

March 5, 2018

Dear Manufacturer:

The purpose of this letter is to inform you that the Member States of the Sovereign States Drug Consortium (SSDC) are opening solicitations and negotiations for their multi-state rebate pool for diabetic supply rebates for calendar year 2019. Change Healthcare will again serve as the diabetic supply rebate vendor for the SSDC, with responsibility for soliciting, analyzing and negotiating diabetic supply rebate offers for the pool.

The current Member States of the SSDC include Delaware, Iowa, Maine, Mississippi, North Dakota, Ohio, Oklahoma, Oregon, Utah, Vermont, West Virginia, and Wyoming.

A general overview of the bidding timeline is as follows:

Event	Date
Manufacturers may begin making offers	March 26, 2018
Submission deadline	April 27, 2018
States review offers	August 1-3, 2018
Notification to manufacturers of each SSDC State final decision	December 7, 2018

Please go to the official SSDC website (http://www.rxssdc.org) to access the Electronic Offer Management System (eROMS https://eroms.rxssdc.org/) to submit a Diabetic Supply bid for CY2019. Before submitting an offer, please take the time to read the Diabetic Supply Offer Submission FAQ document, which is available on the SSDC website.

Offer submission considerations:

- All offer submission rates and offers need to be submitted per unit.
 - Example: A box of 100 strips that has an AWP/WAC rate listed per box needs to be divided by 100 to get to the individual strip unit price.
- If WAC rates are not published, you MUST include the AWP calculation used to calculate the WAC rate used for the bid submission. This information should be added under the comment section upon submission.
- Any manufacturer submitting special rebate offers for test strips must submit a bid for associated meters
 at zero cost to the Medicaid beneficiaries of the SSDC. Those meter offers can be entered into the
 eROMS system with a GNP of \$0.00, or % of WAC of 1.00.

Web Page: <u>www.rxssdc.org</u>

Email: <u>rxoffers@rxssdc.org</u>

Sovereign States Drug Consortium Diabetic Supply Rebate Solicitation March 5, 2018 Page 2

Please send any clarification requests to: rxoffers@rxssdc.org.

If Change Healthcare receives multiple offer submissions by a manufacturer for the same HRI/NDC for the same bid session, earlier submissions will be replaced with the newest offers submitted in the offer system, and that version will be presented to SSDC states.

The SSDC has established a deadline of April 27, 2018 for the submission of initial diabetic supply rebate offers. Offers received after that date will not be considered. The SSDC will meet to review the offers together and indicate their choices. Valid offers will receive notices on or about December 7, 2018.

Submitting a diabetic supply rebate offer does not guarantee that a product will be placed on a PDSL (Preferred Diabetic Supply List) and the lack of a diabetic supply rebate offer does not necessarily mean that a product will not be placed on a PDSL. SSDC states that currently have multi-year year diabetic supply rebate contracts with a select manufacturer or manufacturers may choose not to review the offers from other manufacturers received in this process. A manufacturer with a rebate contract with one or more SSDC states may improve its offer for 2019.

Any questions regarding the details of this process or requests for assistance may be directed to rxoffers@rxssdc.org.

Sincerely,

Sovereign States Drug Consortium Delaware, Iowa, Maine, Mississippi, North Dakota, Ohio, Oklahoma, Oregon, Utah, Vermont, West Virginia, and Wyoming

Web Page: www.rxssdc.org Email: rxoffers@rxssdc.org