State of Oklahoma
Office of Management and Enterprise Services
Central Purchasing Division

Amendment of Solicitation

Date of Issuance: 03/21/2014 **Solicitation No.** 1310003817

Requisition No. 1310016226 **Amendment No.** 2

Hour and date specified for receipt of offers is changed: ☒ No ☐ Yes, to: _____ 3:00 PM CST/CDT

Pursuant to OAC 580:16-7-30(d), this document shall serve as official notice of amendment to the Solicitation identified above. Such notice is being provided to all suppliers to which the original solicitation was sent.

Suppliers submitting bids or quotations shall acknowledge receipt of this solicitation amendment prior to the hour and date specified in the solicitation as follows:

(1) Sign and return a copy of this amendment with the solicitation response being submitted; or,

(2) If the supplier has already submitted a response, this acknowledgement must be signed and returned prior to the solicitation deadline. All amendment acknowledgements submitted separately shall have the solicitation number and bid opening date printed clearly on the front of the envelope.

ISSUED BY and RETURN TO:

U.S. Postal Delivery or Personal or Common Carrier Delivery:

Office of Management and Enterprise Services,
Central Purchasing Division
Will Rogers Building
2401 N. Lincoln Blvd., Suite 116
Oklahoma City, OK 73105

GERALD ELROD
Contracting Officer

(405) - 521 - 4058
Phone Number

GERALD.ELROD@OMES.OK.GOV
E-Mail Address

Description of Amendment:

a. This is to incorporate the following:

The Supplier questions and State answers are attached. Where the answers modify the specifications, the answers take precedence.

b. All other terms and conditions remain unchanged.

Supplier Company Name (**PRINT**) Date

Authorized Representative Name (**PRINT**) Title Authorized Representative Signature

1. Regarding the current contract rate for pharmacy services, what is the current dispensing fee? All requests for records must be submitted to Central Purchasing separately.
2.
3. What is the average dollar amount spent per month on pharmacy over the past 12 months? Average Monthly Invoice for the past 12 months is $1,140,500

4. Do any of your facilities have a state pharmacy, clinic, and/or DEA license? No

5. How does your current vendor destroy controlled substances, as they cannot be returned and a reverse distributor may not be permitted to receive returned patient-specific medication? This is handled by the current vendor per state, local and federal regulations.

6. What is your current order cutoff time for new and refill orders? Does this time work well for the DOC? 4:00 PM CST, yes this time works well for the DOC.

7. Quite often, bidders are seen providing medication acquisition costs that are simply misleading or inaccurate, or providing acquisition costs for products that are short-dated and therefore priced at a substantial discount. So that the DOC can ensure complete transparency in the pricing component of the RFP, question any glaring discrepancies among bidders, ensure the integrity of the bid process, and comply with section A.10.2. (solicitation package page 6) and Attachment B - Pricing, will you require all bidders to submit their most recent wholesaler invoices and submit the NDCs for the drugs they list on the pricing form? If we see large discrepancies, what do we want to do about them? The DOC reserve the right to request additional information if they deem necessary in the evaluation process.

8. Section B.14.1. (solicitation package page 13) requires a $5,000,000 performance bond maintained for the entire term of the contract. A $5,000,000 performance bond is usually seen with medical service procurements, but typically not with pharmacy procurements. Such a lofty bond requirement greatly adds to the overall cost of the contract, as it must be renewed yearly at a significant cost. Would the DOC consider lowering the bond requirement to a level of $500,000, as this bond value is more often seen with a pharmacy procurement? Please refer to B.14.1. – the $5,000,000 will stay the same.

9. Section C.3.1. (solicitation package page 15) states that the contractor must supply equipment. What current equipment is the incoming vendor required to replace? Can you provide an itemized list? Please refer to C.3.5., We currently have 88 medication carts and 65 barcode scanners.

10. Section C.3.4. (solicitation package page 16) indicates that medications may at times be dispensed in 7-day packaging. How often and under what circumstances is 7-day packaging required? How often and under what circumstances are based from what the attending physician has stated on the prescription.

11. Regarding section C.3.5. (solicitation package page 16), how many current barcode scanners does the incoming vendor need to replace? 65

12. Regarding section C.3.9. (solicitation package page 16) :

- What is the name of the current DOC electronic health records (EHR) system? MedUnison DocSynergy EHR
- Does this system have the ability for computerized provider order entry (CPOE) and electronic

medication pass? Yes

- Is the system owned by the OK DOC, or is the system provided by the current/incumbent vendor? Third Party
- Can you provide an employee of the EHR contractor whom bidders can contact to ask about the cost of any additional one-time and/or annual service fees required of the bidder?
- How much does your incumbent provider pay the EHR provider annually? Wes Wilkey, Chief Executive Officer, MedUnison. (978-456-7894
- Section C.3.9. indicates that the current EHR system is used for prescription order transmission, but section C.3.10. states that the vendor is responsible for providing a system for prescription order transmission. Can you resolve this discrepancy? Not all orders are done via EHR, some are transmitted via facsimile phone lines.
- Are bidders to provide laptops or workstations for order entry? If so, how many? No, refer to C.3.10
- Does the DOC expect the pharmacy to pay any annual service fees the EHR system charges for integration? In other words, if your software vendor (as part of its contract with the DOC) charges an annual fee for the pharmacy to interface with the system, does the DOC expect the pharmacy vendor to pay, or does the charge fall under the contract between the DOC and EHR vendor? Between MedUnison and Vendor

13. Regarding section C.3.10. (solicitation package page 16), does the DOC expect that CPOE will happen in the EHR system as well as a contract-provided system for **new** patient and/or stock orders? Or, is this only for refills of existing orders? EHR takes care of this.

14. Regarding section C.3.12. (solicitation package page 16), does an established HL7 interface that includes ADT messaging with the EHR company meet the DOC's requirements to disregard direct interaction with the offender management system (OMS)? Yes

15. Regarding section C.3.13. (solicitation package page 16), must the contractor use the exact language (that is, refill request received, refill too soon, invalid Rx number, cancelled, shipped, pharmacy follow-up required) listed under this requirement, or can the contractor use alternate text that fulfills the same functions? Refer to C.3.38 – shall use industry standard language

16. Regarding section C.3.14 (solicitation package page 16), because telephone messages can be lost (i.e., mistakenly deleted) or not forwarded to additional staff, will the DOC permit the vendor to use other methods to notify facilities of any new orders that cannot be delivered within the required 24 hours/next-business-day? Additionally, the vendor could have difficulty proving that it called the facility in such cases and thus met this requirement. Emails can go unanswered, They should call First! If no answer then FAX and Email should both be required. Telephone, plus a follow up with a fax of the person they spoke to.

17. Regarding section C.3.44. (solicitation package page 19), what is the proposed method for obtaining the patient drug database/file from the current vendor? Will the file be provided in an electronic format that can be imported to a file agreeable to the DOC? DOC will work with current and new vendor to transfer DOC owned files.

18. Regarding the evaluation criteria in section D.1.2. (solicitation package page 19), what weighting factors (percentages) will be used for each criterion to tabulate the final score (i.e., what percentage of the final score will be derived from each component: pricing, VPAT, etc.)? Do we really want to answer

this? The specific weighting will not be disclosed prior to the award of the RFP, to ensure all Suppliers submit a thorough and complete response.

19. Regarding section E.4.2.1. (solicitation package page 21), bidders are to respond to each item in Sections C.1., C.2., and C.3. in their proposals. Should bidders also respond to each item in sections E.4.3., E.4.4., and E.4.5., as well as each item in the pricing attachments? Each item in Sections E and H does not need to be specifically responded to, but a vendor should include all information requested in each of the sections, as described, to ensure a complete response.

20. For inmates housed at the facilities listed in Attachment A.2, is the pharmacy vendor expected to ship ordered medications directly to these facilities? Yes
- If so, will the DOC pay additional shipping fees to cover the costs? No, FOB Destination
- If so, what is the average number of prescriptions shipped to each location per month for the past 12 months? The total average number of prescriptions to facilities in A.2. is 1490 per month.

21. Regarding Attachment B - Pricing:
- How many decimal places should vendors use in their submitted prices? For example, 2 decimal places ($0.00), 3 places ($0.000), 4 places ($0.000) 2 Decimal
- Line 49, COMBIVENT metered-dose inhalers (MDIs) are no longer available. Can this item be removed, or should bidders submit a price of $0.00? Cross off list
- Lines 57 (divalproex sodium DR 500 mg) and 58 (divalproex sodium DR 250 mg), should bidders submit pricing for the enteric-coated (EC) or extended-release (ER) formulation? Extended - Release

22. Regarding Attachment D – Performance Measures and Liquidated Damages, can you provide an itemized list of liquidated damages assessed by the OK DOC for calendar year 2013? Before assessing any liquidated damages, will you consider reasonable exceptions that are beyond the control of the pharmacy vendor (such as weather-related delays or mechanical failure experienced by common carriers such as UPS and FedEx)? For this contract none in 2013, reasonable exceptions are taken into consideration.

23. A pharmacy cannot dispense more than 5 percent of its sales to your facilities as stock and still comply with section C.3.6. (Federal Register, Vol. 64, No. 232, 21 CFR Parts 203/205, III, H, 4). Therefore, to legally comply with federal regulations, a bidder must be a licensed wholesaler to distribute wholesale quantities of stock medications (greater than a “minimal amount”) into your state.
- To ensure that bidders already comply with this federal requirement, will you require them to disclose in their proposals the percentage of their current sales that are for stock medications? (This is the only means in which the OK DOC can verify a bidder is compliant.) Refer to C.1.2., E.4.3.5
- If not, how will the DOC ensure that bidders comply and will not subject your facilities to disciplinary action for not utilizing a properly licensed wholesaler for stock medications? Refer to C.1.2., E.4.3.5
- Will you require each bidder to provide evidence/documentation in its proposal to prove that it is a wholesaler? If not, how will you ensure full compliance with this requirement prior to making an award? Refer to C.1.2., E.4.3.5
- Will failure to provide proof of compliance with federal regulations, specifically this requirement, deem a bidder non-responsive and therefore ineligible for an award? Refer to C.1.2., E.4.3.5

24. The National Association of Boards of Pharmacy (NABP) and the state boards of pharmacy developed

the Verified-Accredited Wholesale Distributor (VAWD) program to help protect the public from counterfeit, adulterated, and substandard drugs. The initiative received the support of the U.S. Food and Drug Administration (FDA). Since its launch, over 550 wholesalers across the country have become VAWD-accredited. In a recent report on counterfeit drugs, the Institute of Medicine recommended that all state boards of pharmacy should require VAWD-accreditation as a prerequisite for licensure as a wholesaler.

- Will you mandate that each bidder be a licensed wholesaler and a Verified-Accredited Wholesale Distributor (VAWD), developed and supported by the NABP (National Association of Boards of Pharmacy)? Refer to C.1.2., E.4.3.5
- Will you require bidders to submit documentation in their proposals? Refer to C.1.2., E.4.3.5

25. A wholesaler can sell products **only** in the original manufacturers' containers. (21 USC 352.) For a wholesaler to **legally sell repackaged stock blister cards**, the wholesaler must use a secondary vendor (an FDA-registered repackager) to **produce** a new package with a new labeler code. Otherwise, the wholesaler can sell stock only in the original manufacturers' bulk bottles.

- To ensure compliance with federal regulations, will you require bidders to provide evidence (repackager's license and labeler code) in their proposals to prove that they use an FDA-registered repackager? (This is the only means to ensure compliance.) If not, how will you ensure full compliance with this requirement prior to making an award? Refer to C.1.2., E.4.3.5
- Will failure to provide proof of compliance with federal regulations, specifically this requirement, deem a bidder non-responsive and therefore ineligible for an award? Refer to C.1.2., E.4.3.5

26. A pedigree is a statement of origin that traces a drug from the point of manufacture and contains information about all transactions that the product undergoes until it reaches the end user. The Prescription Drug Marketing Act of 1987 (PDMA) **requires** wholesalers to provide pedigree papers with all stock medications to help ensure the integrity and reliability of the stock medication you administer to your patients. (CPG Sec. 160.900 Prescription Drug Marketing Act – Pedigree Requirements under 21 CFR Part 203.)

- Will you require bidders to provide FDA-mandated pedigree papers for stock medications? Refer to C.1.2., E.4.3.5
- Will you deem bidders that choose not to, or cannot, provide pedigree papers to ensure the integrity of your supply line as non-responsive and therefore ineligible for an award? Refer to C.1.2., E.4.3.5

27. True unit-dose dispensing is required in many states, and is the only way to guarantee the integrity of the dispensed tablets, the lot number, and expiration date of medications reclaimed by a pharmacy vendor from facilities around the country. A pharmacy vendor that dispenses medications in blister cards (both stock and patient-specific) is not enough; they must individually label each bubble of the blister card with a medication's name, strength, manufacturer, NDC number, lot number , and expiration date to be considered true unit-dose. Failing to do so causes a pharmacy to lose accountability of a medication's lot number and expiration date during a drug recall which could cause patient harm, not to mention legal action against your facility.

- Will you mandate that bidders fully comply with this requirement at the time of proposal submittal so they can legally reclaim medications and provide credit to your facilities? Refer to C.1.2., E.4.3.5
- Will you deem bidders that choose not to, or cannot, label each bubble of a blister card with the required information for unit-dose packaging as non-responsive and therefore ineligible for an award? Refer to C.1.2., E.4.3.5
- Will you require bidders to include a sample blister card with their proposals as proof of compliance

with this requirement? If not, how will you determine if bidders are properly labeling their blister cards before an award is granted? Refer to C.1.2., E.4.3.5

28. Does your current EHR system provide electronic medication administration record (eMAR) functionality? If so, do you use the eMAR component? Or, would you like the pharmacy vendors to detail their eMAR capabilities in their proposals? Yes the current EHR system provides eMar. Yes we use this component. If the Vendor wants to list their capabilities it is at their discretion.

29. Will there be an opportunity to ask more questions in the event responses are not clear? If Suppliers have additional questions they should be directed to the contracting officer, but we cannot guarantee they will be addressed.

30. What percentage of your medications ordered each month are stock vs. patient specific prescriptions? Information not available.

31. Would you please provide a copy of the current pharmacy services contract? NO

32. Do the facilities have high speed internet connectivity-Broadband, DSL, or dial up? Yes, we utilized high speed internet. The specific connectivity depends on the facility.

33. What are the pricing terms of your current pharmacy agreement? (i.e. average wholesale price less a discount, or acquisition cost plus a dispensing fee, etc.). Acquisition Cost plus dispensing fee less any rebates given

34. How much does your department currently spend annually for pharmacy services? $13,685,508

35. How many inmates receive Hep C treatment? What is the nature of the treatment? HCV Patients: 1 per month(avg); various therapies are utilized depending on instructions from the physcian

36. How are medications delivered and dispensed: patient-specific or stock/pill line? Both depending on physcian's instructions.
37. Is there a self-administration or "keep-on-person" medication system? Yes

38. Please provide the average number of prescriptions per inmate. 4

39. Please provide the number of HIV patients and the number of inmates on HIV therapy by drug type? HIV Patients: 135 per month(avg) various therapies are utilized depending on instructions from the physcian

40. Are facilities currently licensed (permitted) by the Oklahoma Board of Pharmacy? No

41. Are the facilities currently registered by the U.S. Drug Enforcement Administraion (DEA) to receive stock Controlled Substances? No

42. Please describe the terms of your current returns process. Refer to question 4.

43. On page 16, Section C.3.5, the RFP indicates that the Contractor shall provide barcode scanners,

medication carts and medication bins for each facility, with the number of each item to be determined by the Director of Pharmacy Services or designee. Is there an estimate available of these numbers that could help us to be more precise in our bid calculations? Refer to question 8.

44. Section C.3.9 indicates that the Contractor will be responsible for any one-time and annual service fees for integration of the orders with the EHR system as may be required by the EHR Contractor. Is there an estimate available of these one-time and annual service fees? Refer to question 11 and 12.

45. Several sections refer to a structured interface with the DOC EHR system. Can more description of the DOC EHR system be provided? Does the DOC EHR system include a provider prescription ordering component that could feed into the Contractor pharmacy system through an interface or is the Contractor required to interface an ordering system for use in conjunction with the DOC EHR? Refer to question 11 and 12.

46. The EHR interface is to be two-way. Is there a file layout listing the expected data fields that would be sent from the Contractor pharmacy system back to the EHR? Refer to question 11 and 12

47. Do we read Section E.3 correctly to mean that you want to receive ONLY two electronic copies and no paper copies of the proposal submission? This is correct.

48. B.14 Performance Bond The 2013 RFP requires a $5.0 million performance bond, which is consistent with the 2009 initial RFP requirements. The State amended those requirements and reduced the bond to $2.0 million which is included in the current contract. Would the State consider amending the current RFP requirements to be consistent with prior experience? Refer to question 7.

49. C.2.1 OK DOC Health Care System The RFP states that there are approximately 26,000 offenders covered throughout the 24 Medical Service Units. Reported offenders in the current contract are approximately 20,000. Could the State clarify what additional population is expected to be served under the new procurement? The figures are based off of offenders in Attachment A.1 and A.2. The state reserves the right to add or subtract from the current offender count and facilities listed in the attachments.

50. C.3.5 Contractor Scope of Work Could the State please provide the current number of barcode scanners, medication carts and medication bins that exist today and will be available to the successful vendor? Refer to question 8.

51. C.3.5 Contractor Scope of Work Will the successful vendor be responsible for reimbursing the current vendor the net book value of the medication carts that are currently in use at the correctional facilities? This will be between the vendors.

52. C.3.10 Contractor Scope of Work Will the State provide all computers necessary in the facilities for the online ordering system, including any additional needs beyond existing computers? Refer to question 11

53. C.3.10 Contractor Scope of Work Will the State be financially responsible for the cost of all network costs and telephone lines in association with the electronic data entry and backup fax ordering of pharmaceuticals? Refer to question 11

54. H.2.1 Rate Structure and Pricing Given that drug prices fluctuate often and can be volatile at times, could the State please provide a specific date which all bidders should use to determine their acquisition cost. This will provide the State with consistent pricing to compare across all bidders. Vendors discrection

55. H.2.2 Rate Structure and Pricing The RFP requires that acquisition cost be listed as our actual cost including negotiated purchasing volume incentives and any rebates, discounts and markdowns. Is the State going to require supporting documentation for computations on these costs. Without independent documentation (copies of wholesaler invoices, rebate or discount agreements, etc.), the State can receive bids that are artificially deflated and not related to the actual costs that will be incurred once services commence. Refer to question 6

56. H.2.2 Rate Structure and Pricing Acquisition Cost as defined implies the drug cost from a wholesaler or distributor. The RFP also requires that the vendor maintain a network of backup pharmacies in the State where orders will not be available at the same acquisition cost. Please clearly define what the State will reimburse for these backup pharmacy orders – the vendor's normal acquisition cost or the actual cost charged by the backup pharmacy providing the medications. DOC will reimburse for the vendors cost to purchase a drug with vali documentation.

57. H.2.2 Rate Structure and Pricing The current contract delineates a sub group of inmates as the Tulsa District Offenders which are reimbursed at rates no more than Medicaid plus a per prescription fee. Please clarify if the Tulsa District Offenders are included in this RFP, and if so, if their prescriptions are expected to be billed at acquisition cost. Yes, they are expected to be billed at acquisition cost.

58. H.2.2 Rate Structure and Pricing The current contract delineates a sub group of inmates known as the House Bill 3336 offenders which are reimbursed at rates no more than Medicaid. Please clarify if the House Bill offenders are included in this RFP, and if so, if their prescriptions are expected to be billed at acquisition cost. Yes

59. County Jail Listing The attachment includes approximately 100 jail facilities across the state. Are these facilities included as potential delivery sites for DOC inmates only? Or is it the intention of the DOC for the vendor to provide pharmaceuticals to County/local jail inmates and detainees? Yes, they are included as potential delivery sites for DOC offenders. This RFP only applies to DOC offenders that are housed at County/Local Jails

60. B.15 Would the State agree to work with the successful vendor to set appropriate compliance thresholds for the Performance Measures before assessing liquidated damages? Refer to question 7.

61. C.3.10 Will the DOC be using the vendor system for reorders and new orders or will new orders only come thru the DOC EHR? Refer to question 12.

62. C.3.9 Is the "EHR system Contractor" currently charging an integration fee? If so, how much is the "one-time" fee? How much is the "annual service fee"? Refer to question 11.