

State of Arizona, Arizona Health Care Cost Containment System

Pharmacy Consulting and Process Improvement Recommendations

Task Order # YH26-0094

Technical Proposal



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Section 1

7.1 Required Elements

7.1.1. Cover letter with signature of authorized company representative, including contract number and contract information.

A cover letter with the signature of authorized company representative is provided on the following pages.

7.1.2 Name and contact information of the person responsible for response to this task order.

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May 11, 2026

Subject: YH26-0094 Pharmacy Consulting and Process Improvement Recommendations

Ms. Blanco:

On behalf of Mercer Government Human Services Consulting (Mercer), part of Mercer Health & Benefits LLC, we are pleased to submit this proposal in response to task order YH26-0094. Mercer's Statewide Healthcare and Employee Benefits Consulting contract number is CTR066546. Fred Gibison Jr is a Partner in Mercer and the authorized representative responsible for our response to this task order. His contact information is provided below:

Task Order YH26-0094	Mercer Primary Representative	Alternative Mercer Contact
Authorized Representative	Fred Gibison Jr	Patty Conrad (if Fred is unavailable)
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As an organization, Mercer is highly qualified and has the direct Medicaid pharmacy management experience needed to successfully complete this task order efficiently and effectively. Moreover, as a nationally known public healthcare consulting firm, Mercer represents a credible, unbiased, and independent vendor to assess your Pharmacy and Therapeutics Committee's process, engage stakeholders in a meaningful way, and identify opportunities for process improvements.

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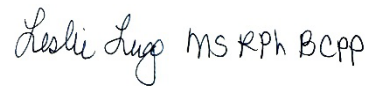
The Mercer team will be led by Leslie Lugo, MS, RPh, BCPP, the former Director of Pharmacy for the State of Indiana's Medicaid program. Jim Cook, a pharmacy consulting specialist and senior Mercer consultant, as well as two other Mercer consultants will constitute our core team. We do not need to outsource any of this work to third party subcontractors.

Upon review of our proposal, we believe Arizona will choose Mercer as the best value and most capable partner to complete this task order.

Sincerely,



Frederick Gibson, Jr, MBA
Partner



Leslie Lugo, MS, RPh, BCPP
Senior Principal

Section 2

7.2 Methodology and Approach

7.2.1 Proposed methodology and approach to fulfill the requirements of this project.

Introduction

At the core of the Arizona Health Care Cost Containment System's (AHCCCS, or Agency) mission is delivering high-quality, accessible healthcare to all Arizonans, with the Pharmacy & Therapeutics (P&T) Committee playing a vital role in ensuring safe, effective, and clinically appropriate medication management. Choosing Mercer as your consulting partner brings distinct advantages tailored specifically to Arizona's needs.

As a firm headquartered in Arizona, Mercer offers unparalleled local expertise and a deep understanding of AHCCCS's unique organizational structure, stakeholder landscape, and regulatory environment. Our longstanding relationship with AHCCCS, demonstrated through successful collaborations on procurements, organizational assessments, policy development, and other key projects, means we are intimately familiar with the Agency's goals, challenges, and community priorities. This local presence ensures responsive, accessible support and solutions that are practical and aligned with Arizona's healthcare ecosystem.

Mercer's recommendations are objective, grounded in nationally recognized best practices and fully compliant with the Centers for Medicare & Medicaid Services (CMS) regulations. Importantly, they are also customized to reflect Arizona's specific context. Our team includes professionals with direct, hands-on experience on drug utilization review (DUR) boards and P&T committees, and whose insights into Medicaid pharmacy governance enhance the relevance and applicability of our guidance for AHCCCS.

Mercer's work will be led by Leslie Lugo, MS, RPh, BCPP a former Medicaid pharmacy director with deep experience with state DUR boards and various hospital and state P&T committees.

By choosing Mercer, AHCCCS benefits from a neutral and highly reputable partner that combines national expertise with local knowledge. We deliver transparent, participatory, and actionable recommendations that empower AHCCCS to strengthen your P&T processes, improve stakeholder engagement, and uphold the highest standards of pharmaceutical management — ultimately supporting better health outcomes for Arizonans.

Ensuring Alignment with Agency Strategic Goals

In developing the proposal for the P&T committee review, it is essential to clarify the scope and expectations to ensure alignment with both regulatory requirements and best practice standards. A key distinction exists between the Medicaid DUR committee, as mandated by CMS, and the hospital-based P&T committee best practices outlined by the American Society of Health-System Pharmacists (ASHP).

Regulatory Foundations versus Best Practice Guidelines

The Medicaid DUR committee operates under specific CMS regulations that require adherence to defined processes such as prospective and retrospective DURs and the submission of an annual DUR report. These elements are non-negotiable and form the regulatory foundation for Medicaid pharmacy oversight. In contrast, the ASHP guidelines for P&T committees, typically applied in hospital settings, focus more broadly on committee structure and operations, including governance aspects such as voting procedures, quorum definitions, charters, scope of responsibilities, and policies and procedures. While some ASHP best practices may not directly apply to Medicaid DUR functions — such as those related to drug shortage management or medication delivery device accountability — others provide valuable insights into enhancing committee effectiveness, stakeholder engagement, and transparency. Additionally, Mercer recognizes the importance of P&T committees complying with all state regulations and laws, particularly A.R.S. §38-431-09(A), related to open meetings, such as notice requirements, agendas, notes, accessibility to the public, quorum definitions, and voting procedures.

Integrated Approach for Compliance and Optimization

Given these differences, the proposed approach integrates the mandatory CMS DUR requirements with applicable ASHP guidelines to develop a comprehensive methodology for the best practices review. This combined approach ensures full regulatory compliance while leveraging nationally recognized operational standards to maximize committee effectiveness and stakeholder visibility. By adhering strictly to CMS mandates, the project guarantees that all essential regulatory obligations are met. Simultaneously, incorporating relevant ASHP best practices allows for the enhancement of committee governance and process optimization, reflecting the practices of leading P&T committees.

Addressing Complexities Beyond Compliance

It is important to recognize that complexities may extend beyond mere adherence to CMS rules, especially given indications of political dynamics and potential stakeholder dissatisfaction. Therefore, a critical early step is to clarify whether the committee functions as a Medicaid DUR board, which would necessitate strict compliance with CMS-mandated processes such as prospective and retrospective DUR and annual reporting. If so, those regulatory requirements are non-negotiable.

Concurrently, it is vital to determine whether AHCCCS desires your P&T committee to also follow national best practice guidelines, such as those from ASHP, which emphasize committee governance, stakeholder engagement, transparency, and operational processes that may differ significantly from the Medicaid DUR framework.

Methodology and Approach

To enhance the AHCCCS P&T processes, we propose a comprehensive methodology that integrates the detailed requirements and objectives outlined in the task order. Our approach is designed to ensure a thorough review, inclusive stakeholder engagement, and actionable recommendations that align with AHCCCS's goals for transparency, accessibility, and effective pharmaceutical management.

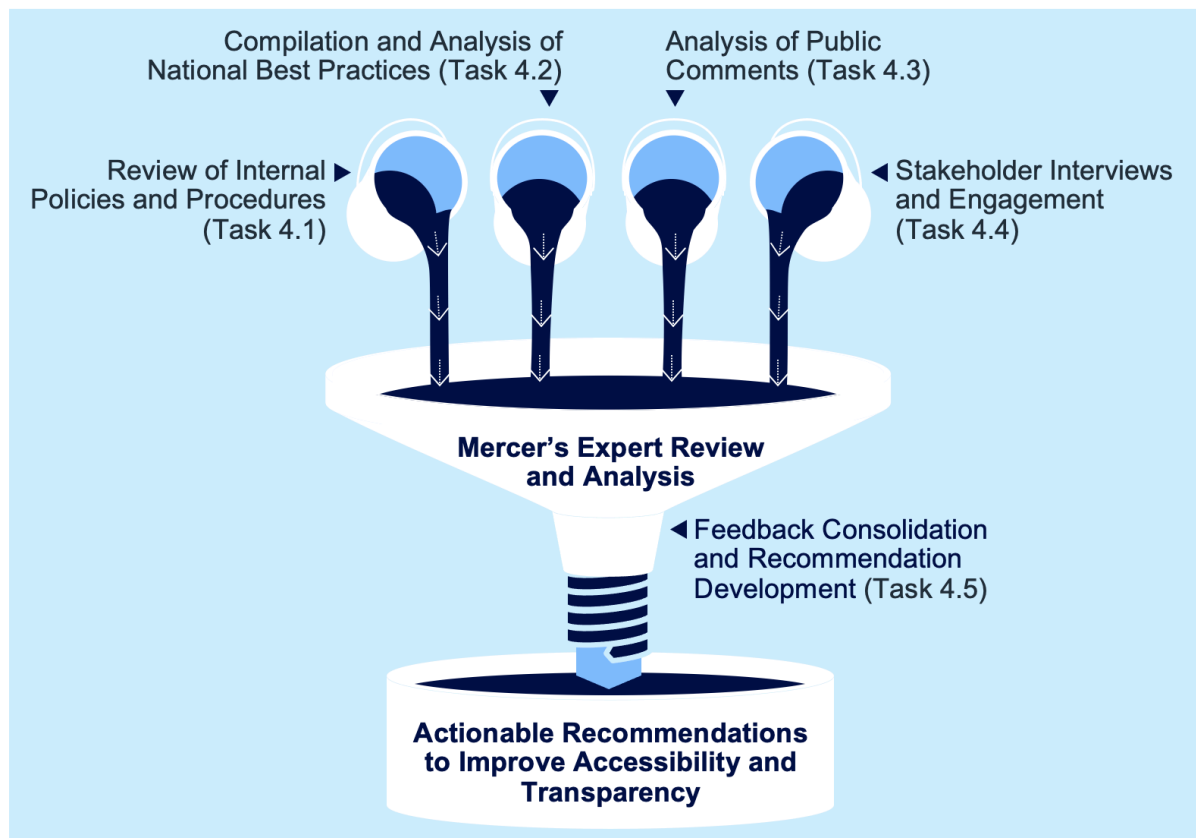
Our methodology will be tailored to AHCCCS's specific expectations and needs. The final approach may be refined based on your feedback regarding the desired committee model and operational priorities. This flexibility ensures that the review not only meets compliance standards but also aligns with the Agency's strategic goals for transparency, stakeholder involvement, and process improvement.

Project Kick-Off and Preparation

We will initiate the project with a structured kickoff meeting involving key AHCCCS staff, including the Pharmacy Director, Medical Director and members of their staff, as well as the designated primary contact for this project. Prior to this meeting, we will request and begin reviewing relevant written materials, including the AHCCCS Contractor Operations Manual, P&T committee policies, procedures, meeting agendas, minutes, and available public comments. This preparatory research will provide essential context and inform the development of a detailed project plan, including timelines, roles, communication protocols, and deliverable schedules. During the kickoff, we will confirm the list of internal and external stakeholders, agree on engagement formats, and finalize the project management approach. Additionally, we will confirm with AHCCCS staff our initial understanding of the P&T committee structure and processes.

Executing the Tasks

Each of the tasks included in this task order contributes to AHCCCS's ultimate aim of improving the accessibility and transparency of your P&T processes.



Below we describe our approach for completing and integrating each of these tasks to deliver neutral and evidence-based recommendations and roadmaps for AHCCCS's consideration.

Review of Internal Policies and Procedures (Task 4.1)

Following the kickoff, we will conduct an in-depth review of AHCCCS's internal P&T documents to understand the current committee structure, decision-making processes, voting procedures, quorum requirements, conflict of interest policies, and transparency measures. We will map the existing P&T workflow to identify key steps and stakeholder involvement, assessing whether current practices align with documented policies and identifying areas for enhancement or revision. This review will also include an evaluation of compliance with federal and state Medicaid regulations, particularly CMS mandates related to DUR committees.

Compilation and Analysis of National Best Practices (Task 4.2)

We will perform a comprehensive environmental scan and literature review to identify emerging trends and best practices in P&T committee governance and operations. This will encompass CMS guidelines for Medicaid P&T and DUR committees, ASHP guidelines for hospital and health-system P&T committees, and frameworks from leading state Medicaid programs. We will establish criteria to select up to five state Medicaid P&T committees for comparative analysis, ensuring the review remains focused and actionable. The synthesis of

these best practices will inform a comparative matrix highlighting alignment, gaps, and opportunities for AHCCCS.

Analysis of Public Comments (Task 4.3)

AHCCCS will provide documentation of all public comments related to the P&T process, including written submissions, transcripts, and digital feedback. Using qualitative data analysis of that documentation, we will categorize and code comments thematically, segmenting feedback by stakeholder group, topic, and region to capture diverse perspectives. Our analysis will identify recurring themes, patterns, and disparities related to equity, access, and operational issues. Summaries will be developed by stakeholder type, highlighting key considerations to support targeted recommendations. We will apply professional skepticism to assess the feasibility and regulatory implications of stakeholder suggestions, ensuring recommendations are grounded in operational reality.

Stakeholder Interviews and Engagement (Task 4.4)

Building on the stakeholder identification from the kickoff, we will facilitate four stakeholder meetings, including both internal AHCCCS staff and external participants including members, member advocates, patient advocates, health plans, prescribing providers, pharmaceutical manufacturers, pharmacy benefit managers (PBMs), and pharmacy associations. We suggest one internal stakeholder meeting (which will be in addition to the project kickoff) and three external stakeholder sessions. However, we will work with AHCCCS to determine the most appropriate mix of internal and external meetings to maximize meaningful feedback.

We will work closely with AHCCCS to ensure the stakeholder groups selected for each session facilitate constructive participation and feedback. Additionally, because we are based in Arizona, we can flexibly accommodate both in-person and virtual sessions.

Each session will be carefully planned with tailored agendas and facilitation guides to encourage balanced participation and capture comprehensive feedback. Mercer will review meeting materials with AHCCCS in advance of the stakeholder sessions to ensure each session aligns with project objectives.

We will adhere to Arizona's state laws, particularly A.R.S. §38-431-09(A) regarding public notice and meeting formats, conducting at least one public-facing listening session to promote transparency. We will provide AHCCCS with necessary materials to meet requirements for 24-hour advance notice and a public agenda. Detailed meeting minutes and recordings (with consent) will document stakeholder input for subsequent analysis.

Mercer will also develop a stakeholder map that identifies all relevant internal and external stakeholders in the P&T process, categorizes them by their level of influence and engagement, and highlights gaps in feedback. If gaps are identified, Mercer will conduct targeted outreach to ensure all relevant stakeholders can meaningfully contribute, ensuring balanced and representative feedback.

Feedback Consolidation and Recommendation Development (Task 4.5)

We will synthesize all collected data — document reviews, best practices, public comments, and stakeholder feedback — into a comprehensive summary highlighting key themes, consensus areas, divergences, and issues related to accessibility, transparency, communication, and conflicts of interest. Anonymized quotes will be included to preserve nuance. Based on this synthesis, we will develop actionable recommendations for process improvements, specifying how changes can be integrated into existing policies, procedures, and protocols. Proprietary drug information will be carefully excluded to maintain confidentiality.

Project Management and Reporting

Throughout the engagement, we will provide monthly progress reports detailing completed activities, upcoming tasks, risks, and decisions requiring AHCCCS input. Regular check-in meetings will facilitate ongoing communication and alignment. Deliverables will include a stakeholder engagement summary, a draft recommendations report, and a final recommendations report with prioritization and implementation roadmap. A draft public-facing summary brief will support transparent communication with external stakeholders.

Quality Assurance and Compliance

All analyses and reports will undergo rigorous internal peer review and validation with AHCCCS subject matter experts (SMEs) to ensure accuracy, completeness, and contextual relevance. We will implement a structured conflict of interest disclosure process for project personnel and stakeholders, maintain strict data security and confidentiality protocols, and continuously monitor compliance with CMS and state regulatory requirements.

By executing this detailed, methodical approach, we will deliver a robust, evidence-based assessment and set of recommendations that empower AHCCCS leadership to enhance the effectiveness, transparency, and stakeholder engagement of their P&T committee processes.

7.2.2 Detailed description of the methods and resources the contractor will use to satisfy all minimum requirements.

Mercer's response in Section 7.2.1 provides a detailed description of our methodology for this project. The following table describes the methods and resources we will use to efficiently and successfully complete each task.

Task Number	Task Description	Methods	Resources
4.1	Review of internal policies and procedures	<ul style="list-style-type: none"> Expert review and synthesis of documents Process map to define current processes and gaps Comparison to federal requirements and best practices 	<ul style="list-style-type: none"> Internal P&T policies and procedures Meeting minutes Process documentation Operational manual Feedback from internal AHCCCS stakeholders
4.2	Gather and review national P&T committee best practices	<ul style="list-style-type: none"> Federal DUR board requirement review ASHP guideline review State Medicaid pharmacy program review 	<ul style="list-style-type: none"> Federal statutes, regulations and subregulatory guidance related to DUR boards ASHP Guidelines on the P&T Committee and the Formulary System Interviews with five state Medicaid program representatives
4.3	Analyze existing public comments	<ul style="list-style-type: none"> Qualitative data analysis Thematic summarization Stakeholder response stratification 	<ul style="list-style-type: none"> All available public comments, including written submissions, transcripts, and digital feedback
4.4	Interview internal and external stakeholder	<ul style="list-style-type: none"> Structured small group interviews Public listening session Detailed documentation 	<ul style="list-style-type: none"> Tailored agendas Facilitation guides Stakeholder map Zoom videoconferencing platform In-person meeting space
4.5	Consolidate and summary feedback, develop process improvement recommendations	<ul style="list-style-type: none"> Systematic document review and synthesis Thematic analysis Qualitative coding of public comments and stakeholder feedback Comparative analysis Recommendation development 	<ul style="list-style-type: none"> Public comments synthesis Stakeholder feedback synthesis AHCCCS feedback National best practices Federal requirements Mercer's Medicaid and pharmacy expertise

Project Management and Quality Assurance

Throughout the engagement, Mercer will provide monthly progress reports and facilitate regular check-in meetings with AHCCCS to ensure alignment and address emerging issues. All analyses and deliverables will undergo rigorous internal peer review and validation with AHCCCS SMEs to ensure accuracy, completeness, and contextual relevance. We will implement structured conflict of interest disclosure protocols and maintain strict data security and confidentiality standards.

Resources

Our multidisciplinary team includes experts in Medicaid pharmacy policy, qualitative and quantitative analysis, stakeholder engagement, and project management. We utilize advanced software tools for data management, qualitative coding, and process mapping. Our local presence in Arizona ensures responsive support and deep understanding of AHCCCS's operational environment.

By employing these methods and resources, Mercer will deliver a robust, evidence-based assessment and set of recommendations that empower AHCCCS leadership to enhance the effectiveness, transparency, and stakeholder engagement of their P&T committee processes, fully satisfying all minimum requirements of the task order.

7.2.3 Description of recommended deliverables.

Below is our approach to delivering each of the deliverables from Section 5 of the Task Order. Following these deliverable descriptions, we provide additional recommendations on report formats to facilitate communications with AHCCCS and external stakeholders.

Stakeholder Engagement and Facilitation (Deliverables 5.1 and 5.2)

We will facilitate four stakeholder meetings, including both internal AHCCCS staff and external participants, including members, member advocates, patient advocates, health plans, prescribing providers, pharmaceutical manufacturers, PBMs, and pharmacy associations (5.1). Mercer will carefully plan each session in coordination with AHCCCS, creating tailored agendas and facilitation guides to encourage balanced participation and capture comprehensive feedback. We will adhere to state laws regarding public notice and meeting formats, conducting at least one public-facing listening session to promote transparency (5.2). Meetings can take place in-person or virtually, based on AHCCCS's preferences and project needs.

Each meeting will be facilitated by two senior pharmacy consultants with significant expertise and experience in Medicaid pharmacy program management. Mercer will coordinate meeting logistics with the designated AHCCCS point of contact and provide all materials in advance of each meeting. Following each meeting, Mercer staff will produce detailed notes and recordings (with consent) from each session to document stakeholder input for subsequent analysis.

Stakeholder Map (Deliverable 5.1.3)

Mercer will create a stakeholder map that identifies all relevant internal and external stakeholders involved in or affected by the P&T process, including those AHCCCS has already listed in Section 5.6.1. The map will categorize stakeholders by level of influence and engagement, highlight gaps in participation, and help us verify that the feedback collected represents a fair cross-section. If we identify any gaps, Mercer will conduct targeted outreach to ensure all relevant stakeholders have the opportunity to meaningfully contribute.

Stakeholder Engagement Summary (Deliverable 5.2)

The stakeholder engagement summary is a consolidated written summary of feedback collected from stakeholder meetings and public comments. This report highlights key themes, areas of consensus and divergence, issues related to accessibility, transparency, communication, and conflicts of interest. It includes segmentation of feedback by stakeholder type and anonymized quotes to capture nuanced perspectives.

We propose providing the stakeholder summary in both a high-level PowerPoint® presentation and a detailed spreadsheet. The PowerPoint® presentation will summarize key themes, consensus areas, and recommendations in a visually engaging format suitable for presentations and briefings. The spreadsheet will offer a granular, sortable compilation of stakeholder comments and public input, segmented by stakeholder type and topic, enabling AHCCCS to review detailed feedback efficiently.

Monthly Progress Reports (5.3):

Mercer will ensure AHCCCS staff remain informed on project status through both a monthly check-in meeting and a monthly status report. At the kickoff meeting, Mercer will provide a proposed standard template for the monthly report for AHCCCS's review and approval.

The monthly status report will be sent to AHCCCS within five business days after the end of the month. The report will document completed activities for the prior month, planned upcoming tasks, identified risks, issues and dependencies, and decisions or inputs needed from AHCCCS. As an addendum to the monthly report, Mercer will include a log that documents both outstanding decision points and the resolution of prior decision points to ensure continued alignment on project direction.

Mercer will facilitate a monthly check-in with AHCCCS at a mutually agreed-upon time. Each meeting will be virtual, last approximately 30 minutes to 50 minutes, and include videoconferencing capabilities provided by Mercer. Because this project involves many activities and a short timeline, the Mercer team is also available for ad hoc meetings and one-on-one calls as needed to support effective project management.

Draft Recommendations Report (5.4):

Mercer will deliver a comprehensive Draft Recommendations Report that provides a foundational assessment of the AHCCCS P&T Committee processes and sets the stage for

subsequent refinement based on AHCCCS feedback. Specifically, the Draft Recommendations Report will include:

- **Overview of Current AHCCCS P&T Process:** A detailed description of the existing P&T Committee workflow, roles, and decision-making procedures within the Arizona Medicaid program, establishing a clear understanding of the current operational context.
- **Comparison to National P&T Best Practices:** An evaluative comparison of AHCCCS's current processes against federal requirements and recognized national standards and best practices, including guidance from ASHP and leading state Medicaid programs, to highlight alignment and deviations.
- **Identified Gaps and Challenges:** Based on a synthesis of feedback from internal and external feedback, as well as comparisons to best practices, a thorough identification and analysis of key gaps, inefficiencies, and challenges within the current P&T process that may impact accessibility, transparency, compliance, or operational effectiveness.
- **Preliminary Recommendations to Improve Processes and Transparency:** An initial set of actionable recommendations aimed at addressing the identified gaps and enhancing the overall compliance, effectiveness, and openness of the P&T Committee's operations.
- **Process Map of the Current-State P&T Workflow:** Visual diagrams illustrating the current-state P&T committee workflows, decision points, and stakeholder roles. The map will serve as a foundational tool for identifying gaps and challenges and informing recommendations for process optimization.
- **Distinction Between Short-Term and Long-Term Recommendations:** Clear categorization of preliminary recommendations into short-term actions that can be implemented relatively quickly to achieve immediate improvements, and long-term strategies that require more extensive planning and resources for sustained impact.

Throughout the development of the Draft Recommendations Report, Mercer will engage collaboratively with AHCCCS to ensure the analysis accurately reflects the current environment and lays a strong foundation for the final recommendations. This approach ensures transparency, expert insight, and alignment with AHCCCS's goals for continuous improvement.

Final Recommendations Report (5.5):

Mercer will deliver a comprehensive final report that incorporates both AHCCCS feedback on the draft version as well as prioritized recommendations with rationale, expected impact, dependencies, risks, and implementation considerations.

Specifically, the Final Recommendations Report will include:

- **Finalized Recommendations:** Building on the draft report and AHCCCS feedback, we will present a refined set of recommendations aimed at improving the accessibility, transparency, and operational effectiveness of the AHCCCS P&T Committee. With consideration for the unique context of Arizona Medicaid's pharmacy program, these recommendations will balance compliance with CMS DUR requirements and incorporate applicable best practices from ASHP and other leading state Medicaid programs.
- **Rationale and Expected Impact:** Each recommendation will be accompanied by a clear explanation of its purpose, anticipated benefits, and how it addresses identified gaps or challenges. This will help AHCCCS leadership understand the value and implications of proposed changes.
- **Dependencies, Risks, and Implementation Considerations:** We will identify any dependencies, potential risks, and practical considerations related to implementing each recommendation. This includes addressing the complexities of managing public comments, maintaining confidentiality of proprietary drug information, and ensuring balanced stakeholder engagement without violating CMS requirements.
- **Prioritization Matrix:** To assist AHCCCS in strategic decision-making, we will provide a prioritization matrix that evaluates recommendations based on their expected impact and the effort required for implementation. This tool will help prioritize initiatives that offer the greatest benefit relative to resource investment.
- **Implementation Roadmap:** A detailed roadmap will outline phased steps for adopting recommendations, including estimated timeframes, responsible parties, and milestones. This roadmap will support effective planning and resource allocation.
- **Draft Public-Facing Summary Brief:** Recognizing the importance of transparency, we will prepare a concise, accessible summary of key findings and recommendations suitable for public dissemination. This brief will be carefully crafted to balance openness with the need to protect confidential and proprietary information, in line with CMS guidelines and stakeholder expectations.

Throughout the development of the Final Recommendations Report, Mercer will maintain close collaboration with AHCCCS, incorporating Agency feedback to ensure the report meets their needs and supports their mission. Our approach reflects the insights gained during project discussions, emphasizing a neutral, expert perspective that AHCCCS can confidently present as grounded in thorough analysis and stakeholder engagement.

Each deliverable is designed to provide AHCCCS with clear, actionable insights and tools to enhance the effectiveness, transparency, and stakeholder engagement of its P&T processes.

Recommended Deliverable Formats

Regarding reporting formats, we propose delivering all drafts in Microsoft Word® to facilitate AHCCCS's review and comment process. Final reports will be delivered in a clear, accessible, and professionally formatted document accompanied by executive summaries to facilitate quick understanding by Agency leadership and stakeholders. Process and

stakeholder maps will be delivered in both Portable Document Format and editable formats that allow AHCCCS to update and adapt them as needed.

These deliverable formats will provide AHCCCS with comprehensive, user-friendly tools that support informed decision-making, stakeholder engagement, and ongoing process management.

Comprehensive Stakeholder Inclusion and Transparent Management of Potential Conflicts of Interest

Stakeholder Identification and Conflict Disclosure (5.6.1)

We recognize the diverse range of stakeholders integral to the AHCCCS P&T process, including Medicaid members, member advocates, patient advocates, health plans, prescribing providers, pharmaceutical manufacturers, PBMs, pharmacy associations, and other interested parties. To uphold the integrity of the process, we will implement a rigorous conflict of interest and funding disclosure protocol for all participants involved in the project. This protocol will require participants to pre-register for sessions and disclose their affiliations in writing as part of the pre-registration process. Our team will document and manage these disclosures, and consider them when summarizing feedback, so that AHCCCS and Mercer can properly weight feedback based on this context. This protocol will ensure impartiality and maintain stakeholder trust.

Ensuring Balanced Stakeholder Input (5.6.2)

To achieve balanced and equitable input, we will employ a structured stakeholder engagement strategy designed to provide all identified groups with meaningful opportunities to contribute. This includes targeted outreach to underrepresented or less vocal groups, facilitation of inclusive meetings with clear ground rules, and tailored engagement formats. We will develop a stakeholder map to identify current participation levels and gaps, enabling proactive efforts to ensure comprehensive representation. Throughout the engagement, we will monitor participation and feedback to maintain balance and adjust outreach efforts as needed, ensuring the final recommendations reflect a broad spectrum of perspectives and experiences.

This dual focus on transparency and inclusivity will support a robust, credible, and actionable review process aligned with AHCCCS's commitment to effective and equitable pharmaceutical management.

7.2.4 Proposed timeline for completion of requirements.

Here is a draft timeline table for the AHCCCS P&T process improvement project aligned with the typical project phases and deliverable due dates:

Project Phase/Task	Key Activities	Estimated Timeline
Project Kickoff and Preparation	Kickoff meeting with AHCCCS; request and review initial documents; finalize project plan	Week 1
Document Review and Preliminary Research	Review P&T policies, procedures, meeting minutes, and public comments; environmental scan of best practices	Weeks 2–3
Stakeholder Identification and Mapping	Identify and categorize stakeholders; validate with AHCCCS	Weeks 3–4
Stakeholder Engagement and Data Collection	Facilitate two to four stakeholder meetings including public listening session; collect and document feedback; develop stakeholder map	Weeks 4–9
Public Comment Analysis and Synthesis	Analyze public comments and stakeholder feedback; thematic coding and segmentation	Weeks 8–10
Stakeholder Feedback Summary Report	Prepare and submit consolidated summary of stakeholder feedback	Week 12
Ongoing Project Management and Reporting	Monthly progress reports and check-in meetings with AHCCCS	Monthly (by fifth business day after month-end)
Draft Recommendations Report	Develop draft report including process overview, gap analysis, and preliminary recommendations	Weeks 16–18
Client Review and Feedback on Draft Report	AHCCCS review and provide feedback on draft report	Weeks 19–20
Final Recommendations Report and Summary Brief	Incorporate feedback; finalize report with prioritization matrix and implementation roadmap; prepare public-facing summary	Weeks 21–22

This timeline ensures all key deliverables are completed within the contract period, allowing sufficient time for review, feedback, and revisions while maintaining alignment with AHCCCS’s expectations.

Section 3

7.3 Experience and Capacity of the Firm and Key Personnel

7.3.1 Specific experience with this type of project.

Mercer combines deep technical expertise supporting Medicaid pharmacy programs with extensive experience in organizational assessment, stakeholder engagement, best-practice research, and Medicaid-focused process improvement. This integrated skill set — rooted in both subject-matter knowledge and practical implementation experience — enables us to diagnose issues, build consensus, and design pragmatic solutions tailored to Medicaid environments.

Support for Medicaid Pharmacy Programs

Mercer brings comprehensive Medicaid pharmacy program experience to this project, ensuring the technical expertise needed to appropriately engage with stakeholders, identify best practices, and make meaningful and practical recommendations. We have hands-on, end-to-end experience — spanning policy design, reimbursement, operations, provider support, utilization analytics, PBM and vendor oversight, and quality monitoring. Below we provide four recent projects that highlight this comprehensive, end-to-end experience.

New Mexico Health Care Authority

Mercer is currently managing a significant engagement with the New Mexico Medicaid program, where we are leading the implementation of a single preferred drug list. In this role, Mercer serves as the project's hub, with ongoing weekly meetings between New Mexico, New Mexico's fee-for-service (FFS) PBM vendor, New Mexico's preferred drug list (PDL) vendor, and four managed care organization (MCO) pharmacy directors and their teams. Mercer attends New Mexico's new P&T committee's meetings and then implements their decisions with the stakeholders mentioned above. This experience demonstrates our capability to oversee complex pharmacy initiatives requiring coordination across multiple stakeholders and the implementation of committee-driven decisions.

Puerto Rico Health Insurance Administration

Mercer has provided support to the Puerto Rico Health Insurance Administration's Medicaid DUR board, including revising their Standard Operating Procedures, providing review and analysis of clinical and net costs considerations regarding formulary recommendations for their P&T committee, and supporting the production of annual DUR reports, including project management and technical assistance for the PBM and contracted MCOs. Additionally,

Mercer managed surveys related to the Prescription Drug Monitoring Program to assess prescriber access to the national database. Our support for Puerto Rico's Medicaid pharmacy program demonstrates both our experience working successfully with DUR boards and P&T committees, as well as our ability to successfully engage relevant stakeholders.

Delaware Department of Health and Social Services, Division of Medicaid and Medical Assistance

While Delaware's Division of Medicaid and Medical Assistance was searching for a new Medicaid Pharmacy Director, staff from Mercer's Pharmacy Sector temporarily served as the Department of Health and Social Services' Medicaid Pharmacy Director. In that role, our pharmacists provided strategic program assistance, representation in meetings with providers and vendors, facilitation of P&T committee meetings, 340b program support, oversight of rebate collections, and ad hoc pharmacy support services. Mercer also assisted the state with procuring a full-time pharmacy director resource. This project demonstrates Mercer's broad understanding of Medicaid pharmacy program operations and our ability to successfully manage internal and external stakeholder considerations.

Arizona Health Care Cost Containment System

Mercer provided technical assistance with a pharmacy benefit gap analysis across the Medicaid managed care program. The analysis included a review of pharmacy organizational structure, networks, PBM contracts and reimbursement, PBM rebates, specialty drug management, and utilization management. Mercer developed the framework for identifying and implementing value-based purchasing (VBP) opportunities with drug manufacturers and prioritized opportunities for improvement in administrative, utilization, and cost management. Data was validated against publicly available and proprietary Mercer benchmarks. The pharmacy benefit gap analysis helped Arizona implement meaningful changes to the managed care pharmacy program, thus resulting in state savings through lower capitation rates.

Organizational Assessment and Stakeholder Engagement

To further illustrate our firm's relevant experience, below we provide a summary table of projects encompassing key components of this engagement, including process mapping, stakeholder feedback solicitation, qualitative synthesis, recommendation development, report drafting, and national best practice and regulatory compliance reviews. Below we provide a summary of several projects demonstrating these skills. Additional details regarding each project are provided below the summary table.

PROJECT	RELEVANT EXPERIENCE	MAPPED TO AHCCS TASKS
Delaware Division of Developmental Disabilities Services: Departmental Operations Review	<ul style="list-style-type: none"> • Process mapping • Stakeholder engagement • Qualitative synthesis • Recommendation development • Report drafting • Regulatory compliance review 	<ul style="list-style-type: none"> ✓ 4.1 ✓ 4.2 ✓ 4.3 ✓ 4.4 ✓ 4.5
California Department of Health Care Services: Medicaid delivery system Integration	<ul style="list-style-type: none"> • Stakeholder engagement • Qualitative synthesis • Recommendation development • Report drafting • Regulatory compliance review 	<ul style="list-style-type: none"> ✓ 4.2 ✓ 4.3 ✓ 4.4 ✓ 4.5
Pennsylvania Office of Mental Health and Substance Abuse Services: Behavioral health telehealth policy support	<ul style="list-style-type: none"> • Stakeholder engagement • Qualitative synthesis • Recommendation development • Report drafting • Regulatory compliance review 	<ul style="list-style-type: none"> ✓ 4.2 ✓ 4.3 ✓ 4.4 ✓ 4.5
South Carolina Department of Health and Human Services: Provider manuals and communications updates	<ul style="list-style-type: none"> • Process mapping • Stakeholder engagement • Qualitative synthesis • Recommendation development • Report drafting • Regulatory compliance review 	<ul style="list-style-type: none"> ✓ 4.1 ✓ 4.2 ✓ 4.3 ✓ 4.4 ✓ 4.5

Delaware Division of Developmental Disabilities Services

Mercer assessed the Division of Developmental Disabilities Services' internal policies, procedures, and division infrastructure by gathering, reviewing, and evaluating existing policies and procedures against evolving federal and State requirements; drafting a comprehensive inventory with adequacy ratings; and developing a standardized internal update process with templates. Using this documentation review, Mercer mapped core processes, clarified ownership, and identified duplication and gaps to prioritize fixes. Deliverables include targeted recommendations for new and revised policies and procedures to streamline operations, strengthen compliance, and improve consistency across the division.

California Department of Health Care Services

Mercer provided project management, policy-focused SME and data analysis support to assist the State of California, Department of Health Care Services (DHCS), in their initiative to move Long-Term Care Intermediate Care Facilities/Home(s) (ICF) for Individuals with Developmental Disabilities to their Medicaid Managed Care program (Medi-Cal). This initiative occurred over the course of multiple years, from 2022 to 2024, and resulted in the successful integration of the ICF benefits into Medi-Cal. Given the vulnerable nature of this population, this initiative was high profile among California's stakeholders. To ensure complete buy-in for the change and a successful transition, Mercer worked with both DHCS and external stakeholders across three distinct workgroups, nearly 300 providers, and 15 Medicaid MCOs. Specific Mercer activities included:

- Assistance with facilitation and management of three workgroups, including drafting meeting materials, facilitating the meetings, and capturing discussion notes.
- Development and maintenance of project management tools, which included a project plan and a Risk, Actions, Issues, Decisions log.
- Development and maintenance of project documentation, including meeting agendas, presentations, meeting notes, and deliverable logs.
- Development of a communication log to track the large volume of communications for the project.
- Development of plain language communications to members.

Pennsylvania Office of Mental Health and Substance Abuse Services

Mercer has supported Pennsylvania's Office of Mental Health and Substance Abuse Services with an assessment of telehealth services in an effort to guide future policy decisions. Mercer's role included facilitation of virtual steering committee meetings and focus groups with providers, members, state agencies, and other community members to assist the Commonwealth with determining what behavioral health telehealth permissions should continue post-public health emergency and how behavioral health telehealth service delivery may be expanded to other services. Mercer coordinated all meetings, developed meeting agendas and slide deck presentations, conducted national research and drafted a summary report of recommendations. Additionally, Mercer established targeted work streams to support implementation, adoption, and rollout of specific recommendations and developed guidance and educational/training materials to formalize and operationalize behavioral health telehealth policy changes.

South Carolina Department of Health and Human Services

Mercer supported the South Carolina Department of Health and Human Services' (SCDHHS) efforts to streamline and maintain up-to-date provider manuals. The initial work included a comprehensive review and analysis of processes and workflows used to maintain and update the provider manuals. Mercer developed an inventory of provider manuals for

SCDHHS with the goal of streamlining maintenance and updates to multiple manuals. Following environmental scans of other State Medicaid Agencies, stakeholder engagement, and in-depth review of current provider manual content, Mercer offered recommendations for manual modifications and an organizational approach to ensure that information contained within the provider coverage and billing manuals was consistent with federal statutory and regulatory requirements, SCDHHS billing and reimbursement requirements and capabilities, and industry standards. Mercer then assisted SCDHHS in updating all current provider manuals to align with these recommendations and provided onsite training to providers in advance of their rollout to the community. Mercer also developed processes and procedures for updating provider manuals and trained SCDHHS staff on these processes.

Mercer's deep Medicaid pharmacy expertise combined with proven skills in stakeholder engagement, process improvement, and recommendation development makes us the right partner for AHCCCS. Our hands-on experience managing complex pharmacy initiatives ensures a clear understanding of Medicaid program nuances. We excel at facilitating collaboration, mapping processes, synthesizing feedback, and delivering practical, prioritized recommendations. This integrated approach enables us to provide solutions aligned with best practices and tailored to AHCCCS's unique needs, driving sustainable improvements in transparency, efficiency, and program effectiveness.

7.3.2 List of names and classification of personnel expected to perform specific activities, including use of subcontractors.

Below we provide a summary of the roles and expected activities of each team member supporting this project. Detailed descriptions of their backgrounds and relevant experience can be found in our response to question 7.3.3.

Name	Role	Activities
Leslie Lugo, MS, RPh, BCPP	Project Leader/Lead Pharmacist	<ul style="list-style-type: none">• Provide pharmacy subject matter expertise, particularly related to DUR boards and P&T committees• Lead overall project execution to deliver on agreed goals and objectives, ensuring alignment within the team and with AHCCCS• Address risks, issues, and dependencies proactively and communicate changes impacting scope or schedule• Facilitate stakeholder meetings and synthesize feedback• Develop best practice standards and develop comparisons to AHCCCS's policies and practices• Develop draft and final recommendations• Provide strategic communications and advice to AHCCCS

Name	Role	Activities
Jim Cook	Senior Pharmacy Consultant	<ul style="list-style-type: none"> • Provide Medicaid pharmacy subject matter expertise • Facilitate stakeholder meetings and synthesize feedback • Review best practice standards against AHCCCS's current policies and practices • Develop draft and final recommendations • Provide strategic communications and advice to AHCCCS
Fred Gibison, MBA	Client Leader	<ul style="list-style-type: none"> • Manage overall client relationship • Ensure project quality and client satisfaction • Manage priorities and scope changes; addressing schedule and scope variances • Provide strategic guidance and advice to the client and internal project teams • Ensure contract compliance and oversee invoicing
Tyler Sumter, MPA	Consultant	<ul style="list-style-type: none"> • Facilitate logistics for stakeholder engagement processes in coordination with AHCCCS point of contact • Draft materials for stakeholder feedback sessions • Gather, categorize, and analyze public comments and internal and external stakeholder interview feedback • Manage conflict and funding disclosures related to stakeholder engagement • Draft reports and process and stakeholder maps
Aida Velic, MBA	Project Coordinator	<ul style="list-style-type: none"> • Develop and submit monthly progress reports detailing completed activities, planned activities, risks, issues, and decisions needed • Maintain decision log to document outstanding and resolved decision points • Coordinate monthly check-in meetings with AHCCCS staff • Coordinate timely review and feedback cycles with

Through these clearly defined roles and activities, AHCCCS can be assured the Mercer team is ready to efficiently and successfully execute the project plan while ensuring you remain informed of project progress and alignment.

Mercer has the capacity to complete this project with in-house staff and does not anticipate using subcontractors. However, we are willing to add a subcontractor if one is identified that adds significant value, subject to AHCCCS approval and contract requirements.

7.3.3 Experience of the proposed staff with this type of project.

The proposed project team includes seasoned professionals with a strong track record in pharmacy consulting and project leadership. Our team members possess expertise in Medicaid pharmacy operations, project management, stakeholder engagement, best-practice research and process improvement recommendations. We emphasize the importance of having highly organized, responsive staff capable of managing detailed work under tight timelines. Our team excels at synthesizing complex information, facilitating stakeholder input, and producing clear, actionable recommendations and communications.

Leslie Lugo, MS, RPh, BCPP, Project Leader/Lead Pharmacist

Leslie is a seasoned healthcare leader and Senior Principal within Mercer's Government Human Services Consulting specialty practice. She brings extensive Medicaid experience, specializing in pharmacy operations, policy development, and cost optimization. In her role as Director of Pharmacy for the Indiana Medicaid program, she was the primary liaison to both the DUR board and the Therapeutics committee. Her responsibilities included administrative oversight, ensuring compliance with payment and procedural requirements, and making executive decisions regarding meeting formats and operations. Leslie also chaired the Mental Health Quality Advisory Committee, a specialized P&T committee, and previously led P&T committees in state psychiatric hospitals. This breadth of experience provides valuable insight into the nuances of Medicaid pharmacy governance and committee management.

At Indiana Medicaid, Leslie also led the implementation of a Statewide Uniform PDL and drove significant rebate efficiency by identifying 340B non-compliance. Leslie optimized Indiana's billion-dollar prescription drug benefit through effective oversight of pharmacy benefit programs and contract compliance, while also spearheading legislative engagement and authoring policy guidance to improve drug coverage. Additionally, she positioned the state to enter into its first VBP agreements to manage high-cost therapies, demonstrating innovative leadership in Medicaid pharmacy program management and cost containment.

Jim Cook, Senior Pharmacy Consultant

Jim is a Senior Principal in Mercer's Government Human Services Consulting practice, providing support for pharmacy projects for Medicaid clients with both FFS and managed care programs. He has led pharmacy work across multiple states — including current engagements with California, Delaware, Missouri, Nevada, New Mexico, North Carolina, and Ohio. He provides technical assistance to state pharmacy staff, program design and

planning, and oversight and monitoring support for pharmacy operations in both FFS and managed care settings. Jim's experience includes on-site and desk reviews of MCO pharmacy operations, development of comprehensive performance reports and performance improvement plans, statewide cost-of-dispensing surveys, Mental Health Parity and Addiction Equity Act compliance analyses, and the development of procurement content and readiness reviews for statewide PBM contracts. Before joining Mercer, Jim worked at an MCO with Medicare and Medicaid populations. His role included overseeing the MCO's contracted PBM in their administration of Medicaid and Medicare pharmacy benefits, providing Medicare enrollment and billing support, and representing the MCO in external reviews and readiness reviews.

Fred Gibison, MBA, Client Leader

Fred is a Partner in Mercer's Government Human Services Consulting practice and Mercer's Client Manager for our ongoing work with AHCCCS. With over 27 years of experience, Fred has accumulated a wealth of knowledge and skills in Medicaid financing, client management, policy and operations, strategic planning, and creative problem solving. Fred's clients rely on and value his experience and perspective. He combines his client management skills, analytical aptitude, and team leadership to effectively manage and lead some of Mercer's largest client engagements. Fred currently leads Mercer's engagements with AHCCCS and Nevada Medicaid. He previously served as the client leader for Mercer's engagements with Delaware, Oklahoma, Pennsylvania, and Texas.

Fred has a strong track record of engaging diverse stakeholders — including state Medicaid leadership, clinical experts, MCOs, and provider groups — to surface operational issues and competing perspectives. Throughout engagements he has managed interdisciplinary teams, maintained client relationships, and presented concise, defensible recommendations to executive leadership, demonstrating the communication, analytical, and client management skills needed to successfully lead this project team.

Tyler Sumter, MPA, Consultant

Tyler Sumter, MPA, is an Associate who has managed complex Medicaid projects since 2021. She has led end-to-end project lifecycles — developing detailed workplans, managing cross-functional teams, and delivering CMS-compliant solutions — while designing and executing stakeholder engagement strategies with state agencies, providers, and vendors. She has also supported state and local government clients by analyzing healthcare and human services data, evaluating program performance, and translating technical findings into actionable insights. She has collaborated cross-functionally to gather and document business requirements, develop process-improvement strategies, and design data-driven solutions. Additionally, she has conducted policy and regulatory research and delivered client-ready reports and presentations.

Aida Velic, MBA, Project Coordinator

Aida, a Senior Analyst in Mercer's Government Human Services Consulting practice, brings over 10 years of pharmacy experience. She has worked in a variety of pharmacy settings, including a retail pharmacy, health system, and pharmaceutical distributor. She currently serves as a pharmacy analyst at Mercer, with a primary focus on pharmaceutical research, reimbursement help desk support for pharmacies and drafting and delivering various client reports communications.

Mercer's combined corporate experience managing pharmacy initiatives, coupled with the individual expertise of our proposed staff in Medicaid pharmacy program administration and committee oversight, positions us well to successfully execute this project. Our team's skills in project management, stakeholder facilitation, and report development will ensure timely, high-quality deliverables that meet AHCCCS's needs.

Section 4

7.4 Pricing Proposal

Provide a pricing proposal for completion of the project broken down by deliverable listed in 5.0.

7.4.1 The overall price for the whole project will be a not to exceed (NTE) amount. Billing shall be based on Deliverables and shall not exceed this amount unless prior approval is obtained by AHCCCS.

Per the terms of this task order, billing is based on the Deliverables specified in Section 5. Due to the relatively short duration of this project, Mercer is proposing two payment options. Both options have the same total price, the difference is the timing and number of payments.

- Option 1 has the total project price for all deliverables included in the final deliverable so that only one invoice and one resulting payment is made for this project upon completion.
- Option 2 includes a per deliverable pricing schedule resulting in multiple invoices being issued during the course of the engagement.

In either option, the total price is the same. Mercer recommends Option 1 to simplify the administration of this task order engagement. Mercer will accept either option as selected by AHCCCS as well as consider other payment schedules AHCCCS may suggest.

Option 1: Full Project Price is Assigned to Final Recommendations Report and Billed as a Singular Invoice Upon Project Completion

Subsection	Deliverables	Price
5.1 Stakeholder Engagement & Facilitation	<ol style="list-style-type: none">1. Facilitate and/or host two to four stakeholder meetings (a mix of internal and external stakeholders), including preparation of agenda, facilitation and documentation2. Include at least one public-facing listening session or virtual forum to support transparency3. Provide a stakeholder map identifying engaged groups and gaps	Included in Final Recommendations Report Price

Subsection	Deliverables	Price
5.2 Stakeholder Feedback Summary	Consolidated written summary of stakeholder feedback including: <ol style="list-style-type: none"> 1. Key themes 2. Areas of consensus and divergence 3. Issues related to accessibility, transparency, and communication, as well as other disclosures and conflicts of interest 4. Include segment findings by stakeholder type 5. Include anonymized quotes where appropriate to capture nuance 	Included in Final Recommendations Report Price
5.3 Progress Reports	Brief written monthly status reports including: <ol style="list-style-type: none"> 1. Activities completed 2. Activities planned for next month(s) 3. Risks, issues, dependencies 4. Upcoming decisions or Agency input needed 5. Use a consistent template 6. Facilitation of a short standing monthly check-in with AHCCCS staff 	Included in Final Recommendations Report Price
5.4 Draft Recommendation Report	Draft report outlining: <ol style="list-style-type: none"> 1. Overview of current AHCCCS P&T process 2. Comparison to national P&T best practices 3. Identified gaps and challenges 4. Preliminary recommendations to improve process(es) and transparency 5. Include a process map of the current-state P&T workflow 6. Clearly distinguish short-term versus long-term recommendations 	Included in Final Recommendations Report Price

Subsection	Deliverables	Price
5.5 Final Recommendations Report	Final report incorporating AHCCCS feedback and including: <ol style="list-style-type: none"> 1. Finalized recommendations 2. Rationale and expected impact 3. Dependencies, risks, and implementation considerations 4. A prioritization matrix (impact versus effort) 5. Implementation roadmap with estimated timeframes 6. Draft public facing summary brief 	\$87,500.00
Total Price		\$87,500.00

Option 2: Pricing by Deliverable 5.1 through 5.5 with Separate Invoice Billing for Each Deliverable

Subsection	Deliverables	Price
5.1 Stakeholder Engagement & Facilitation	<ol style="list-style-type: none"> 1. Facilitate and/or host two to four stakeholder meetings (a mix of internal and external stakeholders), including preparation of agenda, facilitation and documentation 2. Include at least one public-facing listening session or virtual forum to support transparency 3. Provide a stakeholder map identifying engaged groups and gaps 	\$26,250.00
5.2 Stakeholder Feedback Summary	Consolidated written summary of stakeholder feedback including: <ol style="list-style-type: none"> 1. Key themes 2. Areas of consensus and divergence 3. Issues related to accessibility, transparency, and communication, as well as other disclosures and conflicts of interest 4. Include segment findings by stakeholder type 5. Include anonymized quotes where appropriate to capture nuance 	\$8,750.00

Subsection	Deliverables	Price
5.3 Progress Reports	Brief written monthly status reports including: <ol style="list-style-type: none"> 1. Activities completed 2. Activities planned for next month(s) 3. Risks, issues, and dependencies 4. Upcoming decisions or Agency input needed 5. Use a consistent template 6. Facilitation of a short standing monthly check-in with AHCCCS staff 	\$4,375.00
5.4 Draft Recommendation Report	Draft report outlining: <ol style="list-style-type: none"> 1. Overview of current AHCCCS P&T process 2. Comparison to national P&T best practices 3. Identified gaps and challenges 4. Preliminary recommendations to improve process(es) and transparency 5. Include a process map of the current-state P&T workflow 6. Clearly distinguish short-term versus long-term recommendations 	\$35,000.00
5.5 Final Recommendations Report	Final report incorporating AHCCCS feedback and including: <ol style="list-style-type: none"> 1. Finalized recommendations 2. Rationale and expected impact 3. Dependencies, risks, and implementation considerations 4. A prioritization matrix (impact versus effort) 5. Implementation roadmap with estimated timeframes 6. Draft public facing summary brief 	\$13,125.00
Total Price		\$87,500.00

5.6 Other Considerations

5.6.1 Stakeholders include members, member advocates, patient advocates (different than member advocates in that they are typically funded by pharma), health plans, prescribing providers, pharmaceutical manufacturers, other interested parties (e.g., PBMs, pharmacy associations, etc.). Conflict and funding disclosure should be considered.

5.6.2 To achieve balanced input, Consultant/Contractor shall ensure all stakeholder groups have the opportunity to contribute.

Mercer describes our approach to meeting the requirements of 5.6 in Section 7.2.3 of our proposal (see page 15). Costs related to these requirements are included in our cost proposal above.

Appendix A

Amendment 1



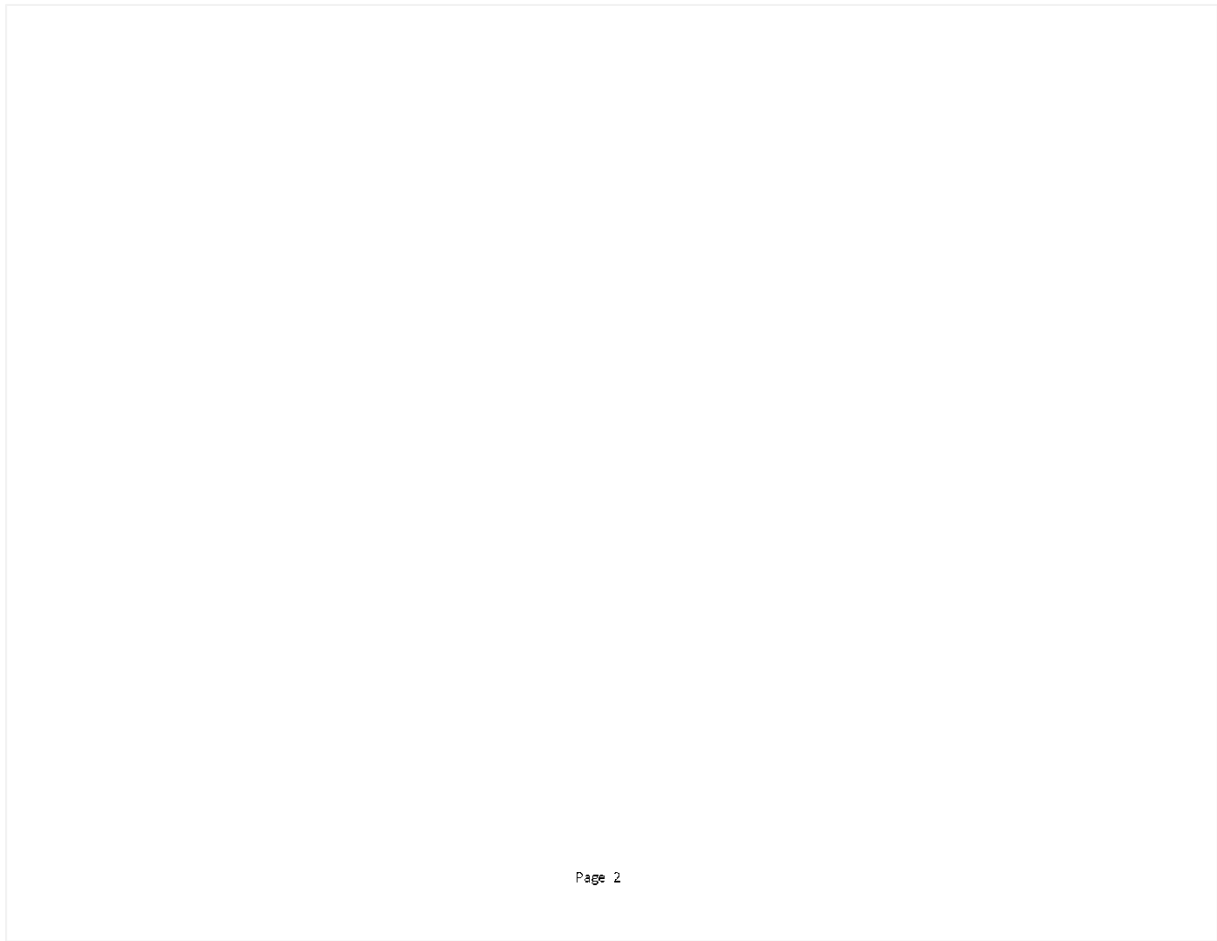
TASK ORDER SOLICITATION AMENDMENT #1		
YH26-0094 YH26-0094 - Pharmacy Consulting and Process Improvement Recommendations	Task Order due date: Tuesday, May 12, 2026, 3:00 P.M. Arizona Time	Procurement Officer: Tiffanie Blanco Email: procurement@azahcccs.gov

A signed copy of this amendment must be submitted with your Task Order solicitation response.

This Task Order Solicitation is amending the task order due date from Thursday, April 30, 2026, 3:00 P.M. Arizona Time to Tuesday, May 12, 2026, 3:00 P.M. Arizona Time.

Paragraph # or Title	Page #	Amendment
Proposal Due Date Change	1	Task order due date has been changed from April 30, 2026, 3:00 P.M. Arizona Time to Tuesday, May 12, 2026, 3:00 P.M. Arizona Time.
OFFEROR HEREBY ACKNOWLEDGES RECEIPT AND UNDERSTANDING OF THIS SOLICITATION AMENDMENT.		THIS SOLICITATION AMENDMENT IS HEREBY EXECUTED ON THIS DAY, IN PHOENIX, AZ.
SIGNATURE OF AUTHORIZED INDIVIDUAL:		SIGNATURE: SIGNATURE ON FILE
TYPED NAME: Tiffanie Blanco		TYPED NAME: Meggan LaPorte, CPPO, MSW
TITLE: Purchasing Manager		TITLE: Chief Procurement Officer
DATE: 4/21/2026		DATE: 4/21/2026

OFFEROR HEREBY ACKNOWLEDGES RECEIPT AND UNDERSTANDING OF THIS SOLICITATION AMENDMENT.
SIGNATURE OF AUTHORIZED INDIVIDUAL:
TYPED NAME: Frederick Gibison Jr, MBA
TITLE: Partner
DATE: 4/21/2026



Appendix B

Amendment 2




TASK ORDER SOLICITATION AMENDMENT #2		
YH26-0094 YH26-0094 - Pharmacy Consulting and Process Improvement Recommendations	Task Order due date: Tuesday, May 12, 2026, 3:00 P.M. Arizona Time	Procurement Officer: Tiffanie Blanco Email: procurement@azahcccs.gov


A signed copy of this amendment must be submitted with your Task Order solicitation response.

The attached Answers to Questions are incorporated as part of this solicitation amendment.


Paragraph # or Title	Page #	Amendment
Proposal Due Date Change	1	Task order due date has been changed from April 30, 2026, 3:00 P.M. Arizona Time to Tuesday, May 12, 2026, 3:00 P.M. Arizona Time.
Answers	N/A	Answers to questions. The form is attached.
OFFEROR HEREBY ACKNOWLEDGES RECEIPT AND UNDERSTANDING OF THIS SOLICITATION AMENDMENT.		THIS SOLICITATION AMENDMENT IS HEREBY EXECUTED ON THIS DAY, IN PHOENIX, AZ.
SIGNATURE OF AUTHORIZED INDIVIDUAL:		SIGNATURE:
		SIGNATURE ON FILE
TYPED NAME: Frederick Gibison Jr, MBA		TYPED NAME: Meggan LaPorte, CPPO, MSW
TITLE: Partner		TITLE: Chief Procurement Officer
DATE: April 21, 2026		DATE: 4/21/2026

	QUESTIONS AND ANSWERS FORM
	Pharmacy Consulting and Process Improvement Recommendations
	YH26-0094
Questions shall be submitted electronically on this form to Procurement@azahcccs.gov no later than <u>April 14, 2026, 5:00 PM, Arizona Time</u>	


Question#	VENDOR NAME	Paragraph # or Title	Pg #	Vendor Question	AHCCCS Response
1.	Myers and Stauffer LC	7.4	5-6	What is the State's anticipated budget for this task order?	Please refer to section 7.4 . AHCCCS is requesting that interested parties provide a pricing proposal broken down by the deliverables listed in 5.0 . The overall price should be proposed as a not-to-exceed (NTE) amount.
2.	Myers and Stauffer LC	4.4.3	2	Section 4.3 suggests that the State has already collected public comments (i.e., "analyze existing public comments"). Can the State confirm whether this is true and, if yes, how many comments have been collected to date?	<i>Ask Damien</i> AHCCCS has received public comments related to aspects of the P&T process. The volume and specific content of comments may vary, and additional stakeholder input is anticipated as part of this project. Interested parties should assume that review and analysis of existing comments, along with facilitation of additional stakeholder feedback as appropriate, is within scope
3.	Myers and Stauffer LC	5.1	3	Section 5.1.1 notes that the selected vendor will be required to facilitate 2-4 stakeholder meetings; however, the suggested timeline also indicates a need for leadership and staff interviews. Can the State confirm whether these interviews are included in, or in addition to, the 2-4 stakeholder meetings? Also, would the State be interested in additional stakeholder engagement activities, such as a	Section 4 presents the required activities at a high level, while Section 5 further defines those activities through specific deliverables. Internal leadership and staff interviews are included within the stakeholder engagement activities described in Section 5.1 , as reflected in the suggested timeline. The Task Order outlines minimum engagement expectations; respondents may propose additional stakeholder

	QUESTIONS AND ANSWERS FORM
	Pharmacy Consulting and Process Improvement Recommendations
	YH26-0094
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Question#	VENDOR NAME	Paragraph # or Title	Pg #	Vendor Question	AHCCCS Response
				stakeholder survey, to ensure more robust data collection?	engagement methods if they believe such approaches would add value, provided they are clearly described and reflected in the proposed methodology and pricing.
4.	Myers and Stauffer LC	5.4	4	Section 5.4.2 notes that the selected vendor will be required to include a comparison of current AHCCCS P&T processes with national P&T best practices in its draft recommendation report. Would the State be interested in the selected vendor conducting key informant interviews with other states to discuss their P&T processes and further assess best practices?	AHCCCS is requesting a comparison of current AHCCCS P&T processes with national P&T best practices, as described in Section 5.4.2. The specific methods for gathering information on best practices are at the discretion of the respondent and should be described in the proposed methodology.
5.	Mercer Health & Benefits LLC	2	2	Is the Arizona Pharmacy and Therapeutics Committee serving as the Drug Utilization Board as required by Section (g)(3)(D) of the Social Security Act?	AHCCCS's Pharmacy & Therapeutics Committee operates in accordance with applicable federal and state requirements. Respondents should base their proposals on a review of publicly available information and the project scope described in the Task Order
6.	Mercer Health & Benefits LLC	2	2	Is AHCCCS's goal for the Pharmacy and Therapeutics Committee to meet the American Society of Health-System Pharmacists Guidelines on the Pharmacy and Therapeutics Committee and the Formulary System? (<i>American Journal of Health-System Pharmacy</i> , Volume 78, Issue 10, 15 May	AHCCCS is seeking an assessment of its current P&T processes in comparison with national P&T best practices. Formal adoption of any specific external standard or guideline is not predetermined and may be considered as part of the consultant's analysis and recommendations.

	QUESTIONS AND ANSWERS FORM
	Pharmacy Consulting and Process Improvement Recommendations YH26-0094
	<p>Questions shall be submitted electronically on this form to Procurement@azahcccs.gov no later than <u>April 14, 2026, 5:00 PM, Arizona Time</u></p>

Question#	VENDOR NAME	Paragraph # or Title	Pg #	Vendor Question	AHCCCS Response
				2021, Pages 907–918, https://doi.org/10.1093/ajhp/zxab080 Published: 13 April 2021)	
7.	Mercer Health & Benefits LLC	2	2	Can the Agency elaborate on the factors that precipitated the need for this temporary assistance with the current P&T processes?	The Task Order is intended to address a temporary need for additional capacity to review existing P&T processes, analyze stakeholder input, and develop recommendations to enhance accessibility and transparency. No further detail beyond what is provided in the Task Order is necessary for proposal development.
8.	Mercer Health & Benefits LLC	4.3	2	Please provide a copy of, or a link, to the “existing public comments” referenced in item 4.3.	Relevant public comments will be made available to the selected contractor during the project, as appropriate. Respondents should not assume access to public comments prior to award.
9.	Milliman	5.1, 5.3 6.1	3 5	Please specify the State’s expectations regarding in-person versus virtual engagement across all project activities, including the project kick-off meeting, stakeholder interviews (internal and external), and recurring status or monthly check-in meetings. Please indicate whether any components are required to be conducted in person and, if so, which ones.	AHCCCS anticipates that most project activities, including meetings and interviews, will be conducted virtually. Respondents may propose in-person engagement if they believe it is necessary or beneficial, but in-person activities are not required unless explicitly agreed upon with AHCCCS.

	QUESTIONS AND ANSWERS FORM
	Pharmacy Consulting and Process Improvement Recommendations
	YH26-0094
<p>Questions shall be submitted electronically on this form to Procurement@azahcccs.gov no later than <u>April 14, 2026, 5:00 PM, Arizona Time</u></p>	

Question#	VENDOR NAME	Paragraph # or Title	Pg #	Vendor Question	AHCCCS Response
10.	Deloitte	Responsibilities/ Tasks	2	Will all data and information be collected during the stakeholder sessions and public forums or will previously gathered data also be utilized? A. How was that data collected? B. Should the contractor assume any data cleansing, coding, or de-identification effort is required? C. Will formulary vs non-formulary utilization be provided within the data?	Both previously gathered information and new stakeholder input may be utilized for this project. AHCCCS will provide relevant existing documentation as described in the Task Order. Respondents should assume minimal data cleansing or preparation unless otherwise identified during the work.
11.	Deloitte	Project Deliverables	3	Does AHCCCS expect the contractor to design, recruit for, host, facilitate, and document the public-facing listening session/virtual forum, or will AHCCCS support participant outreach and logistics?	The contractor is expected to support design, facilitation, and documentation of the public-facing listening session or virtual forum. AHCCCS will assist with stakeholder identification and outreach as appropriate.
12.	Deloitte	Responsibilities/ Tasks	2	How should "national P&T committee best practices" be defined for this project? Should these be Medicaid-specific practices only, or broader public-sector/commercial P&T practices where relevant?	National P&T best practices may include Medicaid-specific and broader public-sector or commercial practices, where relevant. Respondents should describe how best practices will be identified and assessed in their proposed methodology.
13.	Deloitte	Project Deliverables	4	Are there any anticipated legal, policy, or stakeholder sensitivities that AHCCCS wants contractors to account for in how recommendations are framed?	Respondents should assume that legal, policy, and stakeholder considerations may be relevant to the review of AHCCCS's Pharmacy & Therapeutics (P&T) processes, as is typical for work involving public programs and multi-stakeholder environments. Contractors should frame recommendations in a

	QUESTIONS AND ANSWERS FORM	
	Pharmacy Consulting and Process Improvement Recommendations	
	YH26-0094	
	Questions shall be submitted electronically on this form to Procurement@azahcccs.gov no later than <u>April 14, 2026, 5:00 PM, Arizona Time</u>	

Question#	VENDOR NAME	Paragraph # or Title	Pg #	Vendor Question	AHCCCS Response
					<p>balanced, objective, and evidence-based manner, and remain mindful of applicable federal and state requirements, existing AHCCCS policies, and the range of stakeholder perspectives involved.</p> <p>Specific legal, policy, or stakeholder sensitivities are not enumerated in advance; however, recommendations should be practical, clearly supported by analysis, and presented in a way that allows for informed agency consideration and decision-making. Final determinations regarding policy direction or implementation will remain solely at the discretion of AHCCCS.</p>
14.					
15.					
16.					

Appendix C

Amendment 3

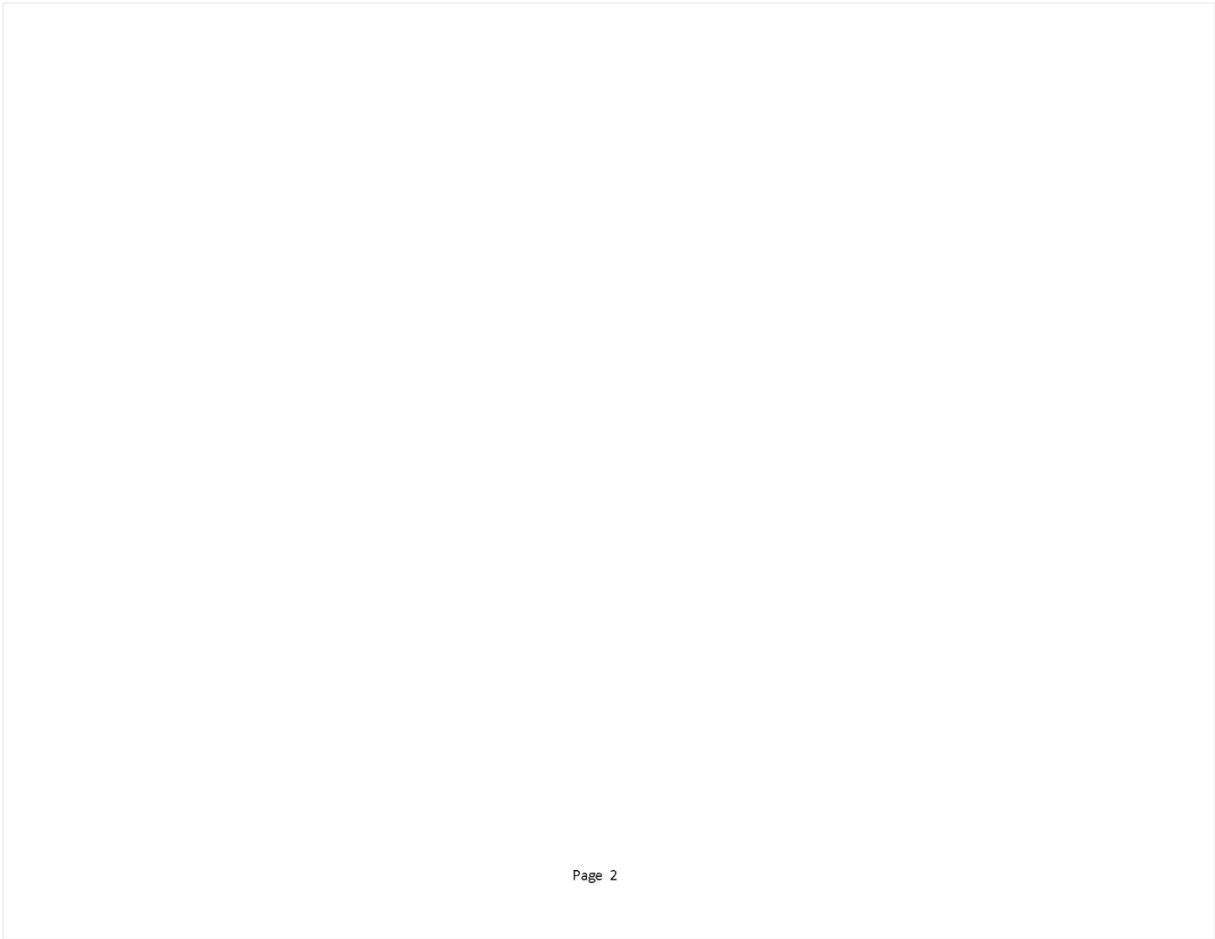


TASK ORDER SOLICITATION AMENDMENT #3		
YH26-0094 YH26-0094 - Pharmacy Consulting and Process Improvement Recommendations	Task Order due date: Tuesday, May 12, 2026, 3:00 P.M. Arizona Time	Procurement Officer: Tiffanie Blanco Email: procurement@azahcccs.gov

A signed copy of this amendment must be submitted with your Task Order solicitation response.

All references to specific calendar months within the Project Timeline section are hereby revised to reflect relative project months. Month 1 shall begin on the first full month following Task Order award. Conversion to Month-based timelines is intended to preserve the original sequencing and duration of the project and does not extend or shorten the overall project period

Paragraph # or Title	Page #	Amendment
PROJECT TIMELINE	2	This project shall commence upon execution of the Task Order and continue through the end of Month 5, with Month 1 beginning on the first full month following Task Order award.
5.1 Stakeholder Engagement & Facilitation	3	Suggested Timeline <ul style="list-style-type: none"> Weeks 1–2 (Month 1): Internal AHCCCS leadership and staff interviews Weeks 3–6 (Months 1–2): External stakeholder meetings
5.2 Stakeholder Feedback Summary	3	Suggested Timeline <ul style="list-style-type: none"> Draft: Early Month 3 Final: Mid-Month 3
5.3 Progress Reports	3	Suggested Timeline <ul style="list-style-type: none"> Monthly, beginning at the conclusion of Month 1 and continuing through project completion. Submitted within 5 business days of month end
5.4 Draft Recommendation Report	4	Suggested Timeline Draft delivered at the end of Month 4
5.5 Final Recommendations Report	4	Suggested Timeline Final report delivered at the end of Month 5
OFFEROR HEREBY ACKNOWLEDGES RECEIPT AND UNDERSTANDING OF THIS SOLICITATION AMENDMENT.		THIS SOLICITATION AMENDMENT IS HEREBY EXECUTED ON THIS DAY, IN PHOENIX, AZ.
SIGNATURE OF AUTHORIZED INDIVIDUAL: 		SIGNATURE: SIGNATURE ON FILE
TYPED NAME: Frederick Gibison Jr, MBA		TYPED NAME: Meggan LaPorte, CPPO, MSW
TITLE: Partner		TITLE: Chief Procurement Officer
DATE: May 1, 2026		DATE: 5/1/2026



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