

## ADDENDUM #1

### Questions for New River Valley Regional Jail (NRVRJ), VA RFP #2019-2: Request for Pharmacy Services

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#### Question # 1

Regarding the current non-formulary medication review process, is that process done completely within the CorEMR platform electronically along with electronic notifications of non-formulary medication alerts to the pharmacy and prescriber? Or, is there a paper process for non-formulary reviews and alternative treatment recommendations?

Answer: The non-formulary review process may be done outside of the EMR platform as agreed upon between the jail and the successful contractor.

#### Question # 2 - 5% Rule

Section 4.E - MEDICATION ORDERING indicates that Contractor shall dispense and label all medications in complete compliance with all current and future local, state, federal and department laws, rules,

Often overlooked is that a pharmacy provider cannot sell/distribute more than 5% of their overall company-wide sales as stock, **not just the stock sold to your facility** as some bidders will have you believe, without being registered as a wholesaler in Virginia or using the services of a wholesaler in Virginia to sell and/or distribute wholesale quantities (greater than 5%) of stock medications.

- Being that the NRVRJ is a law enforcement correctional institution, will you require bidders to submit a copy of their wholesaler license from Virginia, or the license and name of the wholesaler in Virginia that they will subcontract with for stock distribution in order to be in compliance with all applicable state and federal laws, rules, and regulations so that NRVRJ is not violating any laws or regulations?
- Will a bidder's failure to provide proof of compliance with federal regulations at the time of proposal submittal, specifically this requirement, deem that bidder as non-responsive and therefore ineligible for an award?

Answer: The bidder is expected to comply with all local, state and federal laws.

#### Question # 3 - Repackager

Section 5.C indicates that Contractor shall provide stock cards of certain medications needed to begin therapy for immediate administration until an inmate-specific prescription is received. Section 5.F indicates that Contractor shall package stock card doses in tamperproof blister packs.

A pharmacy or a wholesaler cannot simply put those medications in a card and label them as stock and still be in full regulatory compliance. A company must be an FDA-registered repackager or use the services of an FDA-registered repackager to **legally repackage stock medications into blister cards** or into any other packaging that results in a change to the original manufacturer's packaging if those repackaged cards are being sold to your facility as stock.

- Being that the NRVRJ is a law enforcement correctional institution, will you mandate that bidders comply with federal regulations and use an FDA-registered repackager if stock is sold to

your facility in packaging (such as blister cards) that is different than the original manufacturer's packaging?

- Will you require bidders at the time of proposal submittal to provide evidence such as the FDA Drug Establishment Registration Facility Establishment Identifier of the registered repackager they are utilizing for these services as proof of FDA registration so that NRVJR is not violating any laws or regulations?
- Will a bidder's failure to provide, at the time of proposal submittal, written documentation to prove that they comply with FDA repackaging regulations regarding the selling of stock medications deem that bidder non-compliant and therefore ineligible to receive an award?

Answer: Bidders are expected to comply with all local, state and federal laws.

#### **Question # 4 - Current Rate**

In most, if not all public procurements, cost is not typically considered proprietary and would be readily available without a public records request. Is your current contract rate for pharmacy services one of the following:

- A discount to average wholesale price (AWP)? If so, what is the current percentage discount to AWP?
- Acquisition cost plus a dispensing fee. If so, what is the current dispensing fee?
- If other, please describe or explain the current pricing structure and rates

Answer: I am attaching our current pricing structure.

#### **Westwood Pharmacy Pricing Model**

**May 18, 2017**

Westwood Pharmacy will bill under the following guidelines:

- **Rx Medications**
  - Will be billed at cost plus \$2.55 per Rx
- OTCs will be billed cost plus 10% per piece
- Westwood Pharmacy will not sell medications below cost.
- Credits are offered on medications for full and partial blister cards at 100% of the medication cost to your facility with no processing fee in accordance with all state and federal laws and regulations.

The above pricing includes:

- No additional charges for eLinkRx, our correctional specific software
- A registered pharmacist to conduct quarterly on-site inspections
- Medications carts for the duration of the contract on loan
- Fax machine for the duration of the contract on loan
- 24/7/365 on call support/consulting
- Monthly and ad hoc reports
- No charge for delivery
- No charge for Video Training Tools

### **Credit on Returns**

Westwood Pharmacy, in accordance with State and Federal Law, will provide protocols for the return and credit of medication from the facility. Credit will be given at 100% cost of medications to your facility with no restocking for medications returned by the facility when the following criteria have been met:

- The Rx medication did not leave the control of the registered professional nurse or licensed practical nurse responsible for administration and security of the prescription drug. The prescription drug will only be administered to the individual for whom it was prescribed.
- Labeling and packaging of the prescription drug that have not been tampered with in any shape or form. This includes, but is not limited to
  - Identity
  - Strength
  - Expiration
  - Lot number
- The prescription was dispensed in unit dosage blister cards or original manufacturer's packaging.
- The prescription medication is not:
  - A controlled substance
  - Expired
  - Damaged or deteriorated
  - Contaminated or compromised by outside environment
  - Improperly stored
  - Refrigerated items
  - Specialty items as determined by Westwood Pharmacy

All returned medications will be documented by the facility. The medications will then be shipped to Westwood Pharmacy at our expense. Medications received will then be catalogued at our facility for

documentation, accountability, and for the purpose of providing credit to be used for the next billing cycle. Credit will be given on a monthly basis for all medications including both full and partial cards as well as for half tablets. Only medications that comply with State and Federal regulations and will not expire within 90 days will be credited.

Credits will be issued in accordance to the above regulations. Credits are offered on full and partial blister cards at 100% of the medication cost to your facility with no restocking fee. No additional charges will apply for the restocking of medications. According to DEA regulations, controlled substances cannot be returned to the pharmacy provider. The controlled substances will be destroyed quarterly in accordance to State regulations. The final decision on credits will be at the discretion of the pharmacist.

### **Question # 5 - Electronic Reconciliation**

Many facilities within the industry the size of NRVJR are using electronic check-in and return programs for inventory management. Does your facility currently use a barcode electronic order reconciliation and medication return management system that is provided by your pharmacy vendor at no additional cost?

Answer: No

### **Question # 6 - Online Reporting**

Many facilities within the industry the size of NRVJR have fingertip access to electronic reporting. Does your facility currently have access to an online reporting dashboard for you to access meaningful and accurate reporting 24/7/365 that is provided by your pharmacy vendor at no additional cost?

- If not, would you consider adding this requirement to your current solicitation so your facility-level staff and administrators can analyze prescriber ordering trends and costs to better manage facility operations through accessible reporting?

Answer: No, the requirements are included in the RFP.

### **Question # 7 - EHR/EMR**

Regarding your CorEMR electronic health record (EHR)/electronic medical record (EMR) system:

- What is the intended mechanism to transmit prescription data from the CorEMR system to the fulfillment pharmacy? (i.e., Surescripts, HL7, etc.)
- Is there intent to have all patient demographic and movement data run through the same process as the prescription fulfillment data or is it the intent to have a separate process addressing these data elements?
- Section 3.F - PACKAGING OF PHARMACEUTICALS indicates that if requested, Contractor will provide the proper medication administration record sheets to properly record administration and counts of controlled, non-controlled and OTC medications.
  - Is CorEMR currently being used for eMAR purposes?

Answer: The EMR is compliant with a variety of interfaces. The EMR is used for medication administration records. However, in the case of a technology failure, the pharmacy provider shall be responsible for proving MAR forms.

### **Question # 8 - Current Contract**

Contracts for services sought via public procurements are generally not considered confidential since taxpayer dollars are used to pay for the requested services. Can you please provide via addendum the current pharmacy contract being accessed by the jail for medication dispensing and pharmacy program management services?

- If not, can you please provide the name and contact information of the person that can provide this information?

Answer: Westwood Pharmacy is our current provider.

### **Question # 9**

Under item C - SUBMISSION AND RECEIPT OF PROPOSALS, it indicates that one (1) electronic copy on CD/DVD is preferred.

- Are bidders permitted to provide an electronic copy on USB?

Answer: Yes

### **Question # 10 - Pricing**

Unfortunately, we have been involved in numerous procurements where other bidders submitted questionable pricing that was not initially apparent to the evaluators on a medication price list, similar to what NRVJR is requesting in your solicitation. Large discrepancies amongst bidders on medication price lists are difficult to explain and should serve as red flags to your evaluation committee when assessing the overall bottom line price.

As you know from your industry experience and procurement knowledge that such tactics, if intentional, are meant to decrease a bidder's overall medication pricing (especially on such a large list of medications) to make them appear more favorable to evaluators. In most cases, such bidders were unable to ultimately provide the quoted pricing during the term of the contract, and their selection was therefore not in the institution's best interests.

Most commonly, a bidder may accidentally, or unfortunately intentionally, enter a price on a non-oral solid that will skew the overall pricing on the entire list of medications. For example, we often see that if a price list indicates a quantity of one (1) for an item such as Lantus insulin, bidders will deceptively submit a price for 1mL of Lantus insulin (even though it cannot be dispensed that way) instead of a price for one (1) vial as supplied by the manufacturer (which is a metric quantity of 10 mL and a 10-fold price variance).

The same is seen with albuterol inhalers; many bidders will provide a price for 1 inhaler (which is 18 grams) whereas others will provide a price on 1 gram in order to show an 18-fold artificially deceptive price. And disappointingly, we have seen some bidders enter a low price on just one line item of a large list of meds that will directly lower the bottom line price the evaluation team will see for the entire list. These variances will greatly impact and incorrectly represent the overall cost being shown on their price list.

To ensure that all bidders provide their prices based on the exact same quantities of the medications, would you please specify the exact metric quantity you wish bidders to quote for the following medications in Attachment A:

- For ALBUTEROL SUL HFA 90 MCG INH, are bidders to price a quantity for 1 gram or provide a price for one 18-gram inhaler?

Answer: 1 18g MDI

- For CLOBETASOL PROP 0.05% SOL, are bidders to price a quantity for 1 mL or provide a price for one 50 mL bottle?

Answer: 1 50mL bottle

- Attachment A indicates a quantity of "40" to be priced out for CLOTRIMAZOLE 1% CRÈME, are bidders to price out 40 grams? Or 40 of the 30 gram tubes?

Answer: 1 30g tube

- For EAR DROPS EARWAX AID 6.5% OT SOL, are bidders to price a quantity for 1 mL or provide a price for one 15 mL bottle?

Answer: 1 15mL bottle

- For FLUTICASONE PROP 50 MCG SPRAY, are bidders to price a quantity for 1 mL or provide a price for one 16 mL bottle?

Answer: 1 16mL bottle

- For FLUTIC-SALMETEROL 113/14 MCG INH, are bidders to price a quantity for 1 puff or provide a price for one full inhaler?

Answer: 1 single MDI

- For GNP CLEARLAX POW, are bidders to price a quantity for 1 gram or provide a price for one 355-gram bottle?

Answer: 1 355g bottle

- For LACTULOSE 10GM/15 SOL, are bidders to price a quantity for 1 mL or provide a price for one 480 mL bottle?

Answer: 1 480 mL bottle

- For LANTUS 100/ML INJ, are bidders to price a quantity for 1 mL, or provide a price for one 10 mL vial?

Answer: 1 10mL multi dose vial

- For NEOMYCIN-POLY-HC OP SUS, are bidders to price a quantity for 1 mL, or provide a price for one 7.5 mL bottle?

Answer: 1 7.5mL bottle

- For OFLOXACIN 0.3% OP EYE, are bidders to price a quantity for 1 mL, or provide a price for one 5 mL bottle?

Answer: 1 5mL bottle

- For SIMBRINZA EYE, are bidders to price a quantity for 1 mL, or provide a price for one 8 mL bottle?

Answer: 1 8mL bottle

- For TIMOLOL MALEATE 0.5% EYE, are bidders to price a quantity for 1 mL, or provide a price for one 5 mL bottle?

Answer: 1 5mL bottle

- For TRAVATAN Z 0.004%, are bidders to price a quantity for 1 mL, or provide a price for one 2.5 mL bottle?

Answer: 1 2.5 mL bottle

- For TRIAMCINOLONE ACETONIDE 0.1% CREM, are bidders to price a quantity for 1 gram or provide a price for one 30-gram tube?

Answer: 1 30g tube

- For TRIAMCINOLONE ACETONIDE 0.1% OINT, are bidders to price a quantity for 1 gram or provide a price for one 30-gram tube?

Answer: 1 30g tube

### **Question # 11 - Short dated pharmaceuticals**

Occasionally a manufacturer with excess product will temporarily lower their medication acquisition cost in order to move short dated product. Unfortunately, on a list of medications such as Appendix A, bidders will quote short-dated pharmaceuticals when submitting prices for this proposal. This deceptive practice will certainly reflect an overall lower cost on your price list to make their pricing look more favorable, yet when it comes time to dispense the actual product, the cost is most likely no longer discounted (as it was a temporary reduction) and you will be paying a higher price?

Answer: This is not a question.

### **Question # 12 - Dispensing fee**

Are bidders to include their proposed dispensing fee in the price quoted for medications in Attachment A? Or, should just the AAC be shown for comparative purposes and the dispensing fee provided elsewhere in the bidders response?

Answer: The pricing formula is as requested in the RFP.

### **Question # 13 - Additional Questions**

Will there be an opportunity to ask more questions, for clarification purposes, in the event responses to submitted questions are unclear?

Answer: Yes, until the deadline.