Request for Proposal

Hemophilia Health Services 340B Contract
Pharmacy Program
March 12, 2013

A VASCUPP Member Institution
Issued by
Procurement and Supplier Diversity Services
Charlottesville, Virginia
I. GENERAL INFORMATION

Request for Proposal Name: Hemophilia Health Services 340B Contract Pharmacy Program

RFP Number: #KC031213

Issue Date: March 12, 2013

Brief Description: The University of Virginia (the “University”) seeks a firm to provide Hemophilia Health Services 340B Contract Pharmacy Program (the “Goods and Services”). The Goods and Services would include the purchasing and delivering of clotting medications and supplies directly to individuals and families at discounts from drug manufactures pursuant to Section 340B of the Public Health Service Act.

History: In 1992 Congress enacted Section 340B of the Public Health Service Act. This law requires pharmaceutical manufacturers participating in the Medicaid program to enter into an agreement with the Secretary of the Department of Health and Human Services (HHS) under which the manufacturer agrees to provide discounts on covered outpatient drugs purchased by designated government-supported facilities called “covered entities” that serve the most vulnerable patient populations.

The hemophilia and bleeding disorder population is one of the vulnerable patient population groups. They are provided care by designated Hemophilia Treatment Centers. Many of these Hemophilia Treatment Centers are covered entities for 340B programs. The University’s Hemophilia Treatment Center is a covered entity for 340B programs. The University serves a pediatric population with about 200 active patients in its treatment center.

The University is seeking a specialty contract pharmacy to partner with The University to provide contract pharmacy services for our 340B program for hemophilia and bleeding disorder patients.

Pre-proposal Questions: Any questions concerning this RFP must be sent via email, to the University Buyer listed in the “Communication” section below, no later than 12:00 p.m. EDT on Thursday, March 28, 2013 in order to guarantee a timely response prior to the proposal due date.

Proposal Due Date: Proposals are due by 9:00 a.m. EDT, Thursday, April 11, 2013. Proposals must be submitted via electronic mail (e-mail) to kc5yc@virginia.edu. Proposal documents should be formatted in Microsoft Word or Adobe PDF.

Trade secrets, confidential, and / or proprietary information submitted within a proposal, for which the firm seeks protection from public disclosure, must follow the detailed instructions for handling such within: Section IV., Virginia Freedom of Information Act.

Negotiations: Negotiations, with University identified finalists, will be held the week of April 22, 2013 and April 29, 2013 (dates which are subject to adjustment by the University) and the University most likely will request for the negotiations to take place face to face on Grounds at the University.

Expected Award Date: May 31, 2013
Term of Agreement: The expected term of any resulting Agreement will be for one year, with the ability to renew on the same or similar terms and conditions, for two additional three-year periods if mutually agreeable to the University and the Selected Firm(s).

Communication: During the RFP process, all communication in regards to the RFP must be directed to: Kevin Crabtree, Senior Buyer, (email) Kc5yc@virginia.edu, and (phone) (434) 924-4219.

Small, Woman, and Minority (“SWaM”) related questions and subcontracting opportunities should be directed to: Les Haughton, Director of Supplier Diversity, (email) SWAM@virginia.edu, and (phone) (434) 924-7174.

This RFP has been posted on Procurement and Supplier Diversity Services web site for your convenience. Addenda and attachments are posted if issued. The RFP can be downloaded at this web site: http://www.procurement.virginia.edu/pagerfp. It is the firm’s responsibility to ensure that the latest version of the entire RFP and related links are reviewed prior to submission of a proposal. We encourage you to check the web site frequently for any changes prior to the due date. Call (434) 924-1346 if you have trouble accessing the RFP from the web. For questions about the content of the RFP, contact the buyer listed above. Additional information can be found on Procurement and Supplier Diversity Services web site: http://www.procurement.virginia.edu.

For ease of reference, each firm or individual receiving this RFP is referred to as a “firm” and the firm or individual selected to provide services for the University is referred to as the “Selected Firm.” This RFP states the instructions for submitting proposals and the procedure and criteria by which a firm may be selected.

II. SCOPE OF GOODS & SERVICES

The University seeks a qualified firm to be able to meet the University’s Hemophilia Health Services 340B contract Pharmacy Program needs (the “Goods and Services”). The Goods and Services provided shall include, but not be limited too, the following:

A. General Goods and Services will include
   1. Provide delivery of product within 24 hours of order placement. The University’s preference is for the Selected Firm to have access to an East Coast pharmacy site in order to meet this delivery timeline requirement. Delivery of product will be directly to the home addresses of the University’s Hemophilia Patients (“Patient”). The University’s Patient homes are up to 300 miles away from Charlottesville, Virginia.
   3. Have and obtain ability to purchase factor products from the manufactures at either 340B and / or prime vendor pricing

B. Customer Service will include:
   1. Provide a primary account representative who is knowledgeable about all aspects of the Goods and Services and is always accessible by phone during regular working hours to address emergency and non-emergency issues posed by the University.
   2. Provide 24 hour a day, 365 days a year toll free pharmacy ordering services, with a hemophilia trained pharmacist available for questions and concerns, from all Patients.
4. Provide coordination of factor shipments to ensure patient convenience.
5. Provide customized ancillaries to support patient/caregiver technique and compliance.
6. Create, implement, and manage a Patient marketing plan that will increase Patient enrollment within the Firm’s 340B pharmacy program. Marketing services will include, but not be limited too, providing the University with educational/marketing brochures about the program to be handed out to Patients.

C. Quality control Services to include:
   1. Utilize refrigeration dispensing equipment that separates inventory and ensures 100% accuracy in order fulfillment.
   2. Provide withdrawal and recall alerts.
   3. Provide medication adherence follow-up.
   4. Provide waste disposal services.
   5. Ensure only University Patients are enrolled and participating in the program.

D. Reporting Services will include:
   1. Provide weekly order information.
   2. Provide proactive monthly inventory assessments.
   3. Quarterly on-site business reviews.
   4. Provide monthly reports on home infusion logs and factor lot archives.

E. Payment Processing Services will include:
   1. Ability to acquire and negotiate payer contracts.
   2. Provide claim processing and billing.
   3. Provide bill collection services.
   4. Control accounts receivable from insurance payers.

F. Pricing and Fees:
   1. Provide the clotting medications and supplies to be provided.
   2. Provide the prices of providing the Goods and Services in a “cents per unit” proposal.

III. BASIS OF SELECTION

Proposals will be evaluated based upon the overall merits/value of the proposal including, but not limited to, price. The University will evaluate proposals, and if a firm is to be selected, select the firm on the basis of:

A. The firm's plan to provide the University with the Goods and Services as described in Section II;
B. The firm’s experience and references in providing Goods and Services similar to those described in this RFP, (References preferably from other Higher education clients);
C. The firm’s financial proposal including, but not limited to product discounts, service charges, and a rebate program;
D. The quality of the proposal, specifically, responsiveness to the requirements and adequacy of information provided; and
E. The firm’s Small, Woman-owned and Minority-owned (“SWaM”) business status and/or the firm’s plan for utilization of SWaM businesses. For more information about SWaM and the University’s SWaM plan, please see the letter in Attachment 1 and refer to the following site: www.procurement.virginia.edu/main/publicpostings/rfp/SWAMplan.pdf
Note 1: A 10% minimum weight will be given to this criterion in evaluating proposals.
Note 2: Any questions related to SWaM business and SWaM subcontracting opportunities can be directed to Les Haughton, Director Supplier Diversity at (434) 924-7174 or lh7sn@virginia.edu.

IV. CONTENTS OF PROPOSAL

Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis will be on completeness and clarity of content, and will be organized in the order in which the requirements are presented in the RFP.

A. Firms will provide the following information:
1. A detailed description and the full specifications of the equipment and services proposed. Each firm will indicate in its proposal the firm’s ability to achieve/comply with each specification. In the event that the firm wishes to propose an alternate specification that, in any way, differs from the above specifications, the firm will detail the proposed change(s) and how the proposed change would compare to the listed specification. Proposals will be formatted in such a way to address each of the above specifications in a line-by-line process. Include example marketing brochures that will be customized to the University program.
2. A brief history of the firm and its experience, qualifications and success in providing the type of product requested.
3. Response to each question within Attachment 3, “University’s 340B Contract Pharmacy Questions”.
4. The estimated implementation timeline for the Goods and Services of the Program to be fully up and running after a Notice of Award.
5. The firm’s financial proposal for providing the Goods and Services.
6. At least three references where similar goods and/or services have been provided. Include the name of the firm / organization, the complete mailing address, and the name of the contact person and telephone number.
7. The firm’s Small, Woman-owned and Minority-owned (SWaM) businesses status and/or how the firm intends to utilize SWaM firms in regards to this particular procurement.
8. Provide a list of institutions of higher education with which the firm has signed a term contract.
9. Provide the amount of annual sales the firm has with each VASCUPP Member Institution. A list of the VASCUPP Members can be found at https://vascupp.org
10. Complete and return the information requested in Attachment 2, Firm Information.

NOTE: Virginia Freedom of Information Act
Except as provided, once an award is announced, all proposals submitted in response to this RFP will be open to inspection by any citizen, or interested person, firm or corporation, in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by a firm prior to or as part of its proposal will not be subject to public disclosure under the Virginia Freedom of Information Act only under the following circumstances: (1) the appropriate information is clearly identified by some distinct method such as highlighting or underlining; (2) only the specific words, figures, or paragraphs that constitute trade secrets or proprietary information are identified; and (3) a summary page is supplied immediately following the proposal title page that includes (a) the information to be protected, (b) the section(s)/page number(s) where this information is
found in the proposal, and (c) a statement why protection is necessary for each section listed. The firm must also provide a separate electronic copy of the proposal (CD, etc.) with the trade secrets and/or proprietary information redacted. *If all of these requirements are not met, then the firm’s entire proposal will be available for public inspection.*

**IMPORTANT:** A firm may not request that its entire proposal be treated as a trade secret or proprietary information, nor may a firm request that its pricing/fees be treated as a trade secret or proprietary information, or otherwise be deemed confidential.

### V. TERMS AND CONDITIONS

A. This solicitation and any subsequent award is subject to:

1. The Selected Firm registering as a vendor with the University of Virginia.  
   [https://www.procurement.virginia.edu/pagevendorregistrationform](https://www.procurement.virginia.edu/pagevendorregistrationform)

2. Unless otherwise deemed appropriate by the University, the Selected Firm(s) will enroll in one of the University approved methods for receipt of electronic payments. Accordingly, the Selected Firm agrees to accept Bank of America’s (“BoA”) ePayables® method of electronic payment or BoA’s PayMode® method of electronic payment.

3. The Selected Firm registering and accepting eVA Terms and Conditions prior to award.  

4. The University’s Mandatory Contractual Provisions:  

5. The University’s Preferred Contractual Provisions:  

6. The University’s Data Protection Addendum:  
   [http://www.procurement.virginia.edu/pagedataprotadd](http://www.procurement.virginia.edu/pagedataprotadd)

7. The University’s Business Associate Addendum:  
   [http://www.procurement.virginia.edu/pagebusinessadd](http://www.procurement.virginia.edu/pagebusinessadd)

**Note:** Unless a firm *expressly and specifically states its exception* to any of the Preferred Provisions in its written proposal, then the proposal from the firm will automatically be deemed to include those Provisions.

8. The University's Procedure for Resolution of Contractual Claims  

9. Insurance

   Listed below is the insurance the Selected Firm must maintain under any Agreement resulting from this RFP. In no event should the Selected Firm construe these minimum required limits to be its limit of liability to the University. The Selected Firm will maintain insurance which meets or exceeds the requirements of the University with insurance
companies that hold at least an A- financial rating with A.M. Best Company. No Agreement will be executed by the University until the Selected Firm satisfies the insurance requirements of the University. The Selected Firm may be required to provide the University with a valid Certificate of Insurance before providing any goods or services to the University. The University reserves the right to approve any insurance proposed by the Selected Firm.

**Commercial General Liability:**
The Selected Firm and any Subcontractor will provide a minimum combined single Limit of Liability for bodily injury and property damage of $2,000,000 per occurrence and an aggregate of at least 4,000,000 with coverage for the following:
- {X} Premises/Operations
- {X} Products/Completed Operations
- {X} Contractual
- {X} Independent Contractors
- {X} Personal Injury
- {X} Additional Insured*

**Automobile Insurance:**
The Selected Firm and any Subcontractor will provide a minimum combined single Limit of Liability for bodily injury and property damage of $300,000 per accident with the following coverages for vehicles operated by their employees.
- {X} Any Automobile
- {X} Owned and Non-Owned Automobiles

**Professional Liability:**
The Selected Firm and any Subcontractor will maintain professional medical malpractice liability coverage, and professional errors and omissions coverage covering the services as set forth in this RFP particularly as it relates to 340B Federal Program compliance requirements, of at least $2,000,000 and an aggregate limit of not less than $4,000,000 during the contract period, with coverage maintained for an additional two years beyond the contract period or alternatively with extended reporting period coverage of at least two years provided at the end of the contract period for claims-made policies.

**Cyber Risk Insurance:**
The selected Firm and any Subcontractor will maintain a minimum of $1,000,000 per occurrence of Cyber Risk insurance to include privacy injury liability as well as data breach exposures.

*Additional Insured:
The University will be named as an Additional Insured, and the proper name is: "The Commonwealth of Virginia, and the Rector and Visitors of the University of Virginia, its officers, employees, and agents."

10. **PCI DSS Compliance**
Diversified may accept credit card payments from the University for the Services described in this Agreement. Diversified acknowledges and agrees that it is responsible for the security of any cardholder data that it processes, transmits or stores, and warrants that Diversified is, and will remain at all times during the term of this Agreement (and any subsequent renewal periods), in compliance with the PCI DSS (Payment Card Industry (PCI) Data Security Standard (DSS), a copy of which is available at: [https://www.pcisecuritystandards.org/pdfs/pci_dss_saq_navigating_dss.pdf](https://www.pcisecuritystandards.org/pdfs/pci_dss_saq_navigating_dss.pdf). Diversified will take all necessary steps to ensure such compliance; such as, but not limited to, no cardholder or magnetic stripe information will be stored in a database or internet
storage device or space; only truncated card information will be provided on the sales slip provided to the cardholder; all merchant sales slip copies will be physically protected against unauthorized access; any media device storing cardholder information (e.g. wireless terminal) will be physically protected against loss, theft or unauthorized access; and hardcopy cardholder data will be destroyed before physically disposed of. The Selected Firm will maintain appropriate documentation of: (1) their processing level (Level 1-4) including certification of compliance and certification of compliance for all point-of-sale software or internal processing systems that they may employ; and (2) completed Quarterly Network Scans of all outwardly facing IP addresses (as defined in PCI DSS) for those firms required to perform such scans. Diversified further agrees to use only credit card service providers that are PCI DSS compliant for credit card processing. Diversified will indemnify, defend and hold harmless the University and its employees, trustees, officers, and agents, from and against all damages, judgments, losses, and reasonable costs or expenses (including reasonable attorney’s fee) (“Damages”) arising from lawsuits, actions, claims or demands by the (“Claims”) seeking compensation for personal injury or property damages caused by or attributable to any data security compromise occurring as a result of Diversified’s negligence or the breach of any of Diversified’s obligations herein.

11. Formation of the Agreement with the Selected Firm

All proposals received will first be carefully evaluated by the University, and then the University intends to conduct negotiations with two or more firms. After negotiations have been conducted, if the University chooses to make award, the University will select the firm which, in its opinion, best meets the needs of the University. Alternately, if the University determines in writing and in its sole discretion that only one firm is fully qualified, or that one firm is clearly more highly qualified than the others under consideration, it may decide to negotiate and award an agreement to that single firm. In either event, the University intends to execute a mutually satisfactory written agreement which will reflect and largely incorporate this RFP as reconciled with any pertinent documents, such as the proposal submitted and relevant negotiation correspondence.

Because the University may choose to negotiate and award to a single firm as discussed above, each firm must include in its written proposal all requirements, terms or conditions it may have, and should not assume that an opportunity will exist to add such matters after the proposal is submitted.

Any firm(s) invited to negotiations should note that the University reserves the right to begin negotiations by combining the best aspects of submitted proposals from all responding firms as the basis for subsequent formation of any Agreement resulting from this RFP.

Firms should also note that, as described above, certain matters will automatically be deemed part of the proposal.
Greetings:

The quality of service the University of Virginia is able to deliver to its customers is directly related to the excellent support we receive from you and many other outstanding suppliers of goods and services. Without you, we would not be able to fulfill our educational, health care and research missions. An important part of our procurement program involves our commitment to doing business with small, women- and minority-owned (SWaM) businesses. As one of our most important vendors, we look to you to help us achieve this objective.

We conduct substantial business with small firms. We have a particular institutional focus on developing long-term business relationships with minority-and women-owned businesses. We count on our majority firms to help us achieve our goal.

I seek your assistance in two areas. First, to the extent practical, I ask that you involve small, women-and minority-owned businesses in the delivery of services you provide to UVa. The office of Procurement and Supplier Diversity Services is ready to assist you in identifying qualified diverse business partners. Second, I seek your help in reporting your results through our quarterly subcontracting reports. The terms and conditions previously provided to your organization outlined this process.

This effort is important to us. We depend on you in so many ways – this is another way that we can partner with your company to make things better.

Sincerely,

Colette Sheehy
Vice President for Management and Budget
Attachment 2
Firm Information

Full Legal Name *(Company name as it appears with its Federal Taxpayer Number)*:

Address:

Telephone Number:
FAX Number:
Web Address:
Email Address:
DUNS Number:

**SWAM Information:**
Is the firm certified with the Commonwealth of Virginia’s Department of Minority Business Enterprises (DMBE):

☐ Yes  ☐ No

Minority-Owned Business:

☐ Yes  ☐ No

Woman-Owned Business:

☐ Yes  ☐ No

Small-Owned Business:

☐ Yes  ☐ No

Is the firm registered as a vendor in the Commonwealth of Virginia’s e-procurement system (eVA)?

☐ Yes  ☐ No

**Point of Contact for this Proposal:**
Name:
Mobile No.
Email Address:
Attachment 3

University’s 340B Contract Pharmacy Questions

1. How long has your firm provided contract pharmacy services for 340B programs?
2. How would your firm’s pharmacy services contribute to the financial stability of the University?
3. How many 340B covered entities do you currently provide pharmacy services for?
4. Does the specialty pharmacy have dedicated clinicians associated with the dispensing and management of bleeding disorder medications?
5. Does the specialty pharmacy provide other items to prevent and/or reduce bleeds?
6. Describe your firm’s implementation project plan for program launch.
7. Describe your firm’s experience with understanding and adhering to 340B rules and regulations.
8. Describe your firm’s disaster recovery plan.
9. How does your firm mitigate risk against fraud and abuse investigations?
10. What are your firm’s patient satisfaction results with your current 340B patient customers?
11. Describe your firm’s service model for dispensing product. How are emergency shipments handled?
12. Describe your firm’s inventory management process for other 340B programs.
13. Describe your firm’s home inventory management process on behalf of the patient.
14. How would your firm address short-dated product in the covered entity’s inventory?
15. Does the specialty pharmacy offer programs and services to minimize gaps in care, and improve compliance?
16. Does the specialty pharmacy have demonstrated adherence and outcomes data?
17. Provide examples of financial and inventory management reports the University would receive.
18. What additional business management support does your firm provide to 340B customers?
19. Describe customizations to your pharmacy model that your firm has provided to 340B customers.
20. Describe your clearance, billing and collections resources and procedures. What specialized training and experience does your staff have regarding hemophilia claims?
21. What is your firm’s result in managing daily sales outstanding and bad debt?