

CHAPTER 67

AN ACT providing for the procurement by the State of a pharmacy benefits manager, automated reverse auction services, and claims adjudication services.

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

1. a. Notwithstanding the provisions of any other law to the contrary, a contract for the services of a Pharmacy Benefits Manager (PBM) for the State Health Benefits Plan (SHBP) or the School Employees' Health Benefits Plan (SEHBP) shall be procured in an expedited process and in the manner provided by this section.

b. The Division of Purchase and Property in the Department of the Treasury shall procure, without the need for formal advertisement, but through the solicitation of proposals from professional services vendors, from qualified vendors the following three services based upon price and other factors:

(1) technical assistance to the State to evaluate the qualifications of bidders on a PBM procurement and to provide online automated reverse auction services to support the Department of the Treasury in comparing the pricing for the PBM procurement. The technology platform shall, if possible, utilize a re-pricing of PBM proposals for the SHBP and SEHBP pharmacy spending utilizing code-based classification of drugs from nationally-accepted data sources of comparisons of the costs of PBM proposals;

(2) real-time, electronic, line-by-line, claim-by-claim review of invoiced PBM pharmacy claims using an automated claims adjudication technology platform that allows for online comparison of PBM invoices and auditing of other aspects of the services provided by the PBM; and

(3) a PBM and related services.

c. Notwithstanding the provisions of any other law to the contrary, for the purpose of expediting the procurements, the following provisions shall apply as modifications to law or regulation that may interfere with the expedited award of the above services:

(1) the timeframes for challenging the specifications shall be modified as determined by the division;

(2) in lieu of advertising in accordance with sections 2, 3, and 4 of P.L.1954, c. 48 (C.52:34-7, C.52:34-8, and C.52:34-9), the division shall advertise the request for proposals for the above services and any addenda thereto on the division's website;

(3) the period of time that the State Comptroller has to review the request for proposals for these professional services procurements for compliance with applicable public contracting laws, rules and regulations, pursuant to section 10 of P.L.2007, c.52 (C.52:15C-10), shall be 10 business days or less if practicable, as determined by the State Comptroller;

(4) the timeframes for submission under section 4 of P.L.2012, c.25 (C.52:32-58) and section 1 of P.L.1977, c.33 (C.52:25-24.2) shall be extended to prior to the issuance of a Notice of Intent to Award;

(5) the provisions of section 1 of P.L. 2005, c.92 (C.52:34-13.2) shall not apply to technical and support services, under this section, provided by a vendor using a "24/7 follow-the-sun model" as long as the contractor is able to provide such services in the United States during the business day; and

(6) the term "bids" in subparagraph (f) of subsection a. of section 7 of P.L.1954, c.48 (C.52:34-12) shall not include pricing which will be revealed to all responsive bidders during the negotiation process.

d. The division may, to the extent necessary, waive or modify any other law or regulation that may interfere with the expeditious procurement of these services.

e. “Reverse auction” means an automated bidding process conducted online that starts with an opening price and allows qualified bidders to counter offer a lower price, for as many rounds of bidding as determined by the division.

2. This act shall take effect immediately and shall expire after the award of the next PBM contract.

Approved November 21, 2016.