

**Department of Transformation and Shared Services**

Governor Sarah Huckabee Sanders

Secretary Joseph Wood

Director Edward Armstrong

May 10, 2023

The Honorable Senator Terry Rice, Co-Chairperson  
The Honorable Representative Jeff Wardlaw, Co-Chairperson  
Arkansas Legislative Council  
State Capitol Building, Room 315  
Little Rock, Arkansas 72201

Dear Chairmen,

Under Arkansas Procurement Law, a contract that has a total projected contract amount of at least three hundred fifty thousand dollars (\$350,000) that is submitted for legislative review is required to be accompanied by a cover sheet that provides the following information:

- (A) A description of the services being procured;
- (B) A description of the procurement process followed, including without limitation the method used for the procurement; and
- (C) The outcome of any protests.

See Ark. Code Ann. § 19-11-265(a)(5).

In keeping with this requirement, I am writing to advise you that contract (4600052301), which is for pharmacy benefit management services, has been submitted to Arkansas Legislative Council (ALC) for review. The contract was awarded to Navitus Health Solutions, LLC (Navitus) by the Division of Employee Benefits (EBD) of the Department of Transformation and Shared Services (TSS) after consideration of various competing proposals submitted in response to a request for proposals (RFP).

A protest was raised in connection with the award on March 2, 2023. It was sustained, in part, and denied, in part, on April 5, 2023. It was determined that the issue complained of could be remedied by allowing all the qualifying vendors to submit a best and final offer (BAFO) that would give them all the same opportunity. A copy of the protest and the determination are attached.

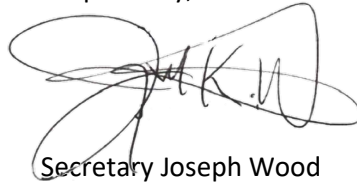
EBD subsequently revised the solicitation and sought a BAFO from each of the respondents on March 31, 2023 (which BAFO request was revised by Amendment 1 on April 10, 2023, with a corresponding response deadline of April 14, 2023). BAFOs were received from three offerors and considered as stated in the amended BAFO request. After notice was given that Navitus was the anticipated awardee, a protest was submitted regarding the BAFO request. It was a protest of aspects of the solicitation that were known or should have been known to the protestor before it submitted a new proposal. Such protests are required to be submitted "at least seventy-two (72) hours before" the deadline for submitting a proposal. Accordingly, it was denied. A copy of the second protest and its determination are attached.

Office of State Procurement

501 Woodlane Street, Suite 220 \* Little Rock, AR 72201 \* 501.324.9316

Should you have any questions, we will be glad to answer them.

Respectfully,

A handwritten signature in black ink, appearing to read 'J. Wood', with a large, stylized loop on the left side.

Secretary Joseph Wood  
Dept. of Transformation and Shared Services