



## Department of Public Safety and Correctional Services

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### Amendment #16 to Request for Proposals (RFP) Project No. DPSCS Q0012015 INMATE PHARMACY SERVICES September 1, 2011

This Amendment is being issued to amend and clarify certain information contained in the above named RFP. All information contained herein is binding on all Offerors who respond to this RFP. Specific parts of the RFP have been amended. The following changes/additions are listed below; new language has been double underlined and marked in bold (ex. **new language**) and language deleted has been marked with a strikeout (ex. ~~language deleted~~). This Amendment supersedes any previously related revisions in prior RFP amendments and any related responses issued in Questions and Responses #1, #2, and #3. A revised copy of the Inmate Pharmacy Services RFP, including all changes from Amendments #1 - #16, is attached to this Amendment.

1. Amend RFP §1.2 as follows:

**“Off-site” means any location that is not “On-site.”**

**“StateStat” means a data-based performance-measurement and management tool for state government.**

2. Amend RFP §1.3 as follows:

#### **1.3 Contract Type**

The Contract that results from this RFP shall be a combination contract with cost reimbursement, and fixed price components, as these terms are described in COMAR 21.06.03. Specifically:

The purchase of all legend and non-legend drugs and other medical supplies shall be via cost reimbursement, as described under the definition of Acquisition Cost in RFP section 1.2.1 and section 3.33.

Payment for Clinical Pharmacists, Delivery, and Overhead and Profit as described in RFP Section 4.5.8 and separately priced on the Price Form, shall be by fixed price, to be paid in equal monthly amounts as described in RFP Section 3.33.

Supplies and equipment used by the Contractor, or its subcontractors, at its (their) own facility to meet the requirements of the RFP and resulting contract, along with the bar code scanners used at DPSCS facilities to read pharmacy deliveries, shall be included within the fixed pricing for Overhead and Profit and not separately priced. The DPSCS

and/or the ~~Medical~~ **Other Healthcare** Contractors are responsible for all other supplies and equipment.

3. Amend RFP §3.1.4 as follows:

3.1.4 Inmate health care is provided in a multi-vendor model (see Sections 3.2 and 3.3 for more detail), with separate contractors providing the following services: (1) medical care, (2) mental health care, (3) pharmacy/pharmaceutical supplies, and (4) dental services. Success in the provision of inmate health services in a multi-vendor model in partnership with the Agency is dependent on open communication to assure successful health care on both the individual and population level. As described within this RFP, the Agency depends on regular meetings on an array of substantive issues to address inmate health needs. The Contractor shall provide appropriate representatives to serve on and attend all committee meetings as required by the Agency. The Medical ~~Provider's~~ **Contractor's** statewide medical director shall chair regular statewide multi-vendor meetings, quarterly Continuous Quality Improvement (CQI) meetings, and regular Infectious disease meetings. The Contractor is expected to attend and fully participate in these meetings. *See* 45 CFR §164.512(k)(5) (providing for the disclosure of protected health information to a custodial correctional facility).

4. Amend RFP §3.2.2 as follows:

3.2.2 In addition to this RFP, the Agency has issued separate contracts for medical services with utilization management, mental health services, and dental services. Successful coordination **with the Other Healthcare Contractors** ~~among the inmate health care providers~~, including the open exchange of information is of paramount concern to the Department.

5. Amend RFP §3.3.2 as follows:

3.3.2 The Contractor shall participate in, no less than quarterly, regional meetings with **the Other Healthcare Contractors** ~~other DPSCS health care providers~~ to identify trends and promote cost effective practices for the **Contractor and the Other Healthcare Contractors** ~~medical services providers~~. The Contractor will also participate in monthly regional pharmacy and therapeutic meetings and agency Medical Advisory Council (MAC) and Continuous Quality Improvement (CQI) meetings.

6. Amend RFP §3.6.1 as follows:

3.6.1 The Contractor is required to provide five (5) full-time equivalent (FTE) Clinical Pharmacists, licensed by the Maryland Board of Pharmacy, during

the term of the Contract. These Clinical Pharmacists will be required to be on-site at various DPSCS facilities, as directed by the Contract Manager. Each Clinical Pharmacist will primarily be covering a specific region (SDA) or specified facilities within a region, consulting with Clinicians and patients as needed regarding the best pharmacy intervention available, the most cost-effective treatment (education on generic, clinically equivalent, and less costly medications), involvement with difficult-to-manage medical and mental health cases, and disease management. Although primarily assigned to perform services within a designated SDA, or specified facilities within a SDA, as appropriate Clinical Pharmacists may consult with Clinicians from other SDAs or facilities or perform any other activity typically performed by another Clinical Pharmacist.

**The Contractor shall have a Pharmacy Contract Manager, which shall be other than one of the on-site Clinical Pharmacists. The Pharmacy Contract Manager shall be the Contractor's main point-of-contact for any Contract matters raised by the DPSCS Contract Manager. Although it is expected that the Pharmacy Contract Manager will be located off-site, upon request, the Department will consider providing space on-site for this Contract Manager, either primarily or part-time.**

The Contractor shall retain any other staff and management as required to fulfill the obligations of this RFP and will retain such staffing as necessary to meet all obligations under this RFP and the Agency's Manual of Policies and Procedures throughout the term of the contract. In the event that the Department determines that more or fewer Clinical Pharmacists are required during the Contract term, the resulting Contract pricing increase or decrease will be determined by the Contractor's price per Clinical Pharmacist for each respective Contract Period as entered on the Price Form (see Attachment F) in its Financial Proposal.

7. Amend RFP §3.15.1 as follows:

- 3.15.1 The Contractor shall supply all packaging equipment, furniture, office supplies, and any other supplies and equipment needed to provide pharmacy services as necessary outside of any Department institution (off-site). DPSCS shall supply and maintain any office supplies and equipment or other equipment including computers required for the Clinical Pharmacists employed under this contract, **that are routinely available for Department personnel. Any such items not routinely provided to DPSCS personnel will be handled in accordance with RFP Section 3.15.2.** Responsibility for medication carts, on-site refrigerators for medication storage, other medication storage, and other on-site medication administration and storage equipment shall be the responsibility of the Medical **Contractor Provider**. Bar code scanners, including those used by personnel of the **Medical Other Healthcare Contractors**, and other inventory control equipment and systems shall be the responsibility of the Contractor.

8. Amend RFP §3.15.3 as follows:

3.15.3 For equipment bought for use on-site at a Public Safety Facility, the Contractor shall cooperate with the Medical ~~Contractor~~ Provider in maintaining a perpetual inventory and adhering to State regulations relating to inventory. In the event that equipment assigned to the Pharmacy Contractor is damaged or cannot be located, the Pharmacy Contractor will be required to pay for the replacement of such equipment at its own expense, unless the Pharmacy Contractor can prove to the Department's Contract Manager that damage or loss of the equipment was due to circumstances beyond the control of the Pharmacy Contractor.

3.15.3.1 The Contractor shall adhere to the requirements set forth in the Department of General Services (DGS) Inventory Control Manual:  
[www.dgs.maryland.gov/ISSSD/InventoryControlManual.pdf](http://www.dgs.maryland.gov/ISSSD/InventoryControlManual.pdf)

Where the DGS Manual requires responsibilities (e.g. reporting) to DGS, the Contractor shall cooperate with the Medical ~~Contractor~~ Provider in any such inventory reports.

3.15.3.2 Whenever the Contractor purchases a piece of equipment, it shall report to and cooperate with the Medical ~~Contractor~~ Provider in entering the equipment information into the perpetual inventory and shall place State inventory numbers on the equipment consistent with the DGS Inventory Control Manual.

3.15.3.3 If it becomes necessary that any piece of equipment be transferred from one location to another, the Contractor will report to and cooperate with the Medical ~~Contractor~~ Provider and complete and submit to the Agency the appropriate Transfer Form prior to moving the equipment and follow Agency protocol for the transfer of that equipment.

3.15.3.4 The Contractor shall cooperate with the Medical ~~Contractor~~ Provider and assist in developing a database of all equipment in use or obtained through future purchases.

3.15.3.5 The following record keeping requirements shall be maintained for the equipment inventory that will be maintained by the Medical ~~Contractor~~ Provider:

- 1) Equipment description
- 2) Name of supplier and purchase order or other acquisition document number.
- 3) Acquisition cost and date.
- 4) Physical location of item (Facility code + Room Number or Name)
- 5) Serial number, if any
- 6) State tag number, if any

7) Equipment Condition

3.15.3.6 ~~A Medical Contractor~~ **The Other Healthcare Contractors** shall reimburse the Contractor for any of the Contractor's bar code scanners assigned to the ~~Medical~~ **Other Healthcare** Contractor's staff that are damaged or unable to be located.

9. Amend RFP §3.16.2.3 as follows:

3.16.2.3 Generic equivalents are to be supplied whenever possible, unless not approved by the prescriber (i.e. usually noted by "Dispense as Written"). If the Contractor and Clinician disagree as to the use of a generic equivalent, the Contractor may appeal to the Department's ~~Contract Manager~~ **Medical Director**, who will determine the appropriate course of action. The Contractor must still fill the order no matter what during the required time period. **Any such instance of a disagreement shall be reported to the DPSCS Contract Manager and Medical Director within ten days of occurrence.**

10. Amend RFP §3.16.7 as follows:

3.16.7 The Contractor shall make available to all **Other Healthcare Contractors** ~~other inmate health services providers~~ an emergency toll free telephone number for consultation and inquiries and a toll-free telephone number for faxing, and electronic communication.

11. Amend RFP §3.18 as follows:

3.18.3 The Contractor shall make the DPSCS Formulary list available to all **Other Healthcare Contractors** ~~inmate health providers~~ through an electronic means with hard copy back-up. Possible formats include, but are not limited to, MS-Word, MS-Access, and MS-Excel.

3.18.3.1 The means adopted shall be subject to Agency approval.

3.18.3.2 The most current formulary list shall be available at all times and shall be appropriately indexed and marked as to version to reflect the effective dates and nature of changes.

3.18.3.3 A notation shall be made to indicate the effective date of any modification on the DPSCS Formulary.

3.18.3.4 Any hard copy back up shall be in a format that allows for convenient updating. The hard copy and electronic version shall be

appropriately indexed and marked as to version number to reflect the effective dates and nature of changes.

- 3.18.4 Any prescription for a non-formulary medication shall **preferably** be reviewed by an **On-Site** Clinical Pharmacist (**Pharm. D**) (~~on-site or off-site~~) assigned by the Contractor who shall determine whether sufficient documentation has been provided to support the non-formulary request, and whether formulary alternatives were sufficiently exhausted. If one of the On-Site Clinical Pharmacists (Pharm. Ds) is unavailable, a pre-approved pharmacist with clinical experience at the Contractor's own facilities may review the request. Orders for non-formulary medication must be filled on time; any disputes will be handled afterwards.
  - 3.18.4.1 The pharmacist shall return a non-approved prescription to the prescribing physician with a replacement alternative for non-emergent requests within 24 hours; emergent/~~stat~~ **urgent** requests must be responded within 4 hours of receipt.
  - 3.18.4.2 A Clinician may appeal a determination to reject a non-formulary prescription, consistent with RFP Section 3.18.4 and Agency policies and procedures.
  - 3.18.4.3 Pharmacy audits, capturing all non-formulary orders, will be performed, reviewing any non-formulary order filled, not accompanied by a non-formulary order approval. Specific Clinician ordering patterns will also be reviewed. These non-formulary process compliance audits will be reviewed as part of the quarterly P&T agenda. Trending data analysis of ~~providers~~ **Clinicians** who are responsible for non-formulary requests per region/facility will be reviewed for compliance and will alert the Department's Clinical Team, made up of ACOMS, the Department's Director of Nursing, and the Department's Medical Director, of who is in non-compliance.
- 3.18.5 The Agency reserves the right to have the Contractor-recommended formulary reviewed by outside consultants experiencedds with such matters, including consultants retained by the Agency, or provided by another State agency, such as the Department of Budget and Management or the Medicaid Program of DHMH.

12. Amend RFP §3.20 as follows:

- 3.20.1 The Medical **Contractor** ~~Provider~~ manages an infection control program in compliance with CDC guidelines and OSHA regulations, which includes concurrent surveillance of inmates and staff, preventive techniques, and treatment and reporting of infections in accordance with local and state laws and Agency policy and guidelines.

3.20.2 The Contractor shall participate in a monthly infection control meeting, organized and chaired by the Medical ~~Contractor Provider~~ in each service delivery area, that shall include as attendees representatives from the Other Healthcare Contractors ~~each of the inmate medical services providers~~, the Agency, and local health departments, the Department of Health and Mental Hygiene, and the AIDS Administration as appropriate and necessary.

13. Amend RFP §3.26.3 as follows:

3.26.3 The Contractor shall participate in quarterly Multidisciplinary Continuous Quality Improvement Committee meetings and reviews in each Service Delivery Area, chaired by the Medical Director of the Medical ~~Contractor Provider~~ for the SDA to monitor the health services provided, collect, trend and disseminate data, develop and monitor corrective action plans and facilitate communication between disciplines.

14. Amend RFP §3.27.4 as follows:

3.27.4 **In addition to the annual peer review required in RFP Section 3.27.1, a** A clinical pharmacist-specific peer review shall be conducted at the request of the DPSCS Medical Director ~~annually, and~~ if services are deemed to be below standards such that concerns related to ongoing competency are raised. Such a review must be completed within 10 working days of the request, and e-mailed within that same time to the DPSCS Medical Director/designee.

15. Amend RFP §3.28 as follows:

3.28.1 The Contractor shall abide by all Agency rules, regulations, policies, and procedures regarding risk management and will work in collaboration with all Other Healthcare Contractors ~~other inmate health care providers/contractors~~ to assure that safety and prudence are exercised at all times.

3.28.2 The Contractor shall submit a monthly report of all incidents/accidents/errors occurring or discovered by its staff. Reports will include the incident or event, the date it occurred, how it was discovered, any outcomes as a result of that event (good and/or bad), and what is being done to prevent re-occurrence. Monthly narratives, summations of audit findings or verbal reports will not be considered as acceptable. Reportable events include but are not limited to:

- (1). Assaults on contractor staff,
- (2). Injuries occurring as a part of work accidents, ~~such as, but not limited to medication error, needle sticks, missing documentation, staff falls, etc.~~

- (3). Exposures to infectious diseases,
- (4). Prophylaxis administration,
- (5). Security Breaches (e.g. lost keys, missing sharps or medications, contraband, etc.).

16. Amend RFP §3.29.1 as follows:

3.29.1 The Contractor shall organize and chair a quarterly Statewide Pharmacy and Therapeutics (P&T) Committee, which shall be responsible for additions and deletions to the DPSCS Formulary, monitoring usage of pharmaceuticals including psychotropic medications, and identifying prescribing patterns of Clinicians. **At least two** regional Clinical Pharmacists are required to attend these meetings. **Upon request of the Department’s Medical Director, up to all five Clinical Pharmacists must attend.**

The Committee shall be led by the Contractor, and shall include representatives of the Agency and representatives from all **Other Healthcare Contractors** ~~Providers of inmate health services.~~ Final authority over therapeutic decisions rests with the Agency Statewide Medical Director.

3.29.2.1 The monthly P&T Committee meeting shall be led by the Contractor and shall include representatives of the Agency and representatives from all **Other Healthcare Contractors** ~~inmate health care providers/contractors.~~ Monthly regional P&T Committee meetings may be conducted at the Department’s option by video or teleconferencing.

3.29.2.2 The P&T Committee shall review all cases of patients receiving more than four prescription drugs at one time.

17. Amend RFP §3.31 as follows:

3.31.1 The Contractor shall be responsible for the development and/or upkeep of electronic data tracking in a format approved by the Agency, and with the capacity to provide reports to the Agency. Examples of electronic data tracking include required information for StateStat, specific disease **medication treatment** correlation data, vacation data, disease prevention **medication** data, chronic care medication related data, and release medication data. The Contractor must be able to respond to various electronic data requests as they arise.

3.31.2 The Contractor shall establish and maintain a Peer Review database which will contain all of the elements of a peer review for on-site pharmacists (**see RFP Section 3.27**). MS-Excel is the preferred format for meeting this requirement. Other electronic formats may meet this requirement, including



MS-Access, subject to Department approval. At a minimum, the database will include:

- The Name of the individual employee/pharmacist
- The individual's professional discipline
- The date of the review
- A list of the source material used for the review
- Any verbal results from a review summarized
- Any suggestions for improvement noted
- A date for follow up review, if such is recommended.

3.31.3 By separate contract, the Medical Contractor is charged with establishing and maintaining an Equipment database. The Pharmacy Contractor shall work with the Medical Contractor in maintaining the database (see RFP Section 3.15).

3.31.4 The Contractor shall produce reports addressing the work being performed under the Contract.

3.31.4.1 Monthly information and utilization reports shall be submitted to the Agency no later than the fifth of the month following the month the report reflects in a form and format prescribed by the Agency ~~as required~~. The Contractor is to use the preceding month's Average Daily Population (ADP) to complete reports. Such reports shall address, but are not limited to:

- (1). Prescriptions filled by drug, type, whether formulary or non-formulary, and quantity on a State-wide basis, including total drug-spend per drug type;
- (2). Prescriptions filled by drug, type, whether formulary or non-formulary, and quantity on an institution by institution basis, including total drug-spend per drug type;
- (3). Patient profiles;
- (4). Prescription trends;
- (5). Drug history and Clinician prescribing reports;
- (6). Usage and disposal reports;
- (7). Prescriptions filled in conjunction with inmate releases to the community;
- (8). Delivery reports by date and institution including emergency deliveries; and
- (9). Other reports as deemed necessary by the Agency.

18. Amend RFP §3.32 as follows:

3.32 It is critical to the success of the State's inmate health care services contract that services be maintained in a timely manner and that the Contractor operate in an extremely reliable manner. It would be impracticable and extremely difficult to fix the actual damage sustained by the State in the

event of certain delays or failures in administration, service, reporting, and attendance of Contractor personnel on scheduled work and provision of services under this Contract. In the event of certain such delays and failures, the amount of damage which will be sustained from a failure to perform to certain standards will be the amounts set forth in Attachment V (the Contractor agrees that in the event of any such failure of performance, the Contractor shall pay such amount as liquidated damages and not as a penalty). The State, at its option for amount due the State as liquidated damages, may deduct such from any money payable to the Contractor or may bill the Contractor as a separate item.

The Department will not assess or invoke liquidated damages for any occasion of Contract non-performance otherwise subject to liquidated damages if such non-performance is determined by the DPSCS Contract Manager to have resulted from circumstances beyond the control of the Contractor.

~~During the “Start Up Period,” prior to the Contract “Go Live Date” (See RFP Section 1.4) the Department will not assess any of the liquidated damages described in Attachment V.~~

19. Amend RFP §3.33.1.3 as follows:

- 3.33.1.3 Each month the Contractor shall provide with its invoice to the Department an electronic copy of the manufacturer’s or wholesaler’s invoice in accordance with RFP section 1.2.1, for all drugs and supplies provided under the Contract for the preceding month (the month for which the invoice is submitted). With the provision of electronic copies of the invoices for all items provided under the Contract, the Contractor shall include an affidavit stating that these invoices represent its Acquisition Cost for each item, as defined in RFP section 1.2.1. In addition, copies of any invoices for equipment purchased by the Contractor, that had prior written approval from the Department’s Contract Manager, that the Department is to reimburse the Contractor for are to be provided for equipment was that was purchased in the previous month (see RFP Section 3.15.2).

Included in the portion of the monthly invoice submitted by the Contractor to the Department for the pharmaceuticals purchased by and distributed to the Department, the Contractor shall apply the discount it has proposed in its Price Form (Attachment F) for the particular Contract Year to the actual acquisition cost the Contractor paid for each brand or generic pharmaceutical provided to the Department. These detailed calculations shall be shown on the monthly invoice. The rationale for requiring these discounts is to allow the Contractor to pass through the savings it receives from manufacturer/supplier rebates for the pharmaceuticals the Contractor purchases. These brand and generic discount percentages to be applied to the monthly invoices may change per year, based on the Contractor’s Price

Proposal. The final amount paid to the Contractor by the Department for pharmaceuticals delivered shall reflect the Contractor's proposed brand and generic discounts for the particular Contract Year the invoiced period falls within.

20. Amend RFP §3.35.2.1.1 as follows:

3.35.2.1.1 "*Contract Manager*" means the Department Contract Manager previously identified in this solicitation, and/or a person designated in writing by the Contract Manager or the Department ~~or Department~~ to act for the Contract Manager concerning Contractor personnel substitution issues.

21. Amend RFP §3.35.4 as follows:

3.35.4 Replacement Circumstances

1. Voluntary Staff Replacement

To voluntarily replace any key staff, the Contractor shall submit a substitution request as described in ~~section C of this section~~ **RFP Section 3.35.3** to the Contract Manager at least 15 days prior to the intended date of change. Except in a circumstance described in section 3.35.4 #2 of this clause, a substitution may not occur unless and until the Contract Manager approves the substitution in writing.

2. Staff Replacement Due to Vacancy

The Contractor shall replace key staff whenever a vacancy occurs due to the Sudden termination, resignation or leave of absence due to an Extraordinary Personal Circumstance of such staff, Incapacitating injury, illness or physical condition, or death. (A termination or resignation with 30 days or more advance notice shall be treated as a Voluntary Staff Replacement as per section 3.35.4 #1 of this clause.)

Under any of the above 3.35.4 #2 circumstances, the Contractor shall identify a suitable replacement and provide the same information or items required under Section 3.35.3 of this section within 15 days of the sooner of the actual vacancy occurrence or from when it was first learned by the Contractor that the vacancy would be occurring.

3. Staff Replacement Due to an Indeterminate Absence

If any key staff has been absent from his/her job for a period of 10 days due to injury, illness, or other physical condition, leave of absence under a family medical leave or Extraordinary Personal Circumstance and it is not known or reasonably anticipated that the individual will be returning to work

within the next 20 days to fully resume his/her job duties, before the 25<sup>th</sup> day of continuous absence the Contractor shall identify a suitable replacement and provide the same information or items required under **RFP Section 3.35.3** ~~to section C of this section.~~

However, if this person is available to return to work and fully perform all job duties before a replacement has been authorized by the Contract Manager, at the option of the Contract Manager the original staff may continue to work under the Contract, or the replacement staff will be authorized to replace the original staff, notwithstanding the original staff's ability to return.

#### 4. Directed Staff Replacement

a. The Contract Manager may direct the Contractor to replace any staff that is perceived as being unqualified, non-productive, unable to fully perform his/her job duties due to full or partial Incapacity or Extraordinary Personal Circumstance, disruptive, or that has committed a major infraction(s) of law or Department or Contract requirements. Normally a directed replacement would only occur after prior notification of problems with requested remediation, as described in 4.b, below. If after such remediation the Contract Manager determines that the staff performance has not improved to the level necessary to continue under the Contract, if at all possible at least 15 days' replacement notification will be provided. However, if the Contract Manager deems it necessary to remove the offending individual with less than 15 days' notice, the Contract Manager can direct the removal in a timeframe of less than 15 days, to include immediate removal.

In circumstances of directed removal, the Contractor shall, in accordance with section 3.35.3 of this section, provide a suitable replacement for approval within 15 days of the notification of the need for removal, or the actual removal, if that occurs first.

b. If deemed appropriate in the discretion of the Contract Manager, the Contract Manager shall give written notice of any personnel performance issues to the Contractor, describing the problem and delineating the remediation requirement(s). The Contractor shall provide a written Remediation Plan within 10 days of the date of notice and implement the Remediation Plan Immediately upon written acceptance by the Contract Manager, or revise and resubmit the plan to the Contract Manager within 5 days, as directed in writing by the Contract Manager.

Should performance issues persist despite the previously agreed to Remediation Plan, the Contract Manager will give written notice of the continuing performance issues and either request a new Remediation Plan within a specified time limit, or direct the substitution of personnel whose performance is at issue with a qualified substitute, including requiring the immediate removal of the key staff at issue.

Replacement or substitution of personnel under this section shall be in addition to and not in lieu of the State's remedies under the Contract.

22. Amend RFP §3.36.1.1 as follows:

- 3.36.1.1 Provide reasonable access to the successor contractor to the Contractor's ~~non-supervisory staff and mid and lower level supervisory staff~~ **On-site Clinical Pharmacists** between 30 and 60 days of the Contract end date. If less than 30 days of the Contract term remains as of the time a successor contract is awarded the Contractor shall make special efforts to provide the successor contractor access to its staff noted above in this section.

23. Amend RFP §4.4, Tab D as follows:

1. An Offeror shall demonstrate an understanding of the Agency's necessity to develop a strong multi-disciplinary model of health care with **the Other Healthcare Contractors** ~~all of the Agency's contractors and sub-contractors~~. An Offeror must propose, in writing in the body of its response, a plan for collaboration between **the Other Healthcare Contractors** ~~various health providers~~, **DPSCS Custody**, and the Agency's health care management. The written collaboration plan shall include the steps, with timelines, the Offeror will take to assure that this collaboration will be implemented and honored.
  
4. An Offeror shall include in its staffing plan, at a minimum, five (5) Clinical Pharm. D's to cover each service delivery area on-site, 40 hours per week. These pharmacists and their schedules shall be identified to the agency, assigned only to this contract, and shall not have responsibilities for any other contract. The Offeror shall detail how non-formulary review will be provided for in its staffing plan, in addition to required meetings. The Offeror shall also identify sufficient backup staff for when any Clinical Pharm. D is unavailable due to meetings, sick leave, vacations, etc. The Clinical Pharm. D's assigned to the service delivery areas must manually sign/log in, or electronically sign/log in at the correctional facilities as instructed by the agency. The Offeror shall also include in its plan a disease management program that outlines potential cost savings for inpatient and offsite care related to cardiac, diabetes, HCV, HIV, INR and wound care management infectious diseases directly related to the use of clinical pharmacy. The Offeror shall detail how it will ensure that each pharmacist performing services on this Contract is professionally reviewed by an independent and clinically appropriate pharmacist on an annual basis, as required in ~~RPF~~ **RFP** Section 3.27

5. The Offeror shall propose the management structure it will utilize upon award in narrative and chart of organization. **The Offeror shall identify and provide the resume for the Offeror's proposed Pharmacy Contract Manager, who will be the Contractor's main point-of-contact for Contract matters.**

24. Amend RFP §4.4, Tab F. as follows:

**TAB F. OFFEROR EXPERIENCE, CAPABILITIES, AND REFERENCES**

3. Offeror shall submit a Corporate Fact Sheet that includes but is not limited to the following:

Evidence of experience in the delivery of correctional medical services (see RFP Section 2 for minimum experience requirements); Corporate history; Primary areas of specialization; and Company size.

As part of its Corporate Fact Sheet, an Offeror must disclose and fully describe any affiliation(s) the Offeror has with drug wholesalers or manufacturers. If an Offeror is affiliated with a drug wholesaler or manufacturer, that Offeror must detail in its proposal the exact nature of the relationship, including what steps have been taken and/or will be taken by the Offeror to prevent possible manipulation of the acquisition costs, as defined by RFP §1.2.1, that are included in invoices submitted by the Offeror.

5. **LITIGATION / LEGAL ACTIONS**

Describe any litigation and/or government action taken, proposed or pending against your company or any entities of your company during the most recent five (5) years. This information shall include notice whether the Offeror's organization has had its registration and/or certification suspended or revoked in any jurisdiction within the last 5 years, along with an explanation. In addition, provide a Legal Action Summary. This summary must include:

- a. A statement as to whether there are any outstanding legal actions or potential claims against the Offeror and a brief description of any action.
- b. A brief description of any settled or closed legal actions or claims against the Offeror over the past five (5) years.
- c. A description of any judgments against the Offeror within the past five (5) years, including the case name, ~~number~~ **location of court**, and what the final ruling or determination was from the court.

- d. In instances where litigation is on-going and the Offeror has been directed not to disclose information by the court, provide the name of the judge and location of the court.

If an Offeror responds to this TAB with a generic statement such as, “See 10K” or “See SEC filing”:

- The referenced document must be included in the Technical Proposal
- The location within the document where the requested information can be found should be specifically noted
- The information contained in the indicated section should be responsive to the information requested under this TAB. A generic statement in the document to the effect that there often are what might be called nuisance lawsuits filed against the Offeror will only be sufficient if it is a true statement. i.e., the Offeror is asserting that in its opinion no lawsuit filed against it is noteworthy.

25. Amend RFP §4.4, Tab H. as follows:

**TAB H. ECONOMIC BENEFIT FACTORS**

Offerors shall submit with their proposals a narrative describing benefits that will accrue to the Maryland economy as a direct or indirect result of their performance of this contract. Proposals will be evaluated to assess the benefit to Maryland’s economy specifically offered.

Proposals that identify specific benefits as being contractually enforceable commitments will be rated more favorably than proposals that do not identify specific benefits as contractual commitments, all other factors being equal.

Offerors shall identify any performance guarantees that will be enforceable by the State if the full level of promised benefit is not achieved during the contract term.

As applicable, for the full duration of the contract, including any renewal period, or until the commitment is satisfied, the Contractor shall provide to the procurement officer or other designated Department personnel reports of the actual attainment of each benefit listed in response to this section. These benefit attainment reports shall be provided quarterly, unless elsewhere in these specifications a different reporting frequency is stated.

Please note that in responding to this section, the following do not generally constitute economic benefits to be derived from this contract:

1. generic statements that the State will benefit from the Offeror’s superior performance under the contract;
2. descriptions of the number of Offeror employees located in Maryland other than those that will be performing work under this contract; or
3. tax revenues from Maryland based employees or locations, other than those that will be performing, or used to perform, work under this contract.

Discussion of Maryland based employees or locations may be appropriate if the Offeror makes some projection or guarantee of increased or retained presence based upon being awarded this contract.

Examples of economic benefits to be derived from a contract may include any of the following. For each factor identified below, identify the specific benefit and contractual commitments and provide a breakdown of expenditures in that category:

- The contract dollars to be recycled into Maryland's economy in support of the contract, through the use of Maryland subcontractors, suppliers and joint venture partners.
- The number and types of jobs for Maryland residents resulting from the contract. Indicate job classifications, number of employees in each classification and the aggregate payroll to which the Contractor has committed, including contractual commitments at both prime and, if applicable, subcontract levels.
- Tax revenues to be generated for Maryland and its political subdivisions as a result of the contract. Indicate tax category (sales taxes, payroll taxes, inventory taxes and estimated personal income taxes for new employees). Provide a forecast of the total tax revenues resulting from the contract.
- Subcontract dollars committed to Maryland small businesses and MBEs.
- Other benefits to the Maryland economy which the Offeror promises will result from awarding the contract to the Offeror, including contractual commitments. Describe the benefit, its value to the Maryland economy, and how it will result from, or because of the contract award. Offerors may commit to benefits that are not directly attributable to the contract, but for which the contract award may serve as a catalyst or impetus.

26. Amend RFP §4.5 as follows:

- 4.5.1 Under separate sealed cover from the Technical Proposal and clearly identified with similar information noted on the Technical Proposal (RFP Section 4.3), the Offeror must submit an unbound original, five (5) copies, and an electronic version in Microsoft Excel of the Financial Proposal. The Financial Proposal must contain all cost information in the format specified below and the Proposal Price Form (Attachment F) must be submitted and completely filled in (no blanks or omissions).
- 4.5.2 Do not change or alter these forms. Substantive alterations to the price form that an Offeror refuses to remove when directed to do so, will cause the proposal to be rejected.
- 4.5.3 The Proposal Price Form shall be completed and dated by an individual who is authorized to bind the firm to the prices offered. Enter the title of the individual and the company name in the spaces provided.



- 4.5.4 All criteria included in the Proposal Price Form, i.e., the estimated quantity of various items, etc., shown on these forms are for price evaluation purposes. The State reserves the right, at its sole discretion, to purchase the goods and services in different quantities than those referenced in the Proposal Price Form. The State reserves the right, at its sole discretion, not to purchase any goods or service for which proposals are solicited under this RFP.
- 4.5.5 The Proposal Price Form page is used to calculate the vendor's EVALUATED PRICE PROPOSED (Attachment F).
- All Unit Prices must be clearly typed with dollars and cents, e.g., \$24.15.
  - All goods or services required or requested by the State and prices offered by the vendor at No Cost to the State must be clearly typed in the Unit and Extended Price with “0.”
  - Nothing shall be entered on the Proposal Price Form that alters or proposes conditions or contingencies on the proposal response.
  - Recording \$0.00 or any variation will be treated and considered as No Cost to the State for that good or service.
- 4.5.6 It is imperative that the prices included on the Proposal Price Form are entered correctly by the vendor. Any incorrect entries by the vendor will be treated as provided in COMAR 21.05.03.03 E and 21.05.02.12.
- 4.5.7 In order to assess capacity to acquire at a rate most beneficial to the State, Offerors are directed to submit the acquisition cost (as defined in RFP Section 1.2.1) in effect on June 30, 2011 that would be reflected on an invoice to the Agency per dose for each medication identified on Attachment F at the quantities specified. To evidence the accuracy of the prices entered on the price form, the Offeror shall provide electronic copies of actual invoices showing that the prices entered on the Price Form are the prices charged by the supplier to the Offeror as of June 30, 2011.
- In the event an Offeror did not purchase a particular drug or medical supply included on the price form on June 30, 2011, the price submitted must be the most recent price that the Offeror would have paid prior to June 30, 2011, based upon an established catalog, or published price list from the supplier of the item (wholesaler or manufacturer). The Offeror must include an electronic copy of such a catalog or published price list for any drugs or medical supplies priced accordingly.
- 4.5.8 All costs associated with packaging, delivery, overhead, Clinical Pharmacist staffing, general and administrative expenses, profit, etc. shall be aggregated into a single, annual fee and entered on Attachment F as instructed. Each

Offeror is requested to attribute across the cost centers identified in Attachment F the break down of the annual fee for purposes of ensuring the reasonableness of any proposal. Once a determination of reasonableness has been made, the only amount that will be assessed with respect to the annual fee is the aggregate amount.

In order for the Agency to assess the total financial offer, the Price Form will automatically calculate the Offeror's total evaluated cost as indicated on Attachment F. Offerors are reminded that the Price Form includes a "tab" for each Contract Year, and Offerors are to propose service pricing and generic and brand drug discounts for every year, including option years. The completed Attachment shall be included in the Financial Section (Volume II) of the Proposal.

27. Amend RFP Attachment F – Instructions For Completing Price Form as follows:

#### **ATTACHMENT F – INSTRUCTIONS FOR COMPLETING PRICE FORM**

Offerors are instructed to use the Price Form provided separately as Excel file "Attachment F – Proposal Price Form." Enter information in only the "yellow" fields in the Price Form (Offeror Information, Offeror's Acquisition Costs, proposed Generic and Brand discounts for each year, Annual Services Costs, and signature/date). All other fields are locked. The Price Form will automatically make the calculations described below in the "blue" fields.

~~Representations made by the Offeror in this proposal become contractual obligations that must be met during the Contract term.~~ The Financial Proposals will be evaluated using a model based on estimates from historical State data. This model is not a guarantee or projection of actual utilization during the Contract term.

The Excel file contains "tabs" for the five Contract Periods. Offerors are instructed to enter their proposed Discount percentages for brand and generic drugs, and their Annual Services Costs for every Contract Period.

The following information applies primarily to the first "tab" titled "Contract Year 1 and Totals" (Column identifications and Line numbers may be different for each subsequent "tab" Year):

**Offeror Information (Lines 4 – 11)** – Offerors are to enter their Company Name, Address, Federal Identification Number, eMaryland Marketplace number, Minority Business Enterprise (MBE) number (if applicable), Phone number, and Email address.

**Lines 14 - 186:**

**Column A – Drug Name** - represents the generic or brand name of the most frequently used medications as prescribed and distributed to the inmate population and the pre-sentence/detention population. The dosage quantity per unit is listed next to the Drug Name.

**Column B – Annual Quantity** – represents the amount of drugs used by DPSCS for the inmate population and detention/pretrial population in a prior one-year time period.

**Column C – Unit of Measure for Pricing** – represents the unit of measurement of the listed drugs; ex. per “tab” (tablet), per “cap” (capsule, caplet), etc.

**Column D – Acquisition Cost\*** (as of June 30, 2011) - Offeror are to enter their actual Acquisition Cost\* for each drug specified, at the quantity and unit of measurement provided in the Price Form, as of June 30, 2011. To evidence the accuracy of the prices entered on the Price Form, the Offeror shall provide copies of actual invoices in its Financial Proposal showing that the prices entered on the Price Form are the prices charged to the Offeror by the Offeror’s supplier on June 30, 2011. In the event the Offeror did not purchase a particular drug or medical supply included on the price form on June 30, 2011, the price submitted must be the most recent price that the Offeror would have paid prior to June 30, 2011, based upon an established catalog, or published price list from the supplier of the item (wholesaler or manufacturer). The Offeror must include a copy of such a catalog or published price list for any drugs or medical supplies priced accordingly.

**\*As defined in Section 1.2.1, except as modified below in this Column D explanation.**

**Column E - Estimated 12 Month Acquisition Cost** – calculation of the estimated cost for 12 months for each drug listed, based on the Annual Quantity as supplied in Column B and Unit of Measure in Column C multiplied by the Offeror’s June 30, 2011 Acquisition Cost entered in Column D (Annual Quantity x Unit of Measure for Pricing x Acquisition Cost = Estimated 12 Month Acquisition Cost).

**Line 187 - Total Estimated 12 Month Generic Drug Acquisition Costs** – represents the estimated total cost for one full year of supplying the generic drugs at the quantities and acquisition costs listed in the Price Form. For evaluation purposes, this amount will be used for each year’s generic drug calculations.

**Line 188 – Discount Percentage: Generics** – the actual percentage discount proposed by the Offeror that will be applied to the Total Estimated 12 Month Generic Drug Acquisition Costs (Line 187) for that year. *This is the actual percentage discount the Contractor will apply as a reduction to all invoices submitted to DPSCS for acquisition cost of generic pharmaceuticals under the Contract that results from this RFP.*

**Line 189 - Total Evaluated 12 Month Generic Drug Acquisition Costs (Generic Discount included)** – the evaluated total 12 month generic drug acquisition cost calculated by reducing the Total Estimated 12 Month Generic Drug Acquisitions Costs amount (Line 187) by the Discount Percentage for Generics (Line 188) for that year.

**Line 190 - Total Estimated 12 Month Brand Drug Acquisition Costs** – represents the estimated total cost for one full year of supplying the brand drugs at the quantities

and acquisition costs listed in the Price Form. For evaluation purposes, this amount will be used for each year's brand drug calculations.

**Line 191 – Discount Percentage: Brands** – the actual percentage discount proposed by the Offeror that will be applied to the Total Estimated 12 Month Brand Drug Acquisition Costs (Line 190) for that year. *This is the actual percentage discount the Contractor will apply as a reduction to all invoices submitted to DPSCS for acquisition cost of brand pharmaceuticals under the Contract that results from this RFP.*

**Line 192 - Total Evaluated 12 Month Brand Drug Acquisition Costs (Generic Discount included)** – the evaluated total 12 month brand drug acquisition cost calculated by reducing the Total Estimated 12 Month Brand Drug Acquisitions Costs amount (Line 190) by the Discount Percentage for Brands (Line 191) for that year.

**Line 193 – Total Evaluated 12 Month Drug Acquisition Costs** – the total of the Total Evaluated 12 Month Generic Drug Acquisition Costs (Line 189) and the Total Evaluated 12 Month Brand Drug Acquisition Costs (Line 192) for that year.

**Lines 195-198 – Annual Services Costs** – divided into three categories: Delivery, Clinical Pharm. D Staffing, and Overhead and Profit; separate fields for each year.

Delivery shall be priced as the annual cost for delivery of pharmaceuticals, etc. to the correctional facilities as identified in the RFP, ~~including urgent and~~ excluding emergent/emergency/stat deliveries.

Clinical Pharmacist D. Staffing – shall be priced as the annual cost per Contract Period to provide one on-site clinical pharmacists under the Contract. This amount shall then be multiplied by the number of Clinical Pharm. Ds required under the Contract (currently five required) for each Contract Period.

Overhead and Profit – shall be priced as an annual cost, and shall include any remaining payments to the Contractor, not included under Acquisition Costs, “Delivery,” “Clinical Pharmacist D. Staffing,” and “Emergency/Stat Order Surcharges.”

Emergency/Stat Order Surcharge - shall be the additional surcharge, for each Contract Period, paid to the Contractor for each emergency or stat order ~~received~~ delivered by the Contractor. This amount shall then be multiplied by the estimated number of emergency/stat orders for each Contract Year.

**Line 199 – Total Annual Services Costs** – calculated by adding the Annual Services Costs for Delivery, Staffing, and Overhead and Profit (Lines 196, 197, and 198) for that particular year.

**Line 200 – Evaluated Price** – the total of the Total Evaluated 12 Month Drug Acquisition Costs (Line 193) and the Total Annual Services Costs (Line 199) for each year.

**Line 205 – Total Evaluated Price** – the total of the Evaluated Price for each year (Contract Years 1, 2, 3, 4, and 5).

**The Financial Proposal is to be completed, signed, and dated by an Authorized Representative for the Offeror (Lines 206 and 207).**

28. Replace “RFP Attachment F – Price Form – Including Amendment #1 - #15” with “Attachment F – Price Form – Including Amendment #1 - #16” (attached as part of this Amendment). The Acquisition Cost date in cell D-13 has been changed from “January 31, 2011” to “June 30, 2011.”

Issued and authorized by

Gabriel Gnall  
Procurement Officer

Attachments:

DPSCS Q0012015 – Inmate Pharmacy Services – including Amendment #1 - #16 –  
09.01.11

Attachment F – Price Form – Including Amendments #1 - #16