

AWARD RECOMMENDATION

Notice of Intent to Award Number: 260000000236

Notice of Intent to Award Date: 3/9/2026

The Department of Technology, Management, & Budget’s Procurement office has completed the evaluation of RFP 260000000347 for Pharmacy Claims Processing and Manufacturer Drug Rebate Administration Pharmacy Benefits Administrator (PBA) Services for the Michigan Department of Health and Human Services (MDHHS) and has recommended an award to Prime Therapeutics State Government Solutions LLC in the amount of \$36,826,061.00, pending State Administrative Board approval, if applicable. More information on the State Administrative Board can be found at: [State Administrative Board](#).

Bidders who were not recommended for the award are encouraged to schedule a debriefing session with the Solicitation Manager. The debriefing session will provide the bidder with the State’s rationale on why the bidder was not recommended for the award. The Solicitation Manager may be contacted as follows:

Marissa Gove, Solicitation Manager.

Govem1@michigan.gov

517-449-8952

Public copies of all bidder proposals can be found here: [DTMB - Bid Proposals \(michigan.gov\)](#)

Background Information:

This Request for Proposal (RFP) was to solicit responses for selection of a Contractor to provide PBA services for MDHHS. The term of this contract is 3 years, with up to 4 renewal option years.

Bidders:

The RFP was posted on SIGMA VSS on December 15, 2025, for 49 days The following bidders submitted proposals by the published due date of February 2, 2026.

Bidder	Address, City, State, Zip Code	SDVOB*	GDBE**
Prime Therapeutics State Government Solutions LLC	2900 Ames Crossing Road, Suite 200 Eagan, Minnesota 55121	No	No

*SDVOB: Service-Disabled Veteran Owned Business

**GDBE: Geographically Disadvantaged Business Enterprise

EVALUATION SYNOPSIS

I. Evaluation Process

A Responsible Vendor is a vendor that demonstrates it has the ability to successfully perform the duties identified by the solicitation. A Responsive proposal is one that is submitted in accordance with the solicitation instructions and meets all mandatory requirements identified in the solicitation.

Proposal Instructions: Mandatory Minimum Requirements

To avoid disqualification, the bidder must provide documentation to support the following:

1. Component 1 – Claims Processing and Related Services
 - A. Medicaid Management Information Systems (MMIS) Certification – The Contractor must comply with all requirements for MMIS certification issued by CMS that govern the Contractor’s service, performance, work, or deliverables. (See the Streamlined Modular Certification available at <https://www.medicaid.gov/medicaid/data-systems/streamlined-modular-certification>).

2. Component 2 – PDL and Manufacturer Drug Rebate Administration:
 - A. Medicaid Management Information Systems (MMIS) Certification – The Contractor must comply with all requirements for MMIS certification issued by CMS that govern the Contractor’s service, performance, work, or deliverables. (See the Streamlined Modular Certification available at <https://www.medicaid.gov/medicaid/data-systems/streamlined-modular-certification>).

Bidders must sign and return Attachment 1 - Minimum Requirements for Component 1 – Claims Processing and Related Services and/or Attachment 2 - Mandatory Minimum Requirements for Component 2 – PDL and Manufacturer Drug Rebate Administration, certifying that the Bidder meets all minimum requirements.

Only proposals meeting the mandatory minimum requirements will be considered for evaluation.

Proposal Instructions: Evaluation Process

Component 1 – Claims Processing and Related Services

	Technical Evaluation Criteria	Weight
1.	Schedule A – Statement of Work, Section A, General Requirements through Section I, Compliance with State and Federal Laws, Rules, Regulations, Policies, and Notifications	55

	Technical Evaluation Criteria	Weight
2.	Schedule A – Statement of Work, Section J, Claims Processing through Section W, Claims Processing Corrective Action Plan	85
3.	Schedule A – Statement of Work, Section 1.2 Transition through Section 1.11 Products and Services	45
4.	Schedule A, Statement of Work, Section 2, Acceptance through Section 9, Service Level Agreements (SLA)	50
5.	Vendor Questions Worksheet, (Excluding Experience) for Component 1	25
6.	Vendor Questions Worksheet, Experience for Component 1	260
	Total	520

Component 2 – PDL and Manufacturing Drug Rebate Administration

	Technical Evaluation Criteria	Weight
1.	Schedule A – Statement of Work, Section A, General Requirements through Section I, Compliance with State and Federal Laws, Rules, Regulations, Policies, and Notifications	55
2.	Schedule A – Statement of Work, Section X, Pharmacy and Therapeutics (P&T) Committee through Section BB, Audit Trails for PDL and Manufacturer Drug Rebates	85
3.	Schedule A – Statement of Work, Section 1.2 Transition through Section 1.11 Products and Services	45
4.	Schedule A, Statement of Work, Section 2, Acceptance through Section 9, Service Level Agreements (SLA)	50
5.	Vendor Questions Worksheet, (Excluding Experience) for Component 2	25
6.	Vendor Questions Worksheet, Experience for Component 2	260
	Total	520

Components 1 & 2 – Claims Processing and Related Services and PDL and Manufacturing Drug Rebate Administration

	Technical Evaluation Criteria	Weight
1.	Schedule A – Statement of Work, Section A, General Requirements through Section I, Compliance with State and Federal Laws, Rules, Regulations, Policies, and Notifications	55

	Technical Evaluation Criteria	Weight
2.	Schedule A – Statement of Work, Section J, Claims Processing through Section W, Claims Processing Corrective Action Plan	85
3.	Schedule A – Statement of Work, Section X, Pharmacy and Therapeutics (P&T) Committee through Section BB, Audit Trails for PDL and Manufacturer Drug Rebates	85
4.	Schedule A – Statement of Work, Section 1.2 Transition through Section 1.11 Products and Services	45
5.	Schedule A, Statement of Work, Section 2, Acceptance through Section 9, Service Level Agreements (SLA)	50
6.	Vendor Questions Worksheet, (Excluding Experience) for Component 1 and 2	25
7.	Vendor Questions Worksheet, Experience for Component 1 and 2	520
	Total	865

Proposals receiving 416 or more technical evaluation points for Component 1 or 416 or more technical evaluation points for Component 2 or 692 or more technical evaluation points for Components 1 & 2 will have pricing evaluated and be considered for award.

The full evaluation process is stated in the RFP Proposal Instructions.

II. Evaluation Method

Responses to this solicitation were reviewed by a Joint Evaluation Committee, which consisted of the following individuals:

Voting	Advisory
Marissa Gove, Category Management Specialist DTMB-Central Procurement-Services	Sarah Oumedian, Departmental Specialist MDHHS-Bureau of Grants and Purchasing
Trish Bouck, State Division Administrator MDHHS-Pharmacy Management Division	
Michael Melvin, Section Manager MDHHS-Pharmacy Management Division	
Glenda England, MCO Common Formulary & Pharmacy Section Manager MDHHS-Pharmacy Management Division	

III. Evaluation Results

A. Prime Therapeutics State Government Solutions LLC

The Evaluation Team determined that Prime Therapeutics State Government Solutions LLC based on a score of 849, did meet the requirements of this RFP. This determination was accomplished by evaluating their responses to the Technical Evaluation Criteria.

1. Vendor Questions Worksheet, (Excluding Experience) for Component 1 and 2 **25/25**
 The Evaluation Team determined that overall, the responses were satisfactory.

2. Vendor Questions Worksheet, Experience for Component 1 and 2 **517/520**
 The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiency was noted:

- a. Bidder failed to identify 3.e Invoicing by program.

3. Schedule A – Statement of Work, Section A, General Requirements through Section I, Compliance with State and Federal Laws, Rules, Regulations, Policies, and Notifications **52/55**

The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:

- a. General Requirements, 2-7: Bidder failed to describe how they have met similar conditions in other contracts.
 - b. Statement on Standards for Attestation 16/Service Organization Controls Report: Bidder lacked a description of their experience with audit reports and bridge letters for existing clients.
 - c. Contractor Quality Assurance: Bidder failed to provide their experience on how they implemented fixes or feedback as a result of customer satisfaction surveys.

4. Schedule A – Statement of Work, Section J, Claims Processing through Section W, Claims Processing Corrective Action Plan **83/85**

The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:

- a. Paper Invoice Claims Processing: Bidder lacked details on their existing process and experience with processing paper pharmacy claims.

- b. Children’s Special Health Care Services Program (CSHCS): The State does not currently deny CSHCS claims based on authorized prescriber yet while Bidder’s response states they currently do.

5. Schedule A – Statement of Work, Section X, Pharmacy and Therapeutics (P&T) Committee through Section BB, Audit Trails for PDL and Manufacturer Drug Rebates **80/85**

The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiencies were noted:

- a. Online Manufacturer Drug Rebate Management System, a-c: Bidder failed to provide documentation that demonstrated its drug management system houses all data elements and functionalities listed in the requirements.
 - b. Rebate Reporting Required by CMS, a-b: Bidder failed to provide a list of data elements.
- 6. Schedule A – Statement of Work, Section 1.2 Transition through Section 1.11 Products and Services 45/45**
 The Evaluation Team determined that overall, the responses were satisfactory.
- 7. Schedule A, Statement of Work, Section 2, Acceptance through Section 9, Service Level Agreements (SLA) 47/50**
 The Evaluation Team determined that overall, the responses were mostly satisfactory, but the following deficiency was noted:
- a. 3.7 Key Personnel, I: Bidder’s resumes attachment was not accessible.

Total Score: 849/865

IV. Technical Evaluation Summary

Selection Criteria		Prime Therapeutics State Government Solutions LLC
1	Vendor Questions Worksheet, (Excluding Experience) for Component 1 and 2	25
2	Vendor Questions Worksheet, Experience for Component 1 and 2	517
3	Schedule A – Statement of Work, Section A, General Requirements through Section I, Compliance with State and Federal Laws, Rules, Regulations, Policies, and Notifications	52
4	Schedule A – Statement of Work, Section J, Claims Processing through Section W, Claims Processing Corrective Action Plan	83
5	Schedule A – Statement of Work, Section X, Pharmacy and Therapeutics (P&T) Committee through Section BB, Audit Trails for PDL and Manufacturer Drug Rebates	80

6	Schedule A – Statement of Work, Section 1.2 Transition through Section 1.11 Products and Services	45
7	Schedule A, Statement of Work, Section 2, Acceptance through Section 9, Service Level Agreements (SLA)	47
	Total	849

V. Pricing Summary

Pricing was evaluated for the bidders who passed technical. The following is a summary of their price proposals:

Prime Therapeutics State Government Solutions LLC - First Round

	Bid Package A	Bid Package B	Bid Package C
"Design, Development, Implementation (DDI) Total Fixed Price (from Pricing Schedule Tab B)	\$0	\$0	\$0
Operations Phase			
Contract Year 1 (from Pricing Schedule Tab C)	\$10,283,422	\$3,614,545	\$12,634,516
Contract Year 2 (from Pricing Schedule Tab C)	\$10,591,925	\$3,722,982	\$13,013,552
Contract Year 3 (from Pricing Schedule Tab C)	\$10,909,683	\$3,834,671	\$13,403,958
Total Operations Base Contract Fixed Price Amount	\$31,785,030	\$11,172,199	\$39,052,026
Total Evaluated Price (sum of DDI and Operations)	\$31,785,030	\$11,172,199	\$39,052,026

Prime Therapeutics State Government Solutions LLC - Second Round

	Bid Package A	Bid Package B	Bid Package C
"Design, Development, Implementation (DDI) Total Fixed Price (from Pricing Schedule Tab B	\$0	\$0	\$0
Operations Phase			
Contract Year 1 (from Pricing Schedule Tab C)	\$9,697,267	\$3,408,516	\$11,914,349
Contract Year 2 (from Pricing Schedule Tab C)	\$9,988,185	\$3,510,772	\$12,271,779
Contract Year 3 (from Pricing Schedule Tab C)	\$10,287,831	\$3,616,095	\$12,639,933
Total Operations Base Contract Fixed Price Amount	\$29,973,283	\$10,535,383	\$36,826,061
Total Evaluated Price (sum of DDI and Operations)	\$29,973,283	\$10,535,383	\$36,826,061

VI. Negotiations

Following completion of the technical evaluation, the single bidder was invited to submit second-round pricing. The bidder provided a reduction, as detailed in the Pricing Summary table above. The Bidder also provided additional estimated cost for identified option add-on services.

VII. Award Recommendation

Award recommendation is made to the responsive and responsible Bidder who offers the best value to the State of Michigan. Best value is based on the proposal meeting the minimum point threshold and offering the best combination of the factors stated in the *Proposal Instructions Evaluation Process* section, and price.

Prime Therapeutics State Government Solutions LLC provided the best value to the State. Best value factors for Award Recommendation include: Experience, ability to provide both components, and pricing.

As part of the best value determination, overall economic impact to the State of Michigan was considered and is not a determinative factor in making this award.

Award Recommendation is made to Prime Therapeutics State Government Solutions LLC in the amount of \$36,826,061.00.