

## Questions for ITB 19-07-006

- 1) What is the deadline to submit questions for the RFP? June 27, 2019
- 2) When can vendors expect answers to all questions submitted? No later than 48 hours. All questions and answers will be provided on the Butler County Commissioners' website and the Butler County Sheriff's Office website.
- 3) Will there be an opportunity for a second round of questions if any answers in the first round of questions needs clarification? All questions will be answered and posted as long as they are received by June 27, 2019.
- 4) Will Butler County consider extending the due date for Submission of Response to accommodate thoughtful consideration of answers to all questions submitted and a potential second round of questions in order to provide the most cost effective proposal possible? The bid submission must be received by 10:30 am on July 2, 2019. The date and time will not be extended.
- 5) When will the intent to award a contract be published? The bid proposal allows the Butler County Sheriff's Office 90 days to make decision and award the bid.
- 6) Once the contract is awarded, what is the proposed contract start date? The contract start date will depend on when the bid is awarded, then approximately 30 days from that date.
- 7) Please describe in detail how the Evaluation of Proposals will be scored and weighted. The bids will be evaluated on the bid specifications within the bid packet (i.e. specifics services rendered and cost of pharmacy items).
- 8) Is Butler County considering final BAFO presentations for finalists to be a part of this RFP process? If so, what would be the selection process for those participating in an in-person BAFO presentation? In our experience, it is often helpful for all parties involved to participate in an in-person BAFO presentation meeting with the most qualified and highest scoring vendor(s) prior to the intent to award announcement to provide an opportunity to meet the vendor that you are contracting with, receive a personalized presentation on their services offered, and an opportunity for all parties to ask qualifying questions regarding the specifics of the RFP and RFP response. At this time, the Sheriff's Office does not anticipate any in-person presentations.
- 9) Who is the current vendor providing Healthcare Services to Butler County Correctional Complex? Healthcare Services are provided in-house with on site medical staff and paramedics.
- 10) Who is the current vendor providing Pharmaceutical Services to Butler County Correctional Complex? The current vendor is Correct Rx.
- 11) What are the current contracted pharmacy rates? In most, if not all public procurements, cost is not considered proprietary and would be readily available. AAC + Dispensing Fee of \$2.65
- 12) What is your current cutoff time for next-day delivery orders to be submitted to the pharmacy? Do you intend to keep this the same? 4pm Mon-Friday, Noon on Saturday
- 13) What is the average number of prescriptions filled per month for your facilities? 1598

- 14) Actual utilization data would be helpful for potential bidders to study medication mix and prescriber ordering trends in order to prepare a responsible and competitive bid rate.
- Can you please provide the past 3 months pharmacy invoices for review? **Yes**
  - What is the average pharmacy dollar amount spent monthly over the past 12 months?  
**\$29,208 for 2018**
- 15) Do you receive stock medications in 30 count blister cards or is all stock in manufacturer's bulk bottles? **30 Count Blister Packs**
- 16) In order to ensure a fair and equitable evaluation of pricing where the County can ensure they are comparing prices from all bidders on the exact same medications, would the County consider updating Exhibit A to include specific NDCs for each line item? **No changes will be made to the original bid.**
- 17) In order to ensure a fair and equitable evaluation of pricing where the County can ensure they are comparing prices from all bidders on the exact same date, would the County consider updating the Pharmaceutical Pricing Attachment to include a recent date from which pricing should be provided for evaluation? **No changes will be made to the original bid.**
- 18) Are medical supplies (needles, syringes, diabetic test strips, etc.) for your location ordered from the current contracted pharmacy? If not, would Butler County be interested in this value-added service? **Not at this time.**
- 19) What is the name and email address of the main contact person for your facilities at CorrecTek? **jowen@correctek.com**
- 20) Who is the current after-hours back-up pharmacy (if utilized)? **CVS**
- 21) What is your current average daily inmate population at each facility? **For all 3 it is; May 2019 – 1041 inmates**
- 22) Are release medications supplied to inmates upon parole or discharge?
- If so, how many days' supply is provided? **up to 30 days**
  - What is the current process for notifying pharmacy of inmates' release dates? **We do not notify, we return meds after release for credit**
  - Will it be required to ship inmate discharge/transfer medications to private residences or are they shipped to each correctional facility only for discharge/transfer patients?  
**Shipped to our Main Correctional Facility.**
- 23) Is your correctional facility accredited by the National Commission on Correctional Health Care (NCCHC) or American Correctional Association (ACA)? **No**
- If not, do you expect to seek accreditation during the term of the contract? **No**
  - Please provide all current Accreditation for all facilities.
- 24) Do the correctional facilities currently maintain a Keep-On-Person (KOP) Program?
- If so, please provide a list of KOP medications approved by facility. **Yes Inhalers, Eye drops, Otic solutions.**
- 25) What percentage of your inmates, if any, are Federal? Specifically, what percentages are under jurisdiction of each the US Marshals Service (USMS) and US Immigrations and Customs Enforcement (ICE)? **2018; USMS 224/month, ICE 164/month**
- 26) How are non-formulary requests approved? **N/A**

- a. Please describe your Non-Formulary Review process in detail.
- 27) Please describe the current destruction policy for all outdated/expired drugs. **Returned to current Pharmacy Provider for destruction excluding controlled medications.**
- 28) Does your facility have a DEA License? If so, whose name(s) is(are) under licensure? **Yes, The Medical Directors name is on the License**
- 29) Does your facility have a current state pharmacy license? **Yes, for all three of our locations**
- 30) Are there any state or federal drug programs being accessed for inmate medications? **N/A**
- a. If so, what are they?
- 31) Do your facilities currently use a barcode electronic order reconciliation and medication return management system? **Yes**
- 32) Please outline the medical personnel shifts that will require start up in-service training? **We have 4 shifts that work a 12 hour work day.**
- 33) Please provide a list of medications to be contained in the Emergency Drug Boxes.
- 34) Please provide a list of your current Stock Medications.
- 35) Who administers medications to inmates? For example: nursing staff or correctional officers? **Medical Staff/Paramedics-Nurses**
- 36) Where does medication administration take place, that is, do medication carts go to the housing units or do inmates come to the medical units for medication administration? **BCSO staff go with carts to the housing units.**
- 37) How many med carts are currently in use by your correctional facility? **7 med carts**
- a. Are these med carts the property of the current contractor or will they remain with the County? **Owned by BCSO**
- b. Please outline the quantity of medications carts needed for each facility (if required)?
- 38) What reports are currently being utilized by Butler County? **Cost by disease state, Most Expensive Patients, Top 50 Medications, Cost by prescriber, 12 month history**
- a. What additional reports will be required? **N/A**
- b. Can Butler County provide examples of current monthly reports provided by current pharmaceutical services vendor? **No**
- 39) Will you be requiring monthly/quarterly pharmacy consultations/inspections? If so, please describe? **Yes, we currently have quarterly P&T visits from our current vendor.**
- 40) Are there any current committee meetings that would require a pharmacist or other vendor representative to attend? **No**
- a. If so, what is the frequency of those meetings?
- b. Are the meetings required to be attended in person or will video/teleconferencing be permitted?
- 41) Please provide the current pharmacy related Policies & Procedures for all facilities. **See website**
- 42) Will Butler County entertain an alternate pricing methodology than what is found on page 3 to include an Actual Acquisition Cost plus dispensing fee model rather than an AWP methodology for the basis of pricing? **Bidder must quote per AWP methodology as stated in ITB.**

- 43) What are the small diverse business and small business contract requirements/goals for this contract?
- 44) What is the average length of stay for inmates at your facilities? 31 days
- 45) Does Attachment A include all purchases for a specific time period? If so, what is the time period this utilization covers? All utilization/purchases are for 2018
- 46) How many originals and copies should be submitted? Please provide two hard copies of the bid proposal.

## Questions for Butler County, OH

### ITB NO. 19-07-006 – Pharmacy Services

Questions emailed to Curtis New, HSA at [cnew@butlersheriff.org](mailto:cnew@butlersheriff.org) on June 18, 2019.

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#### Question # 1

The ITB indicates that the desired pricing methodology is a discount to AWP. Average Wholesale Price (AWP) is an index that is published by drug manufacturers and wholesalers and has come under federal government scrutiny in recent years due to allegations of price manipulation. There are also indications that AWP might be phased out over the coming years.

It is also important on a list of medications, such as Attachment A, to require bidders to identify the original AWP in one of the columns of the price list so your team can see if bidders are starting from the same starting point. If both are starting at the same AWP of \$10.00 and Bidder A is quoting a discount of 85% on generic medications, it stands to reason their final price should be \$1.50 for that line item. If they show a price of \$1.00 on your list of medications, you know there is something wrong and that is an indication to enquire on how they arrived at that price.

Additionally, pharmacies selling medications below cost will not be in business very long. And many times a bidders' discount to AWP may take a medication below a bidders' Actual Acquisition Cost (AAC) of the medications. On your price list, they will let that price be reflected at the below cost price; however, when it comes time to dispense the medication, they will cap the discount to AWP at their AAC which makes the overall price list look very favorable, yet when it comes time to actually dispense the medication the price to the customer will be higher which we believe may have been the case in some past procurements.

Questions:

- ◆ Regarding Attachment A of the ITB – **No changes will be made to the original bid.**
  - Would you please add a Column for bidders to quote their AWP prior to any discount?
  - Would you please add a Column for bidders to quote their proposed discount to AWP so that can readily be identified for each line item of Attachment A?
  - Would you please change the "Total" column to read "Total price after discount to AWP applied"?
  - Would you please add a Column for bidders to indicate if the total cost listed per line item is at the bidders cost if the proposed discount to AWP goes below AAC? Or, if the price being shown is actually below the bidder's actual acquisition cost of the medication?
  - Can Attachment A please be provided in Excel format via addendum with or without the requested changes from above?
- ◆ Regarding your current contract, if the discount to AWP results in the price of the medication going below your incumbent's actual acquisition cost of the medication, are you being invoiced the below cost pricing or are they capping the discount to their actual acquisition cost? **The amounts on the invoices equal the amounts that were included in the bid and/or contract.**

#### Question # 2 Currently we are paying Actual Acquisition Cost + Dispensing fee

Actual Acquisition Cost (AAC) plus a dispensing fee model has a number of advantages for clients. With an AAC model, the prices invoiced to Butler County reflects the price that your pharmacy vendor is actually paying to the wholesaler for the medications dispensed and this model allows for easier auditing to ensure that you are being billed correctly while also ensuring that you receive the best value since this will be the very best medication cost a bidder can offer.

- Instead of requiring a discount to AWP model in which the true price to Butler County can be deceptive or hidden, especially when the discount to AWP drops the medication pricing below cost, will Butler County modify your requirement to allow a more aggressive and fully transparent cost plus dispensing fee model for pricing? **Quotes must be provided as AWP as stated in the ITB.**
- If not, what concerns does Butler County have with a cost plus dispensing fee model that is widely used throughout the industry? **No concerns**

#### Question # 3

What is the current frequency of medication delivery to your facilities Monday through Friday, and on weekends? **Once daily, Monday thru Saturday.**

#### Question # 4

Regarding the current STAT box for emergency medications, are the medication provided in the STAT box considered contingency stock and owned by the current pharmacy vendor until an order is written to remove medications for emergency administration? **Yes**

#### Question # 5

Does each facility have an Ohio Terminal Distributor of Dangerous Drugs (TDDD) license for each Butler County Facility?

- ◆ If so, what is the Category and Class for each Butler County facility with a TDDD permit/license? **Yes, a separate license for all three facilities; Class-Terminal-Clinic Category 3**

#### Question # 6 - Rx/month

What is the average number of prescriptions filled per month for the past 12 months for each facility? **1598**

#### Question # 7 - Packaging

What type of medication packaging (blister cards, vials, strips, other) do you currently use? **Blister Cards**

#### Question # 8 - Quantities

How many days' worth of medication (7, 14, 30 days) is typically dispensed for routine medication orders? **30 days**

#### Question # 10 - Stock

Do you receive stock in 30-count blister cards?

Or, is all stock received in manufacturers' bulk bottles?

**Yes, 30-Count blister cards**

#### Question # 11 - Current Vendor

What company is your current pharmacy services provider, Ohio wholesaler, and FDA Registered Repackager? **Correct Rx**

#### Question #14 - 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 for brand name and generic medications?
- Acquisition cost plus a dispensing fee? If so, what is the current dispensing fee? **\$2.65**
- If other, please describe or explain the current pricing structure and rates.

#### Question # 15 - Inspections

Do you currently receive inspections of the medication areas at your facilities?

If so, how frequently? **Yes, and they are completed quarterly.**

### Question # 16 - Current Services

What are the main challenges or service issues for Butler County regarding your current pharmacy program management services? **Delivery frequency and the logistics involved.**

### Question # 17 - Current Contract **Debbie Maloney**

Contracts for services sought via past public procurements are 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 Butler County for medication dispensing and pharmacy program management services? **Loaded to website**

If not, can you please provide the name and contact information of the person that can provide this information at least 1 week prior to the ITB due date?

### Question # 18 - 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 Butler County is requesting in your current solicitation. Large discrepancies amongst bidders on medication price lists, as was the case in your 2015 ITB, 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 where an aggressive discount to AWP can make proposed pricing fall below cost) to make them appear more favorable to evaluators. In most cases, such bidders were unable to ultimately provide the County with the lowest pricing during the term of the contract, and their selection was therefore not in the County's best interests.

Most commonly a bidder may accidentally, or unfortunately intentionally, enter a price on a non-oral solid (such as bottles, vials, inhalers, etc.) that will skew the overall pricing on the entire list of medications. For example, we often see bidders submitting a price for 1mL of Humulin insulin instead of a price for a 10 mL vial. The same is seen with Ventolin Inhalers, many bidders will provide a price for 1 inhaler whereas others will provide a price on 1 gram. Some bidders will enter a low price on just one line item that will directly lower the bottom line price the evaluation team will see. These variances will greatly impact and incorrectly represent the overall cost being shown on their price list.

- ◆ To eliminate the potential for significant and deceptive pricing on non-oral solids, would you consider removing all non-oral solids from the pricing list in Attachment A as Butler County would still be able to discern a bidder with the best pricing? **No changes will be made to the original bid.**

**The first column indicates the medication dosage for which a prescription may be written. The second column indicates the "unit of bid" meaning the type of medication to be received (i.e. tablet, bottle, vial, etc). Column three indicates how many units that will potentially be ordered during a year based on prior history.**

### Question # 19

Prior to making a final award, will Butler County provide an intent to award notice along with copies of Attachment A from all bidders so that all bidders can have a week to review pricing of the intended awarded vendor for any pricing variances or irregularities prior to a final award being announced? **The bid award will be presented to the Commissioners' once the BCSO staff has evaluated all bids. A bid tabulation may be requested as a public records request.**

### Question # 20 - Additional Questions

Will there be an opportunity to ask more questions, for clarification purposes, in the event responses to submitted questions are unclear? **Questions will be answered via the website until June 27, 2019.**

- Butler makes reference to AWP being the only pricing model requested. However, there is a reference to your current pricing model that includes a dispensing fee of \$2.65.
- Is the \$2.65 a dispensing fee **off cost**? **Not sure what "off cost" references.**
- Is the \$2.65 a dispensing fee on top of AWP? **Dispensing fee is in addition to current pricing model.**
- Is CorrectRX a 340B Drug Pricing Program pharmacy? **I do not know if they are. We are not eligible to participate in this program from my research.**
- The bid mentions requiring the vendor to provide compliance packaging of medications that will allow for returns. Unit dose packaging allows for medication returns because pills are individually packaged. Is the Butler County Sheriff's Office open to using unit dose packaging rather than blister packs? **No, we would not be interested in unit dose packaging.**