



NORTH HUDSON
COMMUNITY ACTION CORPORATION

REQUEST FOR PROPOSAL

FOR

340B

PHARMACY SERVICES

October 2014

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I. INTRODUCTION AND PROJECT DESCRIPTION

North Hudson Community Action Corporation (NHCAC) is a cornerstone of health and human services in New Jersey, serving more than 84,000 low-income residents at ten locations spread across three counties. An award-winning leader in its field for more than 40 years, NHCAC has played a vital role in creating much-needed services such as ob-gyn and prenatal care, emergency food and shelter, transitional housing, and mental health and addiction services

One of NHCAC's core services is the provision of primary and other health care services to the underserved and uninsured members of several communities within New Jersey. As a Federally Qualified Health Center, NHCAC is committed to its mission of delivering health care to patients without regard to the ability to pay.

NHCAC is authorized as a Covered Entity and is eligible to purchase prescription and non-prescription medications at reduced cost through Section 340B of the Public Health Service Act for its Eligible Patients, as defined below, and contract with a licensed pharmacy to dispense its 340B drugs.

North Hudson Community Action Corporation is in the process of selecting a vendor to build out, (in accordance with attached architectural drawings marked as Appendix A), stock, staff and operate an on-site Pharmacy at our West New York Health Center to service patients from our 11 Health Centers and the public.

The RFP responses will provide NHCAC with proposals to evaluate and select a vendor to provide the required services. This RFP outlines the overall objectives and expectations of the contract and will provide NHCAC with the required information such that NHCAC can make an informed and prudent decision for the acquisition of the services and products described herein.

As a recipient of Federal funds under Section 330 of the Public Health Services Act, NHCAC is required to adhere to all applicable Federal procurement rules and regulations as described in 45 CFR Part 74, and other program expectations of the Federally Qualified Health Center program. Respondents are encouraged to become familiar with any special procurement rules that may affect their response to this RFP.



II. GENERAL CONDITIONS

By submitting a response to this RFP the Respondent agrees to all of the following:

- A. NHCAC reserves the right to award or cancel this procurement process at any time.
- B. NHCAC is not bound to accept the lowest bid, nor any proposal submitted. A contract for the accepted proposal will be drafted based upon the factors described in this RFP.
- C. Failure to meet the response delivery date may be basis for disqualification of the Respondent proposal.
- D. Respondents are fully responsible for all costs, both direct and indirect, of development and submission of their response to this RFP, including, but not limited to, any supplementary documentation, information, travel, and presentation expenses.
- E. NHCAC will open all proposals and submitters may attend.
- F. NHCAC will maintain sole ownership of responses after submission.
- G. Respondents agree that submission of a proposal warrants acceptance of the above general terms and considerations and guaranteed pricing for one year. Option to extend contract 1 year, 2 year minimum.
- H. The successful applicant may also be required to present additional documentation/or information necessary to determine financial and programmatic capability.

Efforts will be made by NHCAC to utilize small business, women and/or minority owned businesses. An applicant qualifies firm if it meets the definition of “small business” as established by the Small Business Administration (13 CFR § 121.201)



III. LOCATION OF HEALTH CENTER SITE

NHCAC consists of 11 community health center sites throughout New Jersey that vary in square footage and layout. The following is the location of the NHCAC site that will require vendor\contractor services described in this RFP.

NHCAC Health Center at West New York
5301 Broadway
West New York, New Jersey
(201) 866-9320

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IV. REQUIRED SERVICES AND PRODUCTS

NHCAC is seeking the following services and products from one or more vendors\contractors. All work must be performed to state and local codes. Any work that requires licensure or certification must only be performed by qualified individuals. Licenses, certificates or other required documents are to be included in vendor\contractors' response according to Section VI. Instruction to Vendors contained in this RFP. Selected vendor\contractor is required to obtain all necessary work and\or site permits, inspections and approvals, as necessary.

****CONTRACTOR IS RESPONSIBLE FOR ALL MATERIAL NEEDED TO PROVIDE THE REQUIRED SERVICES AND PRODUCTS.**

NHCAC is seeking an experienced vendor to build out and furnish in house 340B contract pharmacy at our West New York health center located at 5301 Broadway, West New York, NJ 07093. The construction shall be performed in accordance with drawings attached as Appendix A, attached hereto. The vendor shall also be responsible for stocking, staffing, operating and management of the contract pharmacy. Patient counseling and patient compliance with medication regimen shall be a component of the policies and procedures of contract pharmacy as well as other measures to integrate the contract pharmacy into our Primary Care Medical Home model.



V. TIMELINES

This process will be guided by the following timeline. All dates are subject to change at the sole discretion of NHCAC.

<u>Milestone</u>	<u>End or Due Date</u>
RFP Issued	October 17 th , 2014
Contractor\Vendor Responses Received by NHCAC Representative	November 15 th , 2014
Contractor \Vendor Selected	January 20 th , 2014

*Please be advised that everyone who submits a proposal is invited to the opening of proposals at 12:00pm on November 15, 2014 in our administrative office located at 800-31st Street, Union City, New Jersey 07087.



VI. SPECIFIC REQUESTS/REQUIREMENTS

Requirement A – FQHC Experience. Please list federally qualified health centers with which you have provided services for.

Requirement B- Provide labor and materials to build out and furnish in house pharmacy pursuant to floor plan and drawings attached as Exhibit A.

Requirement C- Provide initial drug inventory and adequate financing for its purchase so that NHCAC will be able pay inventory with pharmacy revenue without need to advance funds for their acquisition or be out of pocket for repayment.

Requirement D- Make monthly payments to NHCAC equal to prior month's collections minus the prior month's fees due to vendor.

Requirement E- Vendor must procure all licenses and credentials from NJ State and Federal agencies necessary for operation of contract pharmacy.

Requirement F- Vendor shall establish and maintain a tracking system suitable to prevent the diversion of Covered Drugs to individuals who are not Eligible Patients.

Requirement G- Pharmacy shall reimburse NHCAC for cost of annual independent audit of contract pharmacy in compliance with requirements of 340B program.

Requirement H-Pharmacy shall develop and implement (with assistance of NHCAC), a Policy and Procedure Manual, which shall be amended from time to time, as necessary to comply with the requirements of the 340B program and all applicable State and Federal Statutes and regulations.

Requirement I- Pharmacy will provide NHCAC direct access to Pharmacist during its regular business hours with all calls not immediately answered returned within one hour.

Requirement J- Pharmacy will diligently pursue resolution and promptly notify NHCAC of any material issue that remains unresolved for more than two (2) business days, or immediately if patient care is at risk.

Requirement K- Pharmacy will monitor all eligible patients requiring refills for medication adherence on a monthly basis. Pharmacy will notify NHCAC of any material medication adherence issue the same day discovered.



Requirement L- Pharmacy will provide NHCAC a monthly summary of all Eligible Patients with material medication adherence issues during the previous month by the 25th day of the subsequent month.

Requirement M- Pharmacy shall make a monthly accounting of NHCAC's Provider's Contract Pharmacy Account to NHCAC in order to reconcile all deposits and expenditures from NHCAC's contract pharmacy account.

Substance and Questions for RFQ

Please explain your approach and processes opening & operating on-site retail pharmacy services for NHCAC.

Specifically, please explain your company's pharmacy management program around:

- 1) Pharmacy Practice Management & provider collaboration?
- 2) Patient Counseling
- 3) Patient Care Services
- 4) Technology
- 5) Quality Improvement
- 6) Specialized Disease State Management Programs

Please explain the administrative support functions centered around:

- 1) Revenue Management (Billing and Collecting)
- 2) Reconciliation / Reimbursement Services
- 3) Marketing and Promoting the Pharmacy and Health Center
- 4) Inventory Management Methodology

Please explain your pharmacy set-up process and operating structure:

- 1) Licensing and Regulatory
- 2) Policies and Procedures
- 3) Clinical Pharmacy Services
- 4) Business Development Strategies
- 5) Pharmacy Design and Staff Training

340B Program Management:

- 1) Patient Eligibility Tracking
- 2) Record Keeping and Auditable Documentation
- 3) Up-to-date Compliance and Regulatory Changes
- 4) 340B Specific Inventory Management Practices

Pricing Methodology:

- 1) What costs to North Hudson CAC are associated with building and opening the pharmacy



- 2) Please describe your contract pharmacy fee structure and methodology
- 3) Describe your company's administrative fees structure that is associated with 340B scripts
 - a. Flat Fee
 - b. % of Revenue Fee
 - c. Both
- 4) What fees are associated with left over inventory or partially used meds?
 - a. Dating cut-off period
 - b. Fee associated
- 5) What additional fees are associated with inventory management services

Revenue Management:

- 1) What is the methodology for billing and collecting for the following patient types:
 - a. Cash from sliding-fee schedule patients?
 - b. 3rd party commercial prescription revenue & patient copays.
 - c. State Medicaid & other government programs
- 2) Provide an example of sliding-fee schedule for patients that you would recommend



VII. Health Insurance Portability and Accountability Act (“HIPAA”).

Obligations and Activities of Provider

1. Vendor (provider), shall not use or further disclose Protected Health Information other than as required by agreement with NHCAC or as required by Law.
2. Provider shall use appropriate safeguards to prevent the use or disclosure of Protected Health Information not provided for by agreement with NHCAC.
3. Provider shall ensure that any agent of the Provider, including subcontractor, to whom it provides Protected Health Information received from, or created or received by Provider on behalf of Pharmacy agrees, in writing to the same restrictions and conditions that apply through Provider’s agreement with NHCAC.
4. Provider shall implement and maintain safeguards necessary to ensure that all Protected Health Information is used or disclosed only as authorized under the HIPAA Standards. Provider agrees to assess potential risks and vulnerabilities to Protected Health Information in its possession and develop, implement and maintain administrative, physical and technical safeguards required by the HIPAA standards that protect the confidentiality, availability and integrity of the Protected Health Information that provider creates, receives, maintains or transmits on behalf of the pharmacy.
5. Provider acknowledges that if it violates any of the requirements provided by the HIPAA standards or its agreement with NHCAC, provider will be subject to the same civil and criminal penalties that Pharmacy would be subject to if such Covered Entity violates the same requirements.



VIII. VENDOR AGREEMENT AND CERTIFICATION

By signing below, the vendor representative expressly certifies and warrants that all information that has been provided in this RFP response is accurate. The individual further acknowledges that all services and products described in this RFP response is immediately available and warrants that the vendor is able to deliver, install and complete all expected services within the required timeframes.

Furthermore, if it appears or becomes known that information provided in this RFP response is not true, or there are products or services that NHCAC has been assured it would receive but do not exist, or there will be additional charges not included in the proposal, then NHCAC reserves the right to terminate all discussions, negotiations, and/or implementation with an immediate and full refund of any fees paid by NHCAC.

All signatories to this document agree and warrant that they have made no changes or altered this RFP in any way, and are authorized to make all commitments set forth in this RFP response. Representatives signing below also agree that all responses to this RFP, and any documentation submitted, may be referenced in any final purchase agreement or contract between NHCAC and the vendor as an addendum and become legally binding.

Our response is for the following services and products described in the NHCAC RFP dated October 2014.

Company _____
Name of Company

_____ Date: _____
Signature

Printed Name and Title

Address: _____

Telephone Number: _____



IX. EVALUATION AND SUBMISSION INSTRUCTIONS

NHCAC will convene a selection group to review the proposals and information received in response to this RFP. During this review process, additional information may be required of the respondent/vendor and some respondents will be invited to NHCAC in order to clarify any responses and further discuss the vendor's offer. All contact and any questions between respondent and NHCAC should be routed through the NHCAC point of contact (contact information below). NHCAC expects completion of the evaluation process and identifying its contractor choice for the required services within the timeframes outlined in Section V. above.

Responses will be evaluated based on price and experience.

All responses should be sent to the Point of Contact by the Due Date.

NHCAC Point of Contact

Joan M. Quigley
President/CEO
North Hudson Community Action Corporation
800-31st Street
Union City, New Jersey 07087
E-mail: joan.quigley@nhcac.org
Telephone: 201-210-0100
Facsimile: 201-348-0100

Proposals should be provided in both electronic and hardcopy formats by the Due Date. Please place three (3) copies of your RFP in a sealed envelope and clearly label in the lower left corner "Proposal for Laboratory Services." Include 3 references.

Late proposals will not be accepted.

Thank you for your interest in North Hudson Community Action Corporation.

