REQUEST FOR PROPOSALS

First Choice Community Healthcare, Inc. (FCCH), is seeking competitive proposals for the provision of 340B pharmacy benefit management services. Small, women owned, and minority owned firms are encouraged to apply. For information regarding this proposal, you may contact First Choice Community Healthcare, Inc., via e-mail at RFP@fcch.com.

Response to this Request for Proposals (RFP) shall be e-mailed to RFP@fcch.com no later than December 11, 2015, 5:00 PM Mountain Time. Proposers must submit their proposal electronically via e-mail in “.PDF” format with the subject line “RFP – 15-06 – FCCH 340B.” All responses will become part of the official file without any obligation on the part of FCCH.

A. **Statement of Purpose**
   It is the intent of these specifications, terms and conditions to describe the 340B pharmacy benefit management (PBM) services (Services) required by FCCH.

   FCCH intends to award a three-year contract (with an option to renew) to the bidder(s) selected as the most responsible bidder(s) whose response conforms to the RFP and meets FCCH’s requirements.

B. **Background Information**
   FCCH is a non-profit New Mexico Corporation which began operation in 1972 and is a designated Federally Qualified Healthcare Center (FQHC). FCCH provides primary health care (medical, dental and behavioral health) and human services programs to communities in Bernalillo, Valencia and south Santa Fe counties. In Bernalillo County, FCCH operates five sites: South Valley Health Commons, South Broadway Health Center, North Valley Health Center, Alamosa Health Center and Alameda Health Center. In Valencia County, FCCH operates two sites: Los Lunas Health Center and Belen Health Center. In south Santa Fe County, FCCH operates a single site in Edgewood. All sites provide primary medical care. Los Lunas, South Valley and Edgewood also provide dental care. The South Valley, South Broadway, Edgewood, Belen, North Valley and Alamosa health centers also provide Suboxone treatment.

   FCCH provides care to approximately 51,000(+) unique patients each year, totaling approximately 156,000 visits each year and an estimated prescription writing volume, across all FCCH providers, of approximately 62,100 prescriptions per year.

C. **Code of Conduct**
   No FCCH employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of any interest would be involved. Such a conflict would arise when the employee, officer, agent, or any member of his/her immediate family, his/her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The FCCH officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to sub agreements. However, FCCH may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. FCCH standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by FCCH officers, employees or agents.
D. Definitions
The following terms and definitions apply generally to the 340B program and to this RFP. Individual terms, however, may not appear specifically in this RFP.

"340B Contract Pharmacy" means a New Mexico licensed pharmacy in good standing with no restrictions, which has entered into a Pharmacy Provider Agreement with a Covered Entity.

"340B Contract Pharmacy Agreement" means the agreement, facilitated by the Contractor, between a Covered Entity and the 340B Contract Pharmacy for dispensing 340B-purchased pharmaceuticals. The 340B Contract Pharmacy Agreement shall include those minimum elements required by HRSA for 340B Covered Entity and 340B Drug and associated services.

"340B Covered Drug" means a drug subject to a discount under the Federal 340B Drug Pricing Program.

"340B Drug Pricing Program" means the federal drug discount program established under Section 340B of the Public Health Service Act, 42 U.S.C. § 256b.

"340B Acquisition Cost" means the 340B cost of the drug charged by the manufacturer to each Covered Entity plus any Wholesaler fee.

"Authorized Provider" means any individual licensed to prescribe medication in the State of New Mexico that is employed or contracted by the FCCH Clinic to prescribe medications to a Patient. Covered Entity Authorized Providers shall meet HRSA 340B regulations.

"Claim" means a CPN's billing for a single prescription for pharmaceuticals dispensed to a Patient.

“Claims Adjudication” means the processing of electronic claims for prescriptions which includes full compliance with 340B patient eligibility requirements. These include but are not limited to: verifying patient and provider eligibility, formulary status of prescribed medication, and patient co-payment status. The electronic claims adjudication process shall include a real time Lower of Pricing analysis to verify the lowest cost alternative for the specific claim, communicated back to the CPN at the time of claims adjudication.

"Clean Claim" means a Claim that has no defect, propriety or special circumstance, including incomplete documentation that delays timely payment.

“Contract Pharmacy” means a New Mexico licensed pharmacy in good standing with no restrictions, which has entered into a Pharmacy Provider Agreement with Contractor.

“Contract Pharmacy Network (CPN)” means the network of pharmacies that have an executed Pharmacy Provider Agreement with Contractor.

"Covered Entity" means FCCH as a whole or individual clinics which to participate in the 340B Drug Pricing Program.
"Dispensing Fee" means the negotiated amount payable to a Contract Pharmacy for pharmaceutical dispensing.

"Formulary" means a listing of all medications that are covered by the FCCH Program, along with any coverage restrictions.

“HRSA” means the Health Resources and Services Administration, which is the Federal agency that administers the 340B Drug Pricing Program through its Office of Pharmacy Affairs.

"Lower of Pricing" means the lower of (1) 340B Acquisition Cost of the drug plus negotiated dispensing fee, or (2) the usual and customary pharmacy charge, or (3) MAC cost plus negotiated MAC dispensing fee, or (4) non-340B drug reimbursement as set forth by FCCH.

"Pharmacy Services Program" means the drug coverage standards established by FCCH, including the Formulary, varying co-payments, deductibles, maximum quantities, maximum days, prior authorization requirements, eligibility, limitations, the corresponding accurate price calculations, and clinical parameters, as appropriate, and as defined by FCCH.

“Patient” means an individual who meets the definition of a patient established by HRSA with respect to a Covered Entity and who is an enrolled participant with an FCCH Clinic.

"Pharmacy Provider Agreement (PPA)" means the agreement between the Contractor and each pharmacy within the CPN that sets forth the Dispensing Fee and obligations of the pharmacy with respect to pharmacy services provided to FCCH Program patients.

“Switch Vendor” provides a telecommunication connection to send electronic NCPDP transactions between the Contractor’s claims adjudication system and Contract Pharmacies.

"Usual and Customary" means the lowest price each Contract Pharmacy would charge to a Patient if the Patient were paying cash for the identical Formulary Drug on the same date of services. This includes any applicable discounts including, but not limited to, senior discounts, frequent shopper discounts and other special discounts offered to customers, inclusive of the dispensing fee.

"Wholesaler" means the contracted distributor for 340B Covered Drugs designated by the Covered Entity as the distributor from whom 340B Covered Drugs are purchased by the Covered Entity.

E. Summary and General Scope of Work

The successful proposer shall serve as a 340B Pharmacy Services Administrator (PSA) to meet the pharmaceutical needs of eligible patients of FCCH. Such services shall consist of claims processing and adjudication in accordance with the FCCH Pharmacy Services Program, along with facilitating the development and oversight of Health Resource and Services Administration (HRSA) 340B-compliant pharmacy network for FCCH Clinics. Generic low cost medications shall be dispensed through a Contract Pharmacy Network (CPN). All claims shall be submitted via National Council for Prescription Drug Programs (NCPDP) claims process and shall originate from a New Mexico licensed pharmacy.
In general, the successful proposer (hereinafter referred to as “Vendor”), shall:

- Possess excellent knowledge and understanding of the Federal 340B Drug Pricing Program, including and not limited to the following: all regulations and requirements of the program, contract pharmacy arrangements, virtual inventory management procedures, drug replenishment using 11-digit National Drug Code (NDC) processes, and HRSA and 340B Contract Pharmacy auditing requirements.

- Possess the ability to effect a Lower of Pricing reimbursement methodology on each claim at the time of submission, selecting the lowest reimbursement for each claim and providing immediate response to the pharmacy submitting the claim.

- Possess the ability to verify 340B patient eligibility for each submitted claim, utilizing HRSA patient definition requirements to validate 340B eligibility for each claim. Proposer should be able to provide an electronic system to screen for appropriate patients per HRSA 340B patient definition at the time of prescription claim, and provide processes to place Wholesaler order(s), track receipt, and monitor for compliance to 340B requirements.

- Designate a dedicated account manager and service representative for the FCCH Program. The successful proposer (hereinafter referred to as “Vendor”) will administer coverage for all 340B prescriptions written for uninsured FCCH patients seen by FCCH medical, dental and behavioral health care providers.

More specifically, the Vendor:

1. Must distinguish between FCCH patients-of-record presenting FCCH provider-generated prescriptions to an FCCH-contracted pharmacy and those same individuals who may be presenting prescriptions from non-FCCH providers for non-FCCH provided services. In many instances, the patients will be the same.

2. Must utilize and demonstrate how it will utilize the current network of FCCH-contracted pharmacies, and how it will expand coverage in those communities or sub-communities where contract pharmacy coverage is weak or non-existent.

3. Must identify and show how it will utilize FCCH's current Prime Vendor, Cardinal Health.

4. Demonstrate how they will guarantee exclusion of Medicaid/Medicaid MCO patient prescriptions from the 340B program.

5. **Transparency and Full Pass Through:** Provide transparent, full pass-through pricing, including discounts. This is to be demonstrated by invoices showing, for each prescription, the amount billed to FCCH and the amount paid to the pharmacy.

6. **Compensation: Per Paid Claim Adjudication Fee:** Bill FCCH a per-paid claim administration fee, but no fee for either claim rejections or reversals.
7. **Consumer Access and Services:** Provide a network of geographically and culturally diverse contract-pharmacies specific to meet the needs of FCCH patients-of-record which shall include:
   - Pharmacies that are language-capable pharmacies in the network;
   - Extended hour pharmacy coverage to include at least one 24/7 contract pharmacy;
   - Mail order services; and
   - At least one network pharmacy in each community and sub-community served by FCCH.

8. **Eligibility Upload:** The ability to provide for an effective, live interface with the FCCH practice management system in order to determine/update patient eligibility.

9. **340B Third Party Administration:** The capacity to implement and maintain a 340B drug purchasing program, including contracting, managing virtual inventories and replenishment of those inventories, verification of patient and FCCH program eligibility, maintaining accurate pricing, and preventing drug diversion and duplicate discounts/rebates.

10. **Electronic Health Record (EHR) Interface:** The flexibility to interface with FCCH's electronic medical and dental record systems (Cerner Ambulatory and Dentrix).

11. **Eligibility Requirements:** The ability to administer FCCH's eligibility requirements, including, but not limited to verification that:
    a) Each Patient is an FCCH patient;
    a) Each prescriber is an FCCH-authorized prescriber;
    b) Each medication is on the FCCH formulary;
    c) If a medication is available as a generic, that it is dispensed as a generic medication, even if it is prescribed as a brand-named medication; and
    d) Approval of medication prior authorization (PA), and the procedure for placing a PA.

12. **Program Design:** Maintain the following on an on-going basis as directed by FCCH:
    a) Specific eligibility groups as defined by FCCH;
    b) FCCH formulary and prescribing guidelines/requirements;
    c) Network of prescribers;
    d) Network of FCCH 340B pharmacies; and
    e) Eligibility upload (see #8 above).

13. **Prescription Claims Data:** Prescription claims data transmission on a live basis.

14. **Monthly Reconciliation:** Statements that provide sufficient detail to clearly identify prescription and claims reconciliation information, 340B virtual inventory utilization and management, and FCCH costs and revenue. See Section E, Required Reports, for more information.

15. **Reversal Process:** Conduct Reversal Process as directed by FCCH on a monthly basis. FCCH will identify incorrectly billed prescription claims by network pharmacies (Reversals”). Reversals shall be done by vendor as requested by FCCH, reverse the claim or confirm that claim billing to FCCH has been reversed.
16. **Account management & customer service:** Provide responsive account management and customer services to FCCH and pharmacies. This shall include, but not be limited to, meeting the following requirements:
   a) Provide FCCH a dedicated experienced account coordinator responsible for the overall Contract requirements, terms and problem resolution. This person must:
      • Be available Monday thru Friday from 8:30 a.m. – 5:00 p.m. Mountain Time;
      • Provide a cell phone or pager number for emergencies/disaster support, with response time within one (1) hour.
      • Meet with the FCCH Consulting Pharmacist (Director) or designee as requested and needed.
      • Maintain, during off hours, a toll-free voice mail recording system, with all messages answered within the next business day.
   b) For FCCH network pharmacies:
      • Provide Toll-free telephone & FAX lines for customer service (Help Line), availability Monday thru Friday from 8:30 a.m. – 6:00 p.m. Mountain Time, with additional hours over the weekend.
      • Conduct periodic, at minimum annual, retail pharmacy surveys. Consult with the Director on survey criteria prior to conducting survey.

17. **Training:** Provide training to FCCH staff and other users identified by the Director for its web-based *ad hoc* user query system at no cost to FCCH and to its users.

18. **Performance Guarantees:** Vendor must agree to develop performance guarantees with FCCH, based on the PBM service expectations. These guarantees will be evaluated on a quarterly basis, and if not met, will have a monetary penalty payable to FCCH in the following quarter.

19. **Business Associate Agreement/HIPAA & HITECH Compliance:** Vendor must be HIPAA/HITECH compliant, and must maintain all actions necessary to be compliant with business associate requirements.

F. **Detailed Vendor Qualifications and Detailed Scope of Services**

Detailed vendor qualification criteria and scope of services include, but are not necessarily limited, to the following:

**340B Program Participation**

1. Have been in the business of providing PBM services to agencies similar to the size and focus of FCCH for a minimum of five (5) years; experience with FQHC community health centers is highly preferred.

2. Possess all permits, licenses and professional credentials necessary to supply product and perform services as specified under this RFP and shall provide written proof of such prior to finalization of any contract.

3. Possess excellent knowledge and understanding of the Federal 340B drug pricing program including, and not limited to, regulations and requirements of the program, contract pharmacy
arrangements, virtual inventory management procedures, drug replenishment using 11-digit NDC processes, government and drug manufacturer auditing requirements.

4. **Upon review of FCCH 340B participation and systems, provide recommendations and implementation strategies for improvement to efficiency, guide 340B program compliance, and maximize benefits of 340B program participation.**

5. **Meet with the contract administrator and other FCCH staff as requested and as needed.**

6. **Adhere to the contract implementation timeline established by FCCH to ensure no interruption of services to FCCH and FCCH patients.**

7. **To prevent drug diversion and duplicate manufacturer discounts, conduct audits and other quality improvement activities of their services and services of any subcontractors and network pharmacies as requested and agreed upon by mutual consent of the vendor and contract administrator.**

8. **Assist with audits of the FCCH prescription benefit program by other interested parties, when requested by FCCH.**

9. **Assist in identification of opportunities and implementation of systems to enhance cost savings and revenue enhancement.**

### Third Party Claims Adjudication Coordination

10. **Provide directly the ability for online, point-of-service electronic claims adjudication for prescriptions, which includes, and is not limited to, verifying patient and provider eligibility, formulary status of prescribed medication, patient co-payment status.**

11. **Operate the online claims adjudication 24 (twenty-four) hours per day, seven (7) days per week. Downtime shall be no more than one percent (1%) of total operating time within each month. Performance significantly outside the established threshold of 1% shall be reflected in the vendor’s annual monitoring report.**

12. **Possess the ability to identify adjudicated claims eligible to be replenished by 340B drug purchases among claims adjudicated for all patients receiving care from FCCH providers, and to monitor revenue from claims not replenished but billed to commercial and other third party payers.**

13. **Possess systems to compare and apply different pricing and cost information to individual adjudicated claims based on FCCH’s established parameters and criteria, and bill FCCH the lowest of negotiated FCCH dispensing fee and other applied pricing parameters.**

14. **Possess the ability to track dispensed or administered drug by 11-digit NDC number, identify which drugs may be purchased for replenishment using 340B pricing and which drugs must be purchased at other than 340B pricing, and provide FCCH with reports of drugs ordered for replenishment by claim, 11-digit NDC, and by contract pharmacy (as applicable).**
15. Maintain an inventory tracking system that can carry over quantities of administered or dispensed drugs that did not reach package size levels to subsequent replenishment periods. Tracking and ordering of inventory for replenishment shall use electronically available information provided by FCCH and not rely upon manual systems or reports.


17. Submit to FCCH for approval, monthly invoices for prescription processing fees and non-replenished drug supplies paid through this contract.

18. Submit invoices that include, but are not limited to, patient and provider specific information by pharmacy, total fee charges by pharmacy, collected co-payment deducted from payment by pharmacy, total monthly amount due.

19. Add and/or remove pharmacies to the FCCH pharmacy network at the discretion of FCCH. Changes in the FCCH pharmacy network shall occur within five (5) working days of receipt of written notice to the vendor by FCCH.

20. Have fraud monitoring processes in place.

21. To prevent duplicate manufacturer discounts, provide documentation specified by FCCH that FCCH claims and prescription claim data are excluded from manufacturer rebate programs engaged in by the vendor.

22. Possess a process for electronically transmitting prescription data from FCCH network pharmacies for individual patients to the patient's FCCH electronic medical/dental record.

**Contract Pharmacy Coordination**

23. Provide directly or through an approved subcontractor, utilization of the current network of FCCH-contracted pharmacies, identifying how it will expand coverage in those communities or sub-communities where contract pharmacy coverage is weak or non-existent.

24. Possess an operating computerized patient drug profile system that provides concurrent information to the dispensing pharmacist on patient-specific drug-drug interactions, drug-nutrient interactions, and potential adverse effects. The system must also be able to generate written drug information and dosing instructions intended for the lay public that may be provided to the patient.

25. Ensure contract pharmacies:
   i. Accept telephone, facsimile or electronically transmitted prescriptions for eligible patients from authorized FCCH prescribers;
   ii. Possess the ability to process and adjudicate prescription claims online, using an 11-digit NDC identification code;
iii. Dispense drugs to eligible FCCH patients from self-purchased current inventory and receive replenishment supplies of inventory, along with a prescription dispensing fee, in lieu of receiving payment for cost of drugs dispensed;

iv. Establish/maintain with the drug wholesale distributor designated by FCCH a “ship to” account for replenishment of drug inventory dispensed to FCCH patients;

v. Allow quantities of drugs that have not reached the FCCH-established replenishment level to be carried forward until the established replenishment level (full package size) is reached, or until 180 days post replenishment is reached;

vi. Accept for payment for drugs dispensed that do not reach established replenishment levels (full package sizes) within 180 days of last dispensing;

vii. Return-to-stock and adjust electronic prescription dispensing history and drug inventory levels within seven (7) working days of prescription filling if the patient has not picked up the prescription within that time;

viii. Stock and dispense certain generic or brand agents, identified by 11-digit NDC code, when specified by FCCH;

ix. Accept the lesser of agreed upon dispensing or pharmacy “usual and customary” price for each prescription dispensed;

x. Comply with FCCH policies regarding maximum days supply, lost prescriptions, acceptable refill intervals, non-formulary drug requests, and other relevant prescription dispensing activities;

xi. Collect prescription co-payments established by FCCH from affected patients. The co-payment amount will be deducted from the dispensing fee or “usual and customary” priced paid by FCCH;

xii. Maintain auditable records of purchasing, inventory management and prescription transactions and provide records to FCCH;

xiii. Quarterly and as-needed prescription file audits by FCCH;

xiv. Not receive drugs through the FCCH replenishment process that are sold or transferred to non-FCCH patients or entities who are not eligible to receive them; and

xv. Assist FCCH in communicating major program changes to patients through the distribution of FCCH provided fliers, brochures and/or signs.

**Required Reports**

The successful vendor shall, at no additional cost to FCCH, provide:

26. Monthly management reports that include, and are not limited to, patient prescription benefit utilization, individual and aggregate provider prescribing patterns by drug and cost and prescription cost per therapeutic class.

27. Monthly drug use reports that include, and are not limited to, prescription claim per therapeutic class, non-formulary and prior authorization drugs approved or denied during the month.

28. Monthly financial reports that include, and are not limited to, co-payment amounts collected by individual network pharmacies, prescription claims by number and costs per participating pharmacy, total of individual claim charges to FCCH showing use of prescription dispensing fee or "usual and customary" price and deduction from charge of prescription co-payment amounts realized by claim from commercial and other prescription payer sources.
29. Inventory reports at periods specified by FCCH that shall include, and are not limited to, 11-digit NDC number, name and description of drugs dispensed for report period listed by participating pharmacy, replenishment order quantities per participating pharmacy and pharmacy account name and number, quantities of drugs not replenished and carried over to the next replenishment period, by 11-digit NCDC and participating pharmacy.

30. Monthly reports of drugs replenished to contract pharmacies identifying individual clinics from which claims used for replenishment report were generated. Report of replenished and non-replenished drugs for this report shall be listed by 11-digit NDC number, drug name, quantities dispensed, and quantities replenished.

31. Quarterly reports on total operating down times with each month, calls to the customer service help line and responses to those calls.

32. Online and "real time" claims information that may be used by FCCH for ad hoc reporting writing purposes.

33. An ad hoc web-based query tool that is user-friendly for reviewing prescription claims data and that can be printed and/or exported into spreadsheets, at frequencies necessary to monitor performance via mutually agreed upon performance guarantees, and demonstrated use of appropriate wholesale distributor accounts for replenishment of drugs used by patients. The query tool must be available 24 hours daily, 7 days per week.

34. Training and educational and technical support available, as directed by FCCH, which will be provided at no cost, including when there is a change in staff, specific to the use of the web-based query tool.

35. Demonstrate the web-based query tool if invited to the Vendor Oral Interview. The vendor must come prepared with a test database to allow the Evaluation Committee to run reports using the vendor’s web query tool and evaluate how the query tool works.
G.  Proposed Calendar of Events

<table>
<thead>
<tr>
<th>EVENT</th>
<th>DATE</th>
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<tbody>
<tr>
<td>Request for Proposals Issued</td>
<td>November 8, 2015</td>
</tr>
<tr>
<td>Written Questions Due (by e-mail)</td>
<td>by 5:00 PM MT, November 16, 2015</td>
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<tr>
<td>Written Responses to Questions Posted</td>
<td>November 25, 2015</td>
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<tr>
<td>Responses Due</td>
<td>December 11, 2015</td>
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<tr>
<td>Vendor Interviews</td>
<td>January 4 – January 8, 2016</td>
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<tr>
<td>*Notice of Intent to Award</td>
<td>January 15, 2016</td>
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<tr>
<td>*Award Letter Issued</td>
<td>January 15, 2016</td>
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<tr>
<td>*Contract Start Date</td>
<td>February 15, 2016</td>
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<tr>
<td>*Services to Start Date</td>
<td>March 4, 2016</td>
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Note: *These dates are approximate and subject to change.

H.  No Bidders Conference

FCCH will not conduct a bidders conference. Instead, potential proposers are invited to submit written questions, by e-mail, to RFP@fcch.com. Responses to questions will be posted on our website no later than 5:00 PM, Mountain Time, November 25, 2015.

I.  RFP Deliverables

Proposals should not exceed 25 (twenty-five) 8½ x 11 inch pages based on 12 point font and one inch margins, inclusive of any attachments. Respondent shall provide:

1. A detailed statement of the work to be performed;

2. Information on its experience in providing the services proposed including number of years;

3. At least two (2) references: organizations receiving similar services as those being proposed and individual contact names and numbers;

4. Names of company owners or corporate principals,;

5. Prior year audited or reviewed financial statements from an independent auditor (this item is excluded from the 25 page limit);

6. Written and signed willingness to agree to the terms and conditions of the standard FCCH professional services contract and Business Associate Agreement (attached). If vendor wishes to offer additional terms and conditions, they must be provided in writing as part of the proposal.

J.  Contract Terms/Business Associate Agreement

FCCH will enter into an individual contract with the selected proposal vendor utilizing the attached professional services contract terms and conditions. As vendor will be handling potential Protected Health Information (PHI) as that term is defined in 45 CFR 160.103, and any amendments thereto, if vendor is not a Covered Entity as defined in 45 CFR 164.103, vendor will be required to sign the attached Business Associate Agreement.
K. **W-9 Information**

Pursuant to Federal Tax Laws (Internal Revenue Code, Section 6041), FCCH is required to obtain a Taxpayer Identification Number (TIN) and a completed W-9 from the successful proposer. According to Federal Income Tax Law (Internal Revenue Code, Section 3406), failure to furnish this information correctly and within 30 (thirty) days may result in a $50.00 penalty imposed by the Internal Revenue Service. In addition, the Internal Revenue Service may require FCCH to withhold 28% of payments made if the information is not furnished by the successful proposer.

L. **Evaluation and Award Process**

1. Proposals will be evaluated by a selection committee comprised of representatives from FCCH. In evaluating the proposals, the following factors will be considered with points awarded up to the maximum shown:

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<tr>
<th>FACTOR</th>
<th>Yes</th>
<th>No</th>
<th>Points Possible</th>
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<tbody>
<tr>
<td><strong>Does the Vendor Offer . . .</strong></td>
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<tr>
<td>1. <strong>A system that supports adherence to the 340B Patient Definition?</strong></td>
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<td>If using a contract pharmacy that other unique 340B entities are also using, a system in place to prevent claims to an individual transaction by two or more entities.</td>
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<td>2. <strong>A system that supports the entity's aim for no duplicate discounts?</strong></td>
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<td>• The vendor has a process to exclude Medicaid managed care claims from 340B replenishment if Medicaid rebates will be collected; and/or</td>
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<td>• Medicaid fee-for-service prescriptions are not included in the 340B program unless a special arrangement has been made among the entity, the OPA, and the New Mexico Medicaid program to prevent duplicate discounts.</td>
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<td>3. <strong>Adequate inventory management and records/reporting?</strong></td>
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<td>• Ordering process is transparent to FCCH and FCCH is ultimately in control of the process (which parties may order and by what mechanism[s]);</td>
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<td>• Vendor does not recommend or engage in recharacterization of claims or banked replenishment without full disclosure to all parties (entity, manufacturer, wholesaler, etc);</td>
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<td>• Inventory tracking is perpetual and FCCH has access to inventory reports at any time;</td>
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<td>• Inventory system is capable of handling orphan drugs (either supporting no orphan drugs purchased at 340B prices “opt out” or identifying orphan drugs based upon designation “opt in” (applies to CAH, SCH, RRC);</td>
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<td>• FCCH establishes &amp; controls re-order trigger points;</td>
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<td>• Vendor's reporting capabilities include: drug name, 11 digit NDC, quantity, date, 3rd party/cash revenue, dispensing fees paid to pharmacy, fees paid to vendor;</td>
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<td>• Data privacy is addressed to FCCH's satisfaction;</td>
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<td>• A process is in place to reimburse the contract network pharmacy at reasonable rates and intervals when an 11 digit NDC match is not available for replenishment;</td>
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• A process is in place to reconcile inventory if the contract pharmacy or vendor contract is terminated;
• A process is in place to regularly reconcile purchasing, distribution, dispensing, and billing records (time interval clearly stated); and
• Records are maintained for at least three (3) years, or longer if required by state/federal law.

4. **An FCCH fee/term structure for its services that aligns with the 340B Program intent?**
   - Vendor fully discloses all fees, including any fees for low usage velocity or formulary removal;
   - $4 generic programs are exempt from fees to FCCH or adjudication costs to the pharmacy;
   - Vendor has logic that compares these prices (340B, the pharmacy’s usual and customary, and a maximum allowable cost [MAC] + dispensing fee) with FCCH paying the lowest of the three;
   - Vendor's fees (including fees negotiated for contract pharmacy) are in line with prevailing market rates;
   - Vendor discloses the standards by which it evaluates contract pharmacies prior to inclusion into a network (i.e., the pharmacy is required to respond to patient complaints/recurring problems with dispensing);
   - FCCH patient recruitment to a vendor-owned or affiliated mail order pharmacy is fully disclosed (information is obtained on these relationships as part of the proposal process); and
   - Contract defines net paid claim. FCCH does not pay adjudication fees on claim reversals.

5. **FCCH has ultimate control over 3rd party and cash revenue issues?**
   - FCCH can create pre-edits to maximize 340B use (brand DAW indicator as less expensive than generic);
   - Vendor has a “stop-loss” functionality, which prevents third party adjudication if the claim will result in a net loss to FCCH;
   - FCCH can choose to not utilize 340B as needed (without a fee penalty);
   - Vendor supports a sliding fee scale approved or designed by FCCH; and
   - Vendor fully discloses and/or shares all rebate collections involved through participation with any business (PBM, etc.).

6. **Coordination with existing Prime Vendor and contract pharmacy network?**

<table>
<thead>
<tr>
<th>TOTAL POSSIBLE POINTS</th>
<th>100</th>
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</table>

2. Any proposal received after the specified date and time will not be considered and will be returned, unopened, to the sender unless it is the only proposal received.

3. Proposals may be modified by submitting a revised complete proposal to the same e-mail address as that specified in this RFP at any time prior to the required submission date and may proposals may be withdrawn by written notice to the same e-mail address as that specified in this RFP at any time prior to the award of a contract.