

PBM CONTRACT READINESS CHECKLIST



PRICING AND MAC LISTS

- Contract states that the most current AWP available at the time of claims submission is used to adjudicate payment?
- Contract states that only one source is used for AWP prices for all claims adjudication purposes?
- Will a single Maximum Allowable Cost (MAC) list be applied uniformly across the pharmacy network?
- MAC lists specify MAC price for the lowest level of drug database classification (FDB, MediSpan, Micromedex, etc.) used for claims reimbursement (i.e., GCN/GSN or NDC level, etc.)?
- Contract is explicit in the use of a single or multiple MAC lists?

If CCO is using multiple MAC lists, please answer the following questions:

How will multiple MAC lists be used for the CCO?

Click or tap here to enter text.

Contract language requires that:

- Current and any historical MAC list used on CCO's claims is provided upon request to CCO for audit and review purposes?
- Current and any historical MAC list used on CCO's claims is provided upon request to OHA for audit and review purposes?
- CCO must conduct one annual mini-survey and provide a summary of the analysis to OHA.

The mini-survey is as follows: The sample should include a representative sample of claims that mirrors the drug utilization profile of all generic utilization of the plan. Survey should include claims from at least 2 distinct quarters to validate that pass-through is occurring according to the MAC list or guarantees, whichever honors the lesser of logic applied in the CCO/PBM contract and that no spread is appreciated by the PBM. The analysis should show that pass-through is occurring. This may require pharmacy cooperation to confirm the paid amounts reported by the PBM.

- Contract has an overall generic discount guarantee?
- Contract guarantees that PBM will eliminate MAC spread on generics and artificially high AWP ingredient costs on MAC'ed drugs (pass-through pricing)?
- Contract delineates a fixed administration fee/cost. (i.e., cost per claim, PMPM, lump sum)?
- No retroactive adjustments occur after payment made to pharmacies, unless the claim was already paid or submitted fraudulently or in error?
- PBM is in compliance with requirements and contract requirements align where appropriate with statutes found in [ORS 735.530 through ORS 735.552](#)?

For internal use by OHA • For reference for CCOs

PHARMACY ACCESS

- Contract provides a mechanism for CCO to identify and pay pharmacies designated as critical access pharmacies differently, to sustain pharmacy access to the service area served by the CCO?
- Contract has a clause which allows CCO to assess pharmacy network adequacy and has a means to require PBM to remedy access challenges by reviewing the network needs of CCO?
- Contract provides pharmacy network support for language services for their network pharmacies?

REBATES

- Contract requires payment, to the CCO, of 100% of the rebates, discounts, incentives or other credits from manufacturers, and any other form of revenue with respect to utilization of any rebate eligible drugs filled for members on which a rebate is paid?
- Contract requires pass-through of 100% of all monies collected from drug manufacturers derived from CCO's claims activity, including but not limited to any rebate administration fee or other fees paid by the manufacturer or an aggregator?
- Contract allows for validation that for market share rebate agreements PBM agrees to negotiate and pay rebates based on the CCO's book of business market share and not Contractor's book of business market share?
- Contract requires PBM to disclose and define any and all monies the PBM derives from manufacturers.

AUDITABILITY AND COMPETITIVITY

- Contract provides ability to conduct annual audit of all contractual pass-through provisions of the contract by CCO and/or OHA?
- Contract provides CCO the right to perform financial and operational audit on PBM?
- Contracts with pay for performance provisions includes contract provisions requiring PBM to cooperate with OHA reporting requirements pertaining to the pay for performance or spread-sharing pricing arrangements?
- Contract permits annual market checks? Market checks are to be performed by CCO or third party.
- Contract includes market check trigger for renegotiation of guarantees, dispensing fees and all other fees paid to PBM?

PASS READINESS

- Yes, all boxes above are checked to indicate compliance and readiness.
- No, areas without check indicates area that requires remediation.