



REQUEST FOR PROPOSAL

PHARMACY SERVICES

CLINTON, EATON, INGHAM COMMUNITY MENTAL HEALTH AUTHORITY

REQUEST FOR PROPOSALS FOR PHARMACY SERVICES

I. INTRODUCTION

A. Purpose of Request For Proposal (RFP)

Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) is requesting proposals for Pharmacy services for the public with a focus on CMHA-CEI, staff, consumers and providers of CMHA-CEI services. As a result of this RFP, CMHA-CEI expects to contract with a qualified vendor to operate and manage an on-site pharmacy, for space to be leased, at 812 E. Jolly Rd., Lansing, Michigan 48910. A qualified vendor shall be one which is accredited by a nationally recognized credentialing agency or organization.

B. Term of Engagement

CMHA-CEI expects to award a three year contract to the successful bidder, with an option to renew for up to an additional three year term.

II. DESCRIPTION OF ORGANIZATION

CMHA-CEI is a public governmental body, initially formed by the County Commission of Clinton, Eaton, and Ingham Counties in 1964, has a 12 member board of directors appointed by the County Commissions of all three counties.

CMHA-CEI provides mental health and substance abuse services to the residents of Clinton, Eaton, and Ingham counties. The services offered at CMHA-CEI are typically provided to Medicaid recipients, these services include Crisis Services, Adult Mental Health Services, Services to children and their families, Community Services for the Developmentally Disabled, and Substance Abuse Services

CMHA-CEI operates 10 medication clinics in 7 locations across the 3 county catchment area. Clinic staff provides an array of services to individuals and their families with mental illness, intellectual and developmental disabilities(IDD), substance use disorder (SUD), severe emotional disturbance (SED), and co-occurring disorders. Peer supports are also available to consumers receiving psychiatric services. CMHA-CEI serves approximately 12,000 citizens annually.

III. SCOPE OF SERVICES

A. Scope of Work to be Performed

CMHA-CEI is contracting with a Pharmacy vendor to operate and manage a public pharmacy at 812 E. Jolly Rd., Lansing, MI., for the purpose of providing pharmaceutical services to the public with a focus on CMHA-CEI, staff, consumers and providers of CMHA-CEI services.

The pharmacy vendor shall be an independent contractor of CMHA-CEI, and hold all necessary licenses, and permits, including Tax Identification Number, Medicaid Provider Identification Number, and Third-Party insurance contracts. CMHA-CEI expects the following from the selected pharmacy vendor:

1. Pharmacy Space and Resources

- a) Vendor shall utilize existing space of 2,069 total square feet which houses the incumbent pharmacy. If needed, Vendor shall be responsible for any modification or remodeling of the existing space and shall be responsible for all permits, construction, and remodeling costs related to such construction or remodeling. Any modification or remodeling to existing space shall only be made with CMHA-CEI's prior approval.
- b) Vendor shall incur the costs of all security for the pharmacy,
- c) Vendor shall lease pharmacy space from CMHA-CEI at the fair market value for the Lansing community. The fair market value will be established by CMHA-CEI.

2. Administrative and Management

- a) Vendor shall fully manage pharmacy and all pharmacy staff.
- b) Vendor shall be responsible for holding contracts with insurance companies, and billing third party payers and insurance companies for all pharmacy customers.
- c) Vendor shall implement wholesale pricing for CMHA-CEI and shall provide its pricing formulae for prescription and non-prescription medications and supplies.
- d) Vendor shall assist in the management and administration of manufacturer-sponsored patient assistance programs.
- e) Vendor shall assist with inventory management and labeling of medication samples.
- f) With input from CMHA-CEI, Vendor shall establish hours of operation and manage an on-call service system after hours and on weekends and holidays.
- g) Vendor shall obtain input from CMHA-CEI to use appropriate product(s).
- h) Vendor will offer delivery services and emergency after hours pick up of prescription by CMHA-CEI staff or providers.
- i) Vendor will offer medication packaging systems meeting needs of the customers and meeting the requirements for packaging and labeling established by the Michigan Board of Pharmacy, Drug Enforcement Administration (DEA), and United States Pharmacopeia (USP).
- j) Vendor shall appropriately use and safeguard customer health information by complying with the federal and state laws and regulations. Vendor shall notify customers of their Notice of Privacy Practices.

- k) Vendor shall offer to assess and evaluate the storage capacity and medication administration capabilities for each residential provider within six months of the effective date of the Pharmacy contract and on an ongoing basis within thirty days of effective date for new residential contracts.
- l) On a quarterly basis, Vendor shall perform an on-site survey of all directly-operated, and shall offer to perform these services at contract sites, where medication administration occurs to assess compliance with medication administration, storage and record-keeping procedures to ensure compliance with Michigan Mental Health Code, MDHHS/PIHP and DHS licensing requirements.

3. Computer System

Vendor will have a computer system used to manage pharmacy services that will share required, necessary information, in accordance with HIPAA standards, needed for continuity of care. Vendor's computer system shall be able to accept electronic prescriptions from CMHA-CEI.

4. Clinical Pharmacy Services

Vendor will interact daily with psychiatric services staff at all CMHA-CEI clinics and service sites, as appropriate. Clinic staff are familiar with the customer base as well as the unique set of needs that psychiatric, co-occurring and substance using customers have. As such, the pharmacy may be required to assist with medication set-up, specialized packaging and delivery services.

- a) Vendor shall be familiar with psychiatric and substance using customers and in particular with the CMHA-CEI customer base.
- b) Vendor shall be familiar with the practices of CMHA-CEI practicing physicians and psychiatric clinics.
- c) Vendor shall participate in the CMHA-CEI's Medication and Pharmacy Workgroup (MAP).
- d) Vendor shall perform drug utilization review.
- e) Vendor shall perform educational in-services for CMH staff and providers, including:
 - 1.) Medication administration and record keeping
 - 2.) Medication storage, labeling, and disposal
- f) Vendor shall maintain Pharmacy records and interface with CMHA-CEI clinical records as appropriate.

5. Pharmacy Pricing

Vendor shall establish and disclose a payment process for wholesale pricing for pharmacy services. Vendor shall describe its capability to participate in 340 B

pricing in a federal program.

6. Quality Improvement

Vendor will administer its own internal quality improvement program, and be expected to participate in the CMHA-CEI quality improvement process.

7. Reporting

Vendor may be requested to provide various clinical, financial and drug utilization reports to CMHA-CEI on a monthly, quarterly and/or annual basis.

8. Pharmacy Staff

- a) Vendor will be expected to employ qualified and sufficient staff to efficiently manage the operational and clinical activities of the pharmacy.
- b) Vendor will be responsible for credentialing and re-credentialing activities of staff per Michigan Board of Pharmacy standards and Michigan Public Health Code.
- c) Vendor will be responsible for insurance for employed and contracted pharmacy staff.
- d) Vendor will be responsible for workers compensation for employed pharmacy staff
- d) Vendor will be responsible for training of pharmacy staff in areas required by CMHA-CEI including, but not limited to, fraud, waste and abuse, blood borne pathogens, recipient rights and HIPAA.

IV. CONTENT OF PROPOSALS

Written proposals should contain the following elements:

A. Cover Letter

A cover letter on organization letterhead must provide the name and title of the person(s) who are authorized to answer questions about this RFP. Please include the following additional information:

Legal Name

Address

Telephone Number(s)

Fax Number(s)

E-mail/Web Page Address

Tax ID Number

NPI Number

Administrator (name/title)
Person Authorized to Sign Contracts (name/title)
Billing Entity Authorized to receive financial reimbursement
Billing Contact Person and Telephone Number
Billing Address if different than above

B. Pharmacy Demographics

The proposal should include a brief history of the pharmacy business, its size, and number of pharmacies and locations. Vendor must submit a copy of their articles of incorporation, and proof of Vendor's ability to conduct business in the State of Michigan, and in what business capacity (Corporation, Sole Proprietor, etc.)

The vendor must disclose information on the circumstances and status of any disciplinary action taken or pending against their organization during the past 3 years with federal or state regulatory bodies.

A current organization chart including names and credentials of all senior staff members. The organizational chart should reflect all business operations undertaken by your organization including operations outside the state of Michigan.

C. Relevant Experience

The Vendor should describe and list similar pharmacy arrangements with other health care providers, as indicated in this RFP. Include any other pharmacy arrangements with other Community Mental Health agencies.

D. Conflict of Interest

By submitting a proposal, the Vendor certifies that he/she has no business, professional, personal, or other interest, including, but not limited to, the representation of other clients, that would conflict in any manner or degree with the performance of its obligations under any subsequent agreement with respect to this RFP. If at any time during the bidding process or subsequent contractual period, an actual or potential conflict of interest arises, the Vendor shall immediately disclose in writing the conflict of interest to CMHA-CEI. CMHA-CEI reserves the right to immediately terminate in writing to the Vendor any subsequent agreement where, in the reasonable judgment of CMHA-CEI, such conflict poses a material conflict to the performance of the Vendor's obligations under the agreement; such termination of the agreement shall be effective upon the receipt of such notice by the Vendor.

E. Indemnification and Hold Harmless

The Vendor who is selected as the Provider shall, at its own expense, protect, defend, indemnify, save and hold harmless CMHA-CEI and its elected and appointed officers,

employees, servants and agents from all claims, damages, lawsuits, costs and expenses including, but not limited to, all costs from administrative proceedings, court costs and attorney fees that CMHA-CEI and its elected and appointed officers, employees, servants and agents may incur as a result of the acts, omissions or negligence of the Contractor or its employees, servants, agents or Subcontractors that may arise out of the agreement.

The Vendor's indemnification responsibility under this section shall include the sum of damages, costs and expenses which are in excess of the sum of damages, costs and expenses which are paid out in behalf of or reimbursed to CMHA-CEI, its officers, employees, servants and agents by the insurance coverage obtained and/or maintained by the Vendor.

F. Vendor Insurance Requirements

The Vendor, and any and all of his/her subcontractors, shall not commence work under this contract until he/she has obtained the insurance required under this paragraph and any subsequent contract. All coverage's shall be with insurance companies licensed and admitted to do business in the State of Michigan.

- a) Worker's Compensation Insurance: The Contractor shall procure and maintain during the life of this contract, Workers' Compensation Insurance, including Employers Liability Coverage, in accordance with all applicable Statutes of the State of Michigan.
- b) Commercial General Liability Insurance: The Contractor shall procure and maintain during the life of this contract, Commercial General Liability Insurance on an "Occurrence Basis" with limits of liability not less than \$3,000,000 per occurrence and/or aggregate combined single limit for Personal Injury, Bodily Injury and Property Damage. Coverage shall include the following extensions: (A) Contractual Liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent, if not already included; (E) Deletion of all Explosion, Collapse, and Underground (XCU) Exclusions, if applicable; (F) Per contract aggregate.
- c) Motor Vehicle Liability Insurance: The Contractor shall procure and maintain during the life of this contract, Motor Vehicle Liability Insurance, including applicable No-Fault coverage's, with limits of liability of not less than \$3,000,000 per occurrence combined single limit for Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles and all hired vehicles.
- d) Additional Insured: Commercial General Liability and Vehicle Liability, as described above, shall include an endorsement stating the following shall be "Additional Insured's: The County of Ingham, including all elected and appointed officials, all

employees and volunteers, all boards, commissions and/or authorities and their board members, including employees, and volunteers thereof.

The coverage shall be primary to the Additional Insured's, and not contributing with any other insurance or similar protection available to the Additional Insured's, whether other available coverage is primary, contributing or excess."

- e) Cancellation Notice: All insurances described above shall include an endorsement stating the following: "It is understood and agreed that thirty (30) days advanced written notice of cancellation, non-renewal, reduction and/or material change shall be sent to: Ingham County Purchasing Department, P.O. Box 319, Mason, Michigan 48854."
- f) Proof of Insurance: The Contractor shall provide the County of Ingham at the time the contracts are returned by him/her for execution, two (2) copies of the aforementioned Certificates of Insurance and/ Policies, acceptable to the County. If so requested, certified copies of all policies will be furnished. The Contractor shall provide the County evidence that all subcontractors are included under the contractor's policy.

If any of the above coverage's expires during the term of this contract, the Contractor shall deliver renewal certificates and/or policies to the County of Ingham at least ten (10) days prior to the expiration date.

G. Statement of Requirements

State in detail your understanding of the requirements presented in Section III of this RFP and submit the requested items for each section.

1. Pharmacy Space and Resources.

- a) Lease amount to be paid to CMHA-CEI for pharmacy space.

2. Administrative and Management.

- a) Vendor must include an affirmative statement indicating the pharmacy and all assigned key professional staff are licensed to practice in Michigan at the date of hire. Copies of pharmacy licenses, insurance binders, including workers' compensation will be able to provided when the contract is executed.
- b) Vendor must assure that pharmacy staff meet requirements of the CMHA-CEI/PIHP Credentialing and Re-credentialing policy (attached to this RFP).
- c) Vendor shall provide their preliminary staffing model.
- d) Vendor must provide list of insurance companies, health plans and other third party payers currently doing business with the Vendor,

or payers the Vendors plans to do business with if they receive the contract.

- e) Vendor shall describe process for managing pharmacy services including; office hours, on-call services, medication samples, special packaging for medications and delivery services available to customers.
- f) Vendor shall describe how HIPAA compliance is maintained.
- g) Vendor must agree to sign CMHA-CEI's Business Associate

Agreement

3. Computer System

Please describe your current information system for managing pharmacy services, and ability to receive information electronically.

4. Clinical Pharmacy Services

- a) Describe the pharmacy services you will provide for CMHA-CEI.
- b) Describe training opportunities you can offer for consumers, staff and providers of CMHA-CEI.

5. Pharmacy Pricing

Please submit your pricing formulae for medications and/or related supplies provided to consumers non-covered through insurance.

6. Billing Third Party Payers

Please describe your ability to bill third party payers. Please describe your process for retroactively billing Medicaid, when an individual has been approved for Medicaid.

7. Quality Improvement

Please describe your internal quality improvement program and processes.

8. Reporting

What reporting can you provide to CMHA-CEI and are you able to provide ad hoc reports as requested?

9. Pharmacy Staff

Please provide proposed staffing model inclusive of on-call and weekend schedules.

10. Training

Please describe your staff training processes including, but not limited to, such topics as fraud, waste and abuse, blood borne pathogens, recipient rights and HIPAA.

11. Delivery

What is your policy on delivery of medications?

12. Locations

Where will your MARS be printed and where will your medications for residential homes be packaged?

13. Dispill

Please describe your process for dispill and what is your criteria for determining who is eligible?

14. Disposal

What is your policy for returning sharps containers and unused/expired medications, including controlled substances?

15. References

Include contact information for three references

V. PROPOSAL PREPARATION AND SUBMISSION PROCEDURES

A. Response Date

Proposals must be received by the Contract and Network Administrator at Community Mental Health Authority of Clinton, Eaton, Ingham Counties, 812 E. Jolly Rd., Suite 311, Lansing, Michigan 48910, no later than **5:00 pm. on March 8, 2019**. Proposals must be clearly marked "RFP Pharmacy Services, Attn: Brittany Pazdan" on the outside of the envelope. Envelope must include the name and address of the RFP vendor.

B. Incurring Costs

Proposals should be prepared simply and economically to provide a concise description of the pharmacy's capabilities to perform the services required.

CMHA-CEI will not be responsible for any costs incurred in the preparation of proposals in response to this RFP; nor will CMHA-CEI be responsible for any costs incurred if the vendor is invited to make an oral presentation to the evaluation team.

C. Signature

An official authorized to bind the vendor to its provisions must sign all proposals.

D. Effective Period

All proposals submitted to this RFP must be valid for at least 90 days.

E. Number of Copies

Potential vendors must submit 2 clearly marked originals and 1 electronic copy.

F. Withdrawal

The proposal may be withdrawn in person or by written request, unless CMHA-CEI has accepted the proposal in writing.

G. Proposal Submission

Faxed, emailed or late proposals will not be accepted.

H. Questions

All questions relating to the preparation and/or submission of a response to this RFP should be directed to Brittany Pazdan, Contract and Network Administrator at pazdan@ceicmh.org by February 15, 2019.

VI. EVALUATION CRITERIA

The proposals submitted will be evaluated by a committee consisting of a consumer, board member, and management, financial, clinical and contract staff. Evaluation criteria include, but are not limited to, the understanding of the proposed engagement as evidenced by the quality of the proposal response, relevant experience, qualifications of the vendor, approach/methodology, timelines, and total proposed cost.

VII. SELECTION PROCESS

CMHA-CEI reserves the right to reject any or all proposals and/or waive any defects or irregularities in proposals. CMHA-CEI also reserves the right to negotiate changes to the proposals, specifications, or other matters pertaining to the proposals that are deemed desirable by CMHA-CEI. Award of Contract, if made, will be to the vendor(s) whose proposal is in the best interest of Community Mental Health Authority of Clinton, Eaton, and Ingham Counties in its sole discretion. CMHA-CEI reserves the right to make purchases and award contracts to other than the low proposal or low bidder, which purchase or award is determined in the best interest of CMHA-CEI, in its sole discretion.

All proposals submitted are subject to the terms of the Freedom of Information Act, and will be retained by CMHA-CEI, whether or not the Vendor selected has submitted the proposal with the lowest costs.

VIII. GENERAL INFORMATION

A. Oral Presentation/Interview

Upon request by CMHA-CEI, some vendors may be selected to make an oral

presentation and to participate in an interview with the evaluation committee. The decision will be made by the evaluation committee in its sole discretion.

B. Proposal Retention

CMHA-CEI will retain all proposals submitted for 5 years.

C. Acceptance of Proposal Content

The contents of the proposal of the selected vendor may become contractual obligations. Failure to accept these obligations may result in cancellation of the selection, and the Vendor may be required to reimburse CMHA-CEI for damages incurred.

D. Type of Contract

It is expected that a contract entered into as a result of this RFP will be a 3 Year agreement for pharmacy services.

E. Non-Discrimination

It is the policy of CMHA-CEI to provide reasonable accommodation for otherwise qualified employees with disabilities and applicants for employment and to those entering into this RFP process. Applicants who require reasonable accommodation to complete the application and/or interview process should notify the Human Resources Department. It is the policy of CMHA-CEI to provide equal access to employment to all qualified individuals.

CMHA-CEI is an Equal Employment Opportunity Employer and a Drug Free Workplace.

F. Non-Collusion

The vendor certifies that this proposal has not been made or prepared in collusion with any other vendor and the prices, terms or conditions thereof have not been communicated by or on behalf of the vendor to any other firm and will not be so communicated prior to the official receipt of this proposal. This certification may be treated for all purposes as if it were a sworn statement made under oath, subject to the penalties for perjury. Moreover, it is made subject to the provisions of 18 U.S. C. Section 1001, relating to the making of false statements.

G. Freedom of Information Act

Information submitted in response to this proposal is subject to the Michigan Freedom of Information Act and may not be held in confidence after the proposal is opened.