before 12:00 p.m. E.T. on any business day). Measured and Reported Quarterly	Met	Met	Met	Met	Met
ID Card Turnaround - Maintenance	You will issue at least 99% of all new member ID cards within four business days and 100% within seven business days following your receipt and update of a processable eligibility tape or transmission identifying the applicable Eligible Participant(s). Measured and Reported Quarterly					
Claims Adjudication Accuracy Rate	Based on vendor s internal quality review for Retail, Mail Order, and Spacialty claims. Calculated as all claims audited and found to be without adjudication error of any kind (i.e. any claim processing inaccuracy that results in an incorrect charge to the client or its plan Members), divided by all claims audited. Measured and Reported Quarterly 99.99%	100.00%	100.00%	100.00%	100.00%	100.00%
Pharmacy Access Rate - rural	At least 97% of participants shall reside within 1.5 miles of a network pharmacy for Urban areas, within 3 miles for Suburban areas and within 10 miles for Rural areas. Measured and Reported Annually	93%	93%	93%	93%	93%
Pharmacy Access Rate - suburban	At least 97% of participants shall reside within 1.5 miles of a network pharmacy for Urban areas, within 3 miles for Suburban areas and within 10 miles for Rural areas. Measured and Reported Annually	100%	100%	100%	100%	100%
Pharmacy Access Rate - urban	At least 97% of participants shall reside within 1.5 miles of a network pharmacy for Urban areas, within 3 miles for Suburban areas and within 10 miles for Rural areas. Measured and Reported Annually	100%	100%	100%	100%	100%

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Performance Guarantee Report

Client Name: 47787 - NEVADA PUBLIC EMPLOY PEBP

Reporting Period: Jul23 to Jun24

Performance Guarantee	Guarantee Language	Q1	Q2	Q3	Q4	YTD
Speed of Answer - Member	100% of calls will be answered by a live voice within an average of 25 seconds or less. The amount of time that elapses between the time a call is received into a member service queue to the time the phone is answered by a Customer Service Representative (CSR). Measurement excludes calls routed to IVR. Measured and Reported Quarterly	4.1	4.3	79.9	39.8	31.7
Speed of Answer - Member	Inbound calls to the PBM's toll-free customer service lines shall be answered within an average time of thirty (30) seconds or less. Measurement excludes calls routed to an IVR. Measured and Reported Quarterly	4.1	4.3	79.9	39.8	31.7
Speed of Answer - Member	100% of calls will be answered by a live voice within an average of 25 seconds or less. The amount of time that elapses between the time a call is received into a member service queue to the time the phone is answered by a Customer Service Representative (CSR). Measurement excludes calls routed to IVR. Measured and Reported Quarterly	4.1	4.3	79.9	39.8	31.7
Speed of Answer - Member	Inbound calls to the PBM's toll-free customer service lines shall be answered within an average time of thirty (30) seconds or less. Measurement excludes calls routed to an IVR. Measured and Reported Quarterly	4.1	4.3	79.9	39.8	31.7
Abandonment Rate (%) - Member	2% or less of calls will be abandoned (i.e. caller hangs up) before call is answered by CSR. Calculated as the number of calls that are not answered divided by the number of calls received. Measurement excludes calls routed to IVR and includes calls abandoned within the first 20 seconds. Measured and Reported Quarterly	0.2%	0.2%	3.6%	1.5%	1.4%
Acct Mgmt Action Log	The account team will maintain an open issues log and share it with Client on at least a monthly basis. The account team will be available to meet with Client on a weekly basis to discuss the status report. Measured and Reported Quarterly	Met	Met	Met	Met	Met
Acct Mgmt Inquiry Turnaround	Account team will respond to Client requests within 2 Business Days and when applicable provide any requested modeling turnaround time within the 2 Business Days. Any issues requiring service warranty escalation and review will be submitted for analysis in the service warranty process within 5 Business Days. Measured and Reported Quarterly	Met	Met	Met	Met	Met
Acct Mgmt Staff Changes	The account team (including the strategic account executive, account manager, and clinical account manager) will not change over the duration of the contract term except for promotion or termination of employment, unless mutually agreed to by Client and you. Measured and Reported Quarterly	Met	Met	Met	Met	Met
AM Standard Rpt Delivery	Standard quarterly management reports shall be available within 45 calendar days after the end of each contract quarter. Measured and Reported Quarterly	Met	Met	Met	Met	Met

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Performance Guarantee Report

Client Name: 47787 - NEVADA PUBLIC EMPLOY PEBP

Reporting Period: Jul23 to Jun24

Performance Guarantee	Guarantee Language	Q1	Q2	Q3	Q4	YTD
Annual Benefit Review	Vendor will maintain a documented quality control and pre- implementation document and provide it to Client for review and approval at least 15 days prior to implementation of any benefit or program change. Vendor will conduct an annual benefit plan review by November 15 to coincide with Client s plan implementation of benefit plan modifications. If such reviews identify any systems set in error by Vendor, then Vendor will reconcile such errors on a dollar for dollar basis, and shall pay the Client s penalty amount at risk. Measured and Reported Annually					**Met**
Reporting Timeliness - Trend Central Reporting Suite	Vendor will make available online their Standard Financial Performance Package Report within fifteen (15) business days of the end of the billing cycled that includes the last calendar day of the reporting month, for monthly reports, and thirty (30) business days of the end of the billing cycle that includes the last calendar day of the reporting quarter for quarterly reports. Measured and Reported Quarterly	**Met**	**Met**	**Met**	**Met**	**Met**
Reporting Timeliness - Performance Guarantee Report	Vendor guarantees it will provide reporting to the Client demonstrating compliance to these performance guarantees within 45 calendar days of the end of the measurement period and any penalties due will be credited within 75 calendar days of the end of the measurement period. Measured and Reported Quarterly	**Met**	**Met**	**Met**	**Met**	**Met**
Payment Timeliness - Annual Performance Guarantee Penalty	Vendor guarantees it will provide reporting to the Client demonstrating compliance to these performance guarantees within 45 calendar days of the end of the measurement period and any penalties due will be credited within 75 calendar days of the end of the measurement period. Measured and Reported Quarterly					
Reporting Timeliness - Billing	Vendor will mail Billing Reports, providing Client with detailed claim activity, within five (5) business days of the end of each claim cycle report period. Measured and Reported Quarterly	**Met**	**Met**	**Met**	**Met**	**Met**
Reporting Timeliness - Fraud Waste & Abuse Reports	Vendor will provide quarterly reports to Client addressing potential fraud, waste, and abuse within 30 days of the end of the quarter and your staff will conduct quarterly meetings to review these reports. Quarterly reports will be at a mutually acceptable time. Measured and Reported Quarterly	**Met**	**Met**	**Met**	**Met**	**Met**
Member Satisfaction	Ongoing Service - Member Satisfaction With Retail, Mail Order & Specialty Program. At least 95% satisfaction. Measured as the number of satisfied to highly satisfied survey ratings divided by the total number of survey responses. Survey tool and survey methodology will be mutually agreed upon by vendor and Client. Measured and Reported Quarterly	**87%**	**90%**	**93%**	**93%**	**90%**

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Performance Guarantee Report

Client Name: 47787 - NEVADA PUBLIC EMPLOY PEBP

Reporting Period: Jul23 to Jun24

Performance Guarantee	Guarantee Language	Q1	Q2	Q3	Q4	YTD
Account Management Satisfaction	Designated Members of Client's staff will complete an annual report card to evaluate vendor account team, or the overall service performance. Guarantee will be measured using a mutually agreed upon survey and tool. Scorings can be pass/fail or based on a rating such as: 5 = Outstanding 4 = Commendable 3 = Satisfactory 2 = Needs improvement 1 = Unacceptable The account team is typically scored on: Technical knowledge Accessibility and Responsiveness Interpersonal Skills Communication Skills Overall Performance Vendor s overall service may be scored on such dimensions as: - Proactiveness in communication of issues and recommendations - Timeliness and accuracy of reports - Responsiveness to day to day needs - Adequacy of staffing and training - Ability to meet performance standards PBM shall be responsible for survey design, data collection, analysis and all costs associated with conducting the surveys. Measured and Reported Annually					**Met**
ESI Satisfaction Rate	If, at any time, Express Scripts? performance is not satisfactory in PEBP's judgment, PEBP agrees to notify Express Scripts and the parties shall work together in good faith to resolve any such issues. PEBP will make best effort to provide appropriate and timely notification to Express Scripts of such issues. In addition, ESI will initiate quarterly customer service reviews, with PEBP staff and call center staff, where we will analyze member questions and trends and determine how we can, in partnership continue to push to improve member and client satisfaction. Measured and Reported Annually					**Met**
Dispensing Accuracy Rate	Dispensing Accuracy Rate means (i) the number of all Mail Order prescriptions dispensed in a contract quarter less the number of those prescriptions dispensed in such contract quarter which are reported and verified as having been dispensed with the incorrect drug, strength, dosage form, patient name, directions, packing non-conformance, or address causing medication to be delivered incorrectly divided by (ii) the number of all Mail Order prescriptions dispensed in such contract quarter. Measured and Reported Quarterly 99.996%	**100.000%**	**100.000%**	**100.000%**	**100.000%**	**100.000%**
Written Inquiry Turnaround	98% within five business days (not an average) and 100% within seven business days (not an average). Response time for all written inquiries will be based on the number of calendar days subtracting the date received by vendor from the date the response was sent. Measured and Reported Quarterly	**100%**	**100%**	**100%**	**100%**	**100%**
Written Inquiry Turnaround	98% within five business days (not an average) and 100% within seven business days (not an average). Response time for all written inquiries will be based on the number of calendar days subtracting the date received by vendor from the date the response was sent. Measured and Reported Quarterly	**100%**	**100%**	**100%**	**100%**	**100%**
First Call Resolution Rate	At least 98% of all calls will be resolved at first point of contact. Calculated as the total calls to vendor minus total number of unresolved calls divided by the total number of calls received. Measurement excludes calls routed to IVR. Measured and Reported Quarterly	**97%**	**97%**	**96%**	**96%**	**96%**

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Performance Guarantee Report

Client Name: 47787 - NEVADA PUBLIC EMPLOY PEBP

Reporting Period: Jul23 to Jun24

Performance Guarantee	Guarantee Language	Q1	Q2	Q3	Q4	YTD
Accuracy of Eligiblity Files	Vendor guarantees that 100% of usable, error-free eligibility files received by your organization will be loaded without error. This will be measured as the number of eligibility files audited and found to be processed and loaded without error divided by the total number of eligibility files received. Measured and Reported Quarterly	**Met**	**Met**	**Met**	**Met**	**Met**
HIPAA Claim Compliance	Vendor will guarantee that 99% of the prescription drug claims submitted on behalf of eligible participant will be submitted in a HIPAA-compliant format. Measured and Reported Quarterly	**Met**	**Met**	**Met**	**Met**	**Met**
Network Pharmacy Decline Rate	You guarantee that there will not be greater than 5% total net loss of pharmacies in your broadest network for the duration of the contract provided that pharmacies remain in business, are not involved in fraudulent activities, or perform any actions that warrant removal from the network. Total net loss will be calculated as the total network pharmacies at the beginning of the contract term plus all new network pharmacies added during the life of the contract, less any network pharmacies terminated during the life of the contract (except for the termination conditions noted) divided by the total network pharmacies at the start of the contract term. This guarantee does not apply to Client requested pharmacy network changes for removal of pharmacies from the network. Measured and Reported Annually	**Met**	**Met**	**Met**	**Met**	**Met**
Prior Authorization Turnaround (Business)	You will promptly review and respond to requests for prior approval for specific drugs following receipt of all required information, but in any case will respond in no more than 2 business days (no average) once all clinical information is received. Measured and Reported Quarterly	**94%**	**100%**	**100%**	**100%**	**98%**
Benefit Design Change Turnaround	Vendor guarantees that Client s standard Plan design changes will be implemented within 10 calendar days. Complex Plan design changes, will be implemented by a mutually agreed upon date. Measured and Reported Quarterly	**Met**	**Met**	**Met**	**Met**	**Met**
Benefit Design Change Turnaround	Vendor guarantees that Client s standard Plan design changes will be implemented within 10 calendar days. Complex Plan design changes, will be implemented by a mutually agreed upon date. Measured and Reported Quarterly	**Met**	**Met**	**Met**	**Met**	**Met**

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Penalty Summary Report

Contract Year: Jul 2023 - Jun 2024

Client Name : 47787 - NEVADA PUBLIC EMPLOY PEBP

Contract Language

Nonprotocol Dispensing Timeliness
100% dispensed within 2 business days (not an average). This guarantee is measured in business days from the date the prescription drug claim is received by the vendor (either via paper, phone, fax or Internet) to the date it is shipped. Measured and Reported Quarterly
Protocol Dispensing Timeliness
100% dispensed within 4 business days (not an average). This guarantee is measured in business days from the date the prescription drug claim is received by the vendor (either via paper, phone, fax or Internet) to the date it is shipped. Measured and Reported Quarterly
Direct Claim Turnaround
At least 100% of Retail direct reimbursement claims processed for payment or rejected and responded to within five (5) business days (not an average). Measured and Reported Quarterly
Pharmacy Access
At least 97% of participants shall reside within 1.5 miles of a network pharmacy for Urban areas, within 3 miles for Suburban areas and within 10 miles for Rural areas. Measured and Reported Annually
Speed of Answer
100% of calls will be answered by a live voice within an average of 25 seconds or less. The amount of time that elapses between the time a call is received into a member service queue to the time the phone is answered by a Customer Service Representative (CSR). Measurement excludes calls routed to IVR. Measured and Reported Quarterly
Abandonment Rate
2% or less of calls will be abandoned (i.e. caller hangs up) before call is answered by CSR. Calculated as the number of calls that are not answered divided by the number of calls received. Measurement excludes calls routed to IVR and includes calls abandoned within the first 20 seconds. Measured and Reported Quarterly
Member Satisfaction
Ongoing Service - Member Satisfaction With Retail, Mail Order & Specialty Program. At least 95% satisfaction. Measured as the number of satisfied to highly satisfied survey ratings divided by the total number of survey responses. Survey tool and survey methodology will be mutually agreed upon by vendor and Client. Measured and Reported Quarterly
First Call Resolution Rate
At least 98% of all calls will be resolved at first point of contact. Calculated as the total calls to vendor minus total number of unresolved calls divided by the total number of calls received. Measurement excludes calls routed to IVR. Measured and Reported Quarterly
Prior Auth Turnaround
You will promptly review and respond to requests for prior approval for specific drugs following receipt of all required information, but in any case will respond in no more than 2 business days (no average) once all clinical information is received. Measured and Reported Quarterly

Guarantee	Target	Period	Actual	Penalty Type	Penalty	Total Penalty
Nonprotocol Dispensing Timeliness	100%	07/23-09/23	92%	2% of Quarterly Admin Fees	$34,044.83	$34,044.83
Nonprotocol Dispensing Timeliness	100%	10/23-12/23	92%	2% of Quarterly Admin Fees	$57,307.52	$57,307.52
Nonprotocol Dispensing Timeliness	100%	01/24-03/24	91%	2% of Quarterly Admin Fees	$38,746.13	$38,746.13
Nonprotocol Dispensing Timeliness	100%	04/24-06/24	85%	2% of Quarterly Admin Fees	$26,525.07	$26,525.07
Protocol Dispensing Timeliness	100%	07/23-09/23	95%	2% of Quarterly Admin Fees	$34,044.83	$34,044.83
Protocol Dispensing Timeliness	100%	10/23-12/23	95%	2% of Quarterly Admin Fees	$57,307.52	$57,307.52
Protocol Dispensing Timeliness	100%	01/24-03/24	93%	2% of Quarterly Admin Fees	$38,746.13	$38,746.13
Protocol Dispensing Timeliness	100%	04/24-06/24	92%	2% of Quarterly Admin Fees	$26,525.07	$26,525.07
Direct Claim Turnaround	100%	07/23-09/23	97%	2% of Quarterly Admin Fees	$34,044.83	$34,044.83
Pharmacy Access	97%	07/23-06/24	93%	1% of Annual Admin Fees	$78,311.77	$78,311.77
Speed of Answer	25 seconds	01/24-03/24	79.9	2% of Quarterly Admin Fees	$38,746.13	$38,746.13
Speed of Answer	25 seconds	04/24-06/24	39.8	2% of Quarterly Admin Fees	$26,525.07	$26,525.07
Abandonment Rate	2.0%	01/24-03/24	3.6%	2% of Quarterly Admin Fees	$38,746.13	$38,746.13
Member Satisfaction	95%	07/23-09/23	87%	2% of Quarterly Admin Fees	$34,044.83	$34,044.83
Member Satisfaction	95%	10/23-12/23	90%	2% of Quarterly Admin Fees	$57,307.52	$57,307.52
Member Satisfaction	95%	01/24-03/24	93%	2% of Quarterly Admin Fees	$38,746.13	$38,746.13
Member Satisfaction	95%	04/24-06/24	93%	2% of Quarterly Admin Fees	$26,525.07	$26,525.07
First Call Resolution Rate	98%	07/23-09/23	97%	2% of Quarterly Admin Fees	$34,044.83	$34,044.83
First Call Resolution Rate	98%	10/23-12/23	97%	2% of Quarterly Admin Fees	$57,307.52	$57,307.52
First Call Resolution Rate	98%	01/24-03/24	96%	2% of Quarterly Admin Fees	$38,746.13	$38,746.13
First Call Resolution Rate	98%	04/24-06/24	96%	2% of Quarterly Admin Fees	$26,525.07	$26,525.07
Prior Auth Turnaround	100%	07/23-09/23	94%	2% of Quarterly Admin Fees	$34,044.83	$34,044.83
				Total Due to Client		**$876,912.96**

Total Q1 Admin Fees	**$1,702,241.49**
Total Q2 Admin Fees	**$2,865,375.93**
Total Q3 Admin Fees	**$1,937,306.44**
Total Q4 Admin Fees	**$1,326,253.34**
Total Admin Fees	**$7,831,177.20**

EXPRESS SCRIPTS®

Contract Language

Nonprotocol Dispensing Timeliness
100% dispensed within 2 business days (not an average). This guarantee is measured in business days from the date the prescription drug claim is received by the vendor (either via paper, phone, fax or Internet) to the date it is shipped. Measured and Reported Quarterly
Protocol Dispensing Timeliness
100% dispensed within 4 business days (not an average). This guarantee is measured in business days from the date the prescription drug claim is received by the vendor (either via paper, phone, fax or Internet) to the date it is shipped. Measured and Reported Quarterly
Pharmacy Access
At least 97% of participants shall reside within 1.5 miles of a network pharmacy for Urban areas, within 3 miles for Suburban areas and within 10 miles for Rural areas. Measured and Reported Annually
Speed of Answer
100% of calls will be answered by a live voice within an average of 25 seconds or less. The amount of time that elapses between the time a call is received into a member service queue to the time the phone is answered by a Customer Service Representative (CSR). Measurement excludes calls routed to IVR. Measured and Reported Quarterly
Member Satisfaction
Ongoing Service - Member Satisfaction With Retail, Mail Order & Specialty Program. At least 95% satisfaction. Measured as the number of satisfied to highly satisfied survey ratings divided by the total number of survey responses. Survey tool and survey methodology will be mutually agreed upon by vendor and Client. Measured and Reported Quarterly
First Call Resolution Rate
At least 98% of all calls will be resolved at first point of contact. Calculated as the total calls to vendor minus total number of unresolved calls divided by the total number of calls received. Measurement excludes calls routed to IVR. Measured and Reported Quarterly

Guarantee	Target	Period	Actual	Penalty Type	Penalty	Total Penalty
Nonprotocol Dispensing Timeliness	100%	04/24-06/24	85%	2% of Quarterly Admin Fees	$19,148.71	$19,148.71
Protocol Dispensing Timeliness	100%	04/24-06/24	92%	2% of Quarterly Admin Fees	$19,148.71	$19,148.71
Pharmacy Access	97%	07/23-06/24	93%	1% of Annual Admin Fees	$9,574.35	$9,574.35
Speed of Answer	25 seconds	04/24-06/24	39.8	2% of Quarterly Admin Fees	$19,148.71	$19,148.71
Member Satisfaction	95%	04/24-06/24	93%	2% of Quarterly Admin Fees	$19,148.71	$19,148.71
First Call Resolution Rate	98%	04/24-06/24	96%	2% of Quarterly Admin Fees	$19,148.71	$19,148.71

Revised Q4 Admin Fees	**$957,435.34**
Revised FY Admin Fees	**$957,435.34**

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