



Letter of Clarification #1

TO: All Prospective Vendors
FROM: Sharon Brauner, Buyer III/Nina Cook, Purchasing Manager

DATE: June 3, 2010
SUBJECT: Final Response for Vendor Questions regarding- Pharmacy Drug Dispensing Proposal

For the benefit of all prospective vendors and to avoid possible confusion in submitting information for the **Pharmacy Drug Dispensing Services Proposal**, the following questions were asked via email/fax and the answers are as follows:

Question	Response
<p>1. In regards to the RFP specific needs located on page 12, there is some items that our Prescription Drug Plans would not provide due to systems, they are as follows:</p> <ul style="list-style-type: none"> a. Bill MHMRA on a 30 day basis. b. MHMRA Unit # on each claim. c. Prescriber full name d. Medicare Part D Plan that the remainder of the prescription was billed to. e. Amount billed to Medicare Part D <p>Are the above mentioned items a requirement or are they negotiable?</p>	<p>Item a, is negotiable</p> <p>Items b, c, d, e are a requirement and are not negotiable</p>
<p>2. The RFP includes a Sample Contract. Does this mean that the Provider would be required to sign your contract or is there a possibility that MHMRA would sign the Providers contract?</p>	<p>The provider is required to sign MHMRA's contract if awarded.</p>
<p>3. Would this be submitting a bid to provide pharmacy or wholesale services? How many patients would you estimate would need servicing, and could we service them from one location?</p>	<p>-Pharmacy services -50 to 75 per month -Cannot do from one location</p>
<p>4. Is a WORD version of the RFP available?</p>	<p>Yes, upon request</p>
<p>5. Please confirm the number of binders requested (1 original and 4 or 5 copies)? Please confirm how you would like the electronic version submitted (email attachment or CD)?</p>	<p>For Hardcopy submission Five (5) individually bound copies of the response are required (1 original and 4 copies) and an electronic copy (CD-Rom) For the Electronic Submission: see page 4 of 32 in the RFP</p>
<p>6. Who is current vendor? Is a list of existing network locations available?</p>	<p>The current vendor is a Grocery Store chain. No there is not a list of locations available, but they are located throughout Harris county. See Page 8 of 32, Attachment B for Scripts by zip code.</p>
<p>7. Please clarify whether or not bidders submitting a proposal should include a signed Attachment</p>	<p>Responses to this RFP will not be accepted if the Section XI- Signature Page, page 16 of 32, is not signed by an Authorized Representative.</p>

Question	Response
8. Section 1 - <i>Overview</i> - Is the client looking for both Retail 30 and Retail 90 rates?	Not sure what Retail 30 & 90 rates are?? . But the Agency has fixed pricing budgets and all pricing quoted/proposed should remain fixed for the duration of the contract. Our goal is to employ best practices and cost effectiveness.
9. Section IV- <i>D</i> - Can you please expand upon the last sentence "shall not be bound to accept the lowest proposed/fee and shall be allowed to accept the total proposed price/fee of any one provider"?	As stated, MHMRA shall not be bound to accept the lowest proposed/fee and shall be allowed to accept the total proposed price/fee of any one provider. (Allows, more than one provider to be selected if required)
10. Section V - <i>K</i> - Please define "local office"? <i>O</i> - Please confirm that it is acceptable to combine Schedule II drug costs/fees into the Brand and Generic rates/fees?	Section V- K. The successful provider should have a minimum of at least five (5) stores in the Harris County Area. Section V-O. – NO, they can not be combined
11. Section VII A. Scope of Services - Will there be cases where the consumer does not have Medicare Part D coverage? If so, please provide details on what the plan will pay. B. How will we verify the stamp (card?) for accuracy? C. Please confirm that adjudication does not take place within your electronic system? D. Specific Needs - Are the rates listed pre-9/26 or post-9/26 rates? E. Define MH and MR (Mental Health versus Mental Retardation?). Why are they broken out? G. It is acceptable that we do not break out Schedule II (controlled substances) drugs (Also in Section X)? H. It is acceptable that we do not blister pack in provider's retail space (also in Section X)?	A. Yes, the plan's payment is variable according to the "UNIT" number on the script. B. A copy of the stamp can be sent to your headquarters so they can educate their pharmacies. We have never had a problem with forgery. C. Adjudication: Spreadsheets sent are verified by Pharmacy administration to determine if the patient was eligible; the drug is eligible, etc. D. Need clarification of pre/post 9/26 rates. E. MH provides services to patients with Mental Health issues. MR provides services to patients that are Mentally Retarded. They are broken out for the fact that they pay for different things and different amounts but this can be handled by the unit # distinction. G. Schedule II drugs needs to be broken out. H. Blister is required.
12. Attachment A - Are terms and provisions in the contract required to be redlined prior to submission of RFP? or is the agreement "as is"? Attachment A -No audit language, retrospective claims denial, no generic predictability, no provider responsibilities, etc..	No, the contract is not required to be redlined prior to submission of the RFP. However, <i>all deviations to this Solicitation (Proposal and Sample Contract) must be noted on the Deviation Form, Attachment D, page 30 of 32. In the absence of any entry on this Deviation Form, the prospective contractor assures MHMRA of their full agreement and compliance with the Specifications, Terms and Conditions including all provisions of the Sample Contract.</i>
13. Exhibit A - What are the Non-Medicare Part D Prescriptions? Please explain "Not to Exceed"?	-Most of the scripts coming from the MR dept are non Medicare. MR does not have a script \$ limit but MH does. -Exhibit A is part of the Sample Contract and The "Not to Exceed" will have a total not to exceed dollar amount on the actual contract.

Question	Response
<p>14. a. Attachment B - What is the current Days supply? b. Who is MHMRA's current claims processor? c. Provide recent claims level data to include:</p>	<p>a. How long the drug quantity given will last. b. MHMRA Director of Pharmacy. c. See our current formulary below, but it doesn't include what MR may prescribe because they are allowed to write scripts for more than mental health meds. NDC 11 Label Name Brand Generic Indicator Rxs Units/Qty Dispensed Days Supply AWP Dispensed</p>
<p>15. Section V -G - Rates must be denoted as confidential.</p>	<p>This must be stated in the response to the Request for Proposal.</p>
<p>16. Section VII a. Scope of Services - Need to ensure retroactive denial of claims concept is addressed. b. Specific Needs - Brand and Generic fees and rates would apply to all.</p>	<p>a. The Pharmacy Director is fine with this but by the same token, if she finds you have retro Medicaid, we need the provider to back bill Medicaid and refund MHMRA when they are paid. b. No issue.</p>
<p>17. a. What is the percentage of Medicare Part D members? b. When you refer to "MHMRA Unit #", are you referring to the 25 facilities around Harris County?</p>	<p>a. We have about 50 -75 clients a month who are Part D that would use this service. b. The unit # is a 4 digit # that is put on every script which tells us which accounting unit gets billed for the medication on our side.</p>
<p>18. Is the goal to keep the pricing WAC based or return to AWP-15% pricing?</p>	<p>Yes, we will keep WAC pricing.</p>
<p>19. It states in the RFP to provide a copy of license(s) The office, does not have a license. But each individual pharmacy has a pharmacy license. Do you want a copy of each of these licenses in our RFP response, or can we simply identify that we will provide upon request.</p>	<p>That latter is fine.</p>

Question	Response
<p>20. I would like to clarify Section VIII, RFP Evaluation Process, regarding the Number of Part D plans we participate in and the number of plans available to Harris County residents. As a Pharmacy Benefit Manager, the way it works with our current MHMR clients is that our contracted pharmacies are enrolled in different Medicare Part D plans, the filling pharmacy bills the script to the Medicare Part D plan and if there is a co-pay it is billed to us and we bill our client.</p> <p>Is this section written towards pharmacies that are responding to the RFP? Since we are a Pharmacy Benefit Manager and contract with many pharmacies, can we explain how the process works from our end? We contract with the majority of the pharmacy chains in Harris County, so listing all of the Medicare Part D plans they participate in may become cumbersome for you to review, although we would be happy to do so. We want to ensure our response is clear and responds appropriately to the question and your needs.</p>	<p>The RFP is directed to Pharmacies not Pharmacy Benefit Managers.</p>
<p>21.</p> <p>a. Medicare Part D Plan that the remainder of the prescription was billed to - What information is MHMRA looking for exactly? Do you just want the "plan name" of what Medicare Part D plan was billed?</p> <p>b. Amount billed to Medicare Part D - Does MHMRA want the "actual" amount billed to Medicare Part D plan or the "total amount" Medicare Part D will pay on the claim?</p>	<p>a. Plan Name and what was billed to the plan</p> <p>b. Actual amount billed</p>

All questions concerning the Request for Proposal must be submitted in writing and faxed to Sharon Brauner, Buyer III, or Nina Cook, Purchasing Manager at 713-970-7682. Or emailed to sharon.brauner@mhmrharris.org cc: nina.cook@mhmrharris.org

This clarification letter is hereby incorporated in the Request for Proposal (RFP) document and shall supersede any previous specifications or provisions in conflict with the letter of clarification. All prospective vendors are directed to submit a proposal accordingly. By submitting a RFP on this project, vendors/providers shall be deemed to have received this Letter of Clarification and to have incorporated it into its RFP.