

PROPOSALS MUST BE SEALED AND ADDRESSED TO:

STATE AGENCY ADDRESS:

Wisconsin Department of Health Services
Department of Enterprise Services
1 W. Wilson Street, Room 750
Madison, WI 53703

REQUEST FOR PROPOSAL

THIS IS NOT AN ORDER

PROPOSER (Name and Address)

Remove from proposer list for this commodity/service. (Return this page only.)

Proposal envelope must be sealed and plainly marked in lower corner with due date and Request for Proposal # **1637-DLTC-SM**. Late proposals will be rejected. Proposals MUST be date and time stamped by the soliciting purchasing office on or before the date and time that the proposal is due. Proposals dated and time stamped in another office will be rejected. Receipt of a proposal by the mail system does not constitute receipt of a proposal by the purchasing office. Any proposal which is inadvertently opened as a result of not being properly and clearly marked is subject to rejection. Proposals must be submitted separately, i.e., not included with sample packages or other proposals. Proposal openings are public unless otherwise specified. Records will be available for public inspection after issuance of the notice of intent to award or the award of the contract. Proposer should contact person named below for an appointment to view the proposal record. Proposals shall be firm for acceptance for sixty (60) days from date of proposal opening, unless otherwise noted. The attached terms and conditions apply to any subsequent award.

Proposals MUST be in this office no later than

April 08, 2009 4:00 PM

Public Opening

No Public Opening **X**

Name (Contact for further information)

Susan McKercher

Phone

(608)267- 7637

Date

January 26 , 2009

Description

**1637-DLTC-SM
Pharmacy Management Services**

For the
Department of Health Services
Division of Long Term Care and
Division of Mental Health and Substance Abuse Services
Treatment Facilities

Answers to written questions, amendments and/or addendums, and other communications relating to this RFP will be posted to the Wisconsin Vendornet System at <http://Vendornet.state.wi.us>. Vendors should access this site frequently to remain up-to-date on information regarding this RFP.

Payment Terms:

Delivery Time:

We claim minority bidder preference [Wis. Stats. s. 16.75(3m)]. Under Wisconsin Statutes, a 5% preference may be granted to CERTIFIED Minority Business Enterprises. Bidder must be certified by the Wisconsin Department of Commerce. If you have questions concerning the certification process, contact the Wisconsin Department of Commerce, 5th Floor, 201 W. Washington Ave., Madison, Wisconsin 53702, (608) 267-9550.

We are a work center certified under Wis. Stats. s. 16.752 employing persons with severe disabilities. Questions concerning the certification process should be addressed to the Work Center Program, State Bureau of Procurement, 6th Floor, 101 E. Wilson St., Madison, Wisconsin 53702, (608) 266-2605.

Wis. Stats. s. 16.754 directs the state to purchase materials which are manufactured to the greatest extent in the United States when all other factors are substantially equal. Materials covered in our bid were manufactured in whole or in substantial part within the United States, or the majority of the component parts thereof were manufactured in whole or in substantial part in the United States.

Yes No Unknown

In signing this proposal we also certify that we have not, either directly or indirectly, entered into any agreement or participated in any collusion or otherwise taken any action in restraint of free competition; that no attempt has been made to induce any other person or firm to submit or not to submit a proposal; that this proposal has been independently arrived at without collusion with any other proposer, competitor or potential competitor; that this proposal has not been knowingly disclosed prior to the opening of proposals to any other proposer or competitor; that the above statement is accurate under penalty of perjury.

We will comply with all terms, conditions and specifications required by the state in this Request for Proposal and all terms of our proposal.

Name of Authorized Company Representative (Type or Print)	Date	Phone ()
		Fax ()
Signature of Above	Title	Federal Employer Identification No.
		Social Security No. if Sole Proprietor (Voluntary)

This form can be made available in accessible formats upon request to qualified individuals with disabilities.

TABLE OF CONTENTS

1.0 GENERAL INFORMATION

- 1.1 Introduction and Background
- 1.2 Scope of the Project
- 1.3 Objective
- 1.4 Need
- 1.5 Current Operations
- 1.6 Procuring State Agency
- 1.7 Definitions
- 1.8 Letter of Intent
- 1.9 Clarification and/or Revisions to the Specifications and Requirements
- 1.10 Vendor Conference
- 1.11 Reasonable Accommodations
- 1.12 Calendar of Events
- 1.13 Contract Term and Funding
- 1.14 Open Records and Confidentiality
- 1.15 Vendornet Registration

2.0 PREPARING AND SUBMITTING A PROPOSAL

- 2.1 General Instructions
- 2.2 Incurring Costs
- 2.3 Submitting the Proposal
- 2.4 Proposal Organization and Format
- 2.5 Multiple Proposals
- 2.6 Oral Presentations and Site Visits
- 2.7 Demonstrations
- 2.8 Withdrawal of Proposals

3.0 PROPOSAL SELECTION AND AWARD PROCESS

- 3.1 Preliminary Evaluation
- 3.2 Proposal Scoring
- 3.3 Evaluation Criteria
- 3.4 Right to Reject Proposals and Negotiate Contract Terms
- 3.5 Award and Final Offers
- 3.6 Notification of Intent to Award
- 3.7 Protest and Appeal Process

4.0 TECHNICAL PROPOSAL REQUIREMENTS

- 4.1 Executive Summary
- 4.2 Organizational Capabilities

- 4.3 Staffing Capabilities and Requirements
- 4.4 Financial Strength
- 4.5 Implementation Timeline
- 4.6 Contract Termination Work Plan
- 4.7 Work Requirements
- 4.8 Risk/Quality Assurance

5.0 COST PROPOSAL

- 5.1 Fixed Price Period

6.0 SPECIAL CONTRACT TERMS AND CONDITIONS

- 6.1 Prime Contractor Minority Business Subcontractors
- 6.2 Executed Contract to Constitute Entire Agreement
- 6.3 Termination of Contract
- 6.4 Liquidated Damages

7.0 STANDARD TERMS AND CONDITIONS

Standard Terms and Conditions (Requests for Bids/Proposals) (DOA-3054)
Supplemental Standard Terms Conditions for Procurements for Services (DOA-3681)

8.0 VENDOR REFERENCES

9.0 REQUIRED FORMS

Designation of Confidential and Proprietary Information (DOA-3027)
Vendor Information (DOA-3477)
Vendor Reference (DOA-3478)
Signed Request for Proposal Form (DOA-3261 RFP *Cover Sheet*)

10.0 ATTACHMENTS

ATTACHMENT 1 - Facility Population Estimates
ATTACHMENT 2 - HIPAA Business Associate Agreement
ATTACHMENT 3 - CWC Drug Utilization
ATTACHMENT 4 - NWC Drug Utilization
ATTACHMENT 5 - SWC Drug Utilization
ATTACHMENT 6 - MMHI Drug Utilization
ATTACHMENT 7 - WMHI/WRC Drug Utilization
ATTACHMENT 8 - Client Payment Source

11.0 APPENDICES

APPENDIX A - Central Wisconsin Center for the Developmentally Disabled
APPENDIX B - Northern Wisconsin Center for the Developmentally Disabled
APPENDIX C - Southern Wisconsin Center for the Developmentally Disabled
APPENDIX D - Mendota Mental Health Institute
APPENDIX E - Winnebago Mental Health Institute/Wisconsin Resource Center

- APPENDIX F - Sand Ridge Secure Treatment Center
- APPENDIX G - COST Proposal worksheet -for CWC, NWC, SWC
- APPENDIX H - COST Proposal worksheet - for MMHI, WMHI/WRC
- APPENDIX I - COST Proposal worksheet - for SRSTC

1.0 GENERAL INFORMATION

1.1 Introduction and Background

The purpose of this document is to provide interested parties with information to enable them to prepare and submit proposal(s) for Pharmacy Management Services for the Department of Health Services (DHS), Division of Long Term Care and Division of Mental Health and Substance Abuse Treatment facilities. Vendors may submit proposals for one or more of the facilities.

The 2007-09 biennial budget act (2007 Wisconsin Act 20), enacted by the Governor and Wisconsin Legislature, requires the Department of Health Services (DHS), formerly the Department of Health and Family Services, to issue a request for proposals for the provision of pharmacy management services for all state treatment facilities. Once the proposals are evaluated, DHS will then assess whether the objectives of the proposal stated in 1.3 of this RFP can be achieved through a contract for pharmacy management services.

The Wisconsin DHS facilities include Mendota Mental Health Institute and Central Wisconsin Center for the Developmentally Disabled in Madison, Winnebago Mental Health Institute and the Wisconsin Resource Center in Winnebago, Southern Wisconsin Center for the Developmentally Disabled in Union Grove, Northern Wisconsin Center for the Developmentally Disabled in Chippewa Falls, and Sand Ridge Secure Treatment Center in Mauston.

1.2 Scope of the Project

Project description:

Providing for the physical, mental and developmental health care needs of the clients they serve is a core service of the Department of Health Services. Pharmacy management service is a mandatory support function for DHS' treatment facilities.

DHS contracted pharmacy management services would include, except for the Sand Ridge Facility, the three major pharmacy functions: drug purchasing, drug dispensing, and clinical pharmacy consulting. Contracted services for SandRidge Secure Treatment Center (SRSTC) would only include dispensing and clinical pharmacy consulting, not the purchase of drugs.

The functions noted above include numerous tasks that must be performed consistently and expertly, and include but are not limited to the following:

Drug Purchasing (SRSTC excluded)

- purchase medications at best prices (maximize volume discounts, utilize generic equivalents)
- optimize reimbursement / bill third party payers
- accept delivery of bulk medications

Drug Dispensing:

- read and interpret physician orders
 - ensure correct meds delivered to right clients
 - consulting with physicians, clients and caregivers

- maintain legal requirements for pharmacies (e.g., client records, etc.)
- storage and security for medications
- inventory control
- packaging (unit dose)
- medical record maintenance

Clinical Consulting for:

- right drug therapy for client
- any possible drug interactions, contraindications, adverse effects, therapeutic alternatives, allergies, over/under dosing, poly-pharmacy, side effects, adverse effects, cost effectiveness, available therapeutic alternatives, pharmacokinetics, or any other medication related issues.
- use of generic drug substitution
- dietary conflicts

1.3 Objective

The objective of this Request for Proposal (RFP) is to solicit proposals for the operation and management of pharmacy services at the DHS State facilities that will:

- result in cost savings;
- result in increased efficiencies in operations and management;
- result in improvement in quality and delivery of service to clients

1.4 Need

State treatment facilities have a critical need for timely and quality pharmacy management services. These facilities are responsible for the well-being of over a thousand state clients each year who have a variety of very serious mental, developmental and physical health care conditions.

Care for the vulnerable populations served, including pharmaceutical care, must be provided without fail every hour of every day. Any lack of performance on the part of a contracted pharmacy vendor may cause significant disruption to this care, and result in serious threats to the health and well-being of clients. Such a situation is unacceptable, and must be avoided. Vendors will be expected to include how they will manage this risk and assure quality responsive service in their proposal response to the technical requirements.

Proposers should have long-term stability as an organization, have the financial and staffing capability to be successful over the long term, and have a proven track record of quality service meeting regulatory standards.

The facilities are certified and regulated by a number of federal, state and private entities who monitor the quality of all care provided, including pharmaceutical care. Standards of care required by these entities must be consistently met, or licenses, certifications and funding can be withdrawn. Consequently, any vendor performing pharmacy functions for these facilities must comply with all the applicable rules and regulations affecting the state treatment facilities.

Numerous state and federal laws and regulations dictate the level at which pharmacy operations in government-run health care facilities must operate. These include:

- The Federal Food, Drug and Cosmetic Act
- The Federal Uniform Controlled Substance Act of 1970
- The CMS State Operations Manual, Guidance to Surveyors: Intermediate Care Facilities for Persons with Mental Retardation, Part II: Interpretive Guidelines Pharmacy Services 483.460(i)-483.460(m)
- Wisconsin Administrative Code Chapter HSS 134: "Facilities Serving People with Developmental Disabilities", specifically HSS 134.67 Pharmaceutical Services
- Wisconsin Administrative Code: Pharmacy Examining Board, PHAR 1-PHAR 17
- Wisconsin Statutes Chapter 450- Pharmacy Examining Board
- Wisconsin Statutes 961- Uniform Controlled Substance Act

1.5 Current Operations

DHS currently contracts with the private sector for pharmacy management services at three of its six treatment facilities: Southern WI Center, Northern WI Center, and Sand Ridge.

At Southern WI Center and Northern WI Center, DHS purchases all three of the major pharmacy management functions from private companies, i.e., drug purchasing, drug dispensing, and clinical consulting.

At Sand Ridge, the department currently contracts for dispensing and clinical consulting services only. The drugs for clients are, and will continue to be purchased by SRSTC through Minnesota Multi-State Contracting Alliance for Pharmacy (MMCAP), a national governmental buying consortium used by Wisconsin and 44 other states, plus the Cities of Chicago and Los Angeles.

Central Wisconsin Center (CWC) Mendota Mental Health Institute (MMHI) and Winnebago Mental Health Institute/Wisconsin Resource Center (WMHI/WRC) currently have in-house state-operated pharmacies.

1.6 Procuring State Agency

The Wisconsin Department of Health Services is the issuer of this Request for Proposal and is the sole point of contact for the State of Wisconsin during the solicitation and selection process. The person responsible for managing the procurement process, referred to hereafter as the Procurement Manager, is Susan McKercher, DHS, Division of Enterprise Services. Contact information for her is provided in Section 1.9.

The Department Project Manager is Michael Hughes, DHS, Division of Enterprise Services. The Wisconsin Department of Health Services will administer any resulting contract(s) from this RFP. A DHS contract administrator(s) will be assigned to a facility contract(s) if, and at the time, a contract award notice is issued.

1.7 Definitions

The following definitions are used throughout the RFP:

- **Client** means individual, resident, patient, receiving service.
- **CMS** means Centers for Medicare and Medicaid Services
- **Contractor** means a vendor or proposer awarded a contract.
- **Department** means the Department of Health Services.
- **DHS** means the Department of Health Services.
- **DMHSAS** means the Division of Mental Health and Substance Abuse Services
- **DLTC** means the Division of Long Term Care.
- **DES** means the Division of Enterprise Services within DHS with the responsibility for provision of department-wide support including fiscal services (accounting, procurement, auditing, financial forecasting) organizational development, strategic planning.
- **Drug** For the purposes of this document, the terms drug(s) and medication(s) are the same. Medications are defined as:
 - Prescription medications
 - Sample medications
 - Herbal remedies
 - Vitamins
 - Nutraceuticals
 - Nonprescription medications
 - Vaccines
 - Diagnostic and contrast agents
 - Radioactive medications
 - Respiratory therapy treatments (excluding oxygen)
 - Parenteral nutrient solutions
 - Blood derivatives
 - Intravenous solutions (with or without electrolytes and other drugs)
 - Any product designated a drug by FDA (excluding enteral nutrient solutions, oxygen, and other medical gases)
- **Facility or Center** means a DHS care treatment facility.
- **DQA** means Division of Quality Assurance
- **Joint Commission, The** – formerly known as Joint Commission on Accreditation of Healthcare Organizations.
- **Organization, Firm, Company** means the proposing vendor entity
- **Proposal** means vendor's response to this RFP
- **MMCAP** means the Minnesota Multi-State Contracting Alliance for Pharmacy
- **NCCHC** means National Commission on Correctional Health Care
- **NSPG** means National Patient Safety Goals
- **Proposer/Vendor** means a firm submitting a proposal in response to this RFP.
- **Pharmacy Vendor** means vendor awarded a contract from this RFP
- **State** means State of Wisconsin.
- **The Agreement** and **Contract** (used interchangeably) means a final written contract negotiated between DHS and the contractor.

1.8 Letter of Intent

A letter of intent to respond to this RFP is requested by February 16, 2009 to the RFP Procurement Manager. The Letter of Intent shall clearly and completely identify the prospective Proposer (e.g., firm or organization) and the full name, title, complete street address, e-mail address, office telephone number (direct line is preferred), and fax number of the Proposer's contact person. It shall also be clearly marked as Letter of

Intent to Submit Proposal and cite the name of this project, "Pharmacy Management Services, RFP 1637-DLTC-SM .

Failure to submit a timely and complete Letter of Intent to Submit Proposal will not preclude the submission of a proposal, nor does submission of a timely and complete Letter of Intent to Submit Proposal require that the prospective Proposer submit a proposal.

1.9 Clarification and/or Revisions to the Specifications and Requirements

All questions must be submitted in writing. Two opportunities are available for questions and answers. The first round of written questions concerning this RFP must be submitted in writing on or before 4:30 p.m. Central Time (CT) February 16, 2009, to:

Susan McKercher, DHS Procurement Manager
Division of Enterprise Services
Wisconsin Department of Health Services
1 W. Wilson Street, Room 750
Madison, WI 53703
Telephone: (608) 267-7637
E-mail: Susan.McKercher@dhs.wisconsin.gov

Vendors are expected to raise any questions, exceptions, or additions they have concerning the RFP Documents at this point in the RFP process. If a vendor discovers any significant ambiguity, error, conflict, discrepancy, omission, or other deficiency in this RFP, the vendor should notify immediately the above named individual of such error and request modification or clarification of the RFP.

A second round of written questions will be allowed and are due on March 04, 2009 to the same individual and address above.

In the event that it becomes necessary to provide additional clarifying data, information, or revisions to any part of this RFP, revisions/amendments and/or supplements will be provided to vendors through posting to the Wisconsin Vendornet webpage for this RFP. All answers to written questions from vendors will be posted to Vendornet as close as possible to the estimated dates listed in the calendar of events.

Any contact with State employees concerning this RFP, other than the procurement manager, is prohibited during the period from date of release of the RFP until the notice of intent to award a contract is released unless prior written authorization is given by the Procurement Manager.

1.10 Vendor Conference

The Department does not anticipate a Vendor Conference will be necessary in the solicitation of potential vendors for this RFP. At the sole discretion of DHS and in the event the Department determines a vendor conference is necessary, this section of the RFP will be amended and a notice posted to VendorNet with the date and time at least five (5) business days in advance of any such conference. Vendors will have the option of participating in person or by teleconference.

1.11 Reasonable Accommodations

The Department will provide reasonable accommodations, including the provision of informational material in an alternative format, for qualified individuals with disabilities upon request. If a vendor needs accommodations at the outset of this RFP process, please contact the Procurement Manager via electronic means (e-mail or facsimile).

1.12 Calendar of Events

Listed in the table below are specific and estimated dates and times of actions related to this Request for Proposal (RFP). The actions with specific dates must be completed as indicated unless otherwise changed by the Department. In the event that the Department finds it necessary to change any of the specific dates and times in the calendar of events listed below, it will do so by issuing a supplement to this RFP. There may or may not be a formal notification issued for changes in the estimated dates and times.

RFP CALENDAR OF EVENTS	
DATE	EVENT
January 26, 2009	Date of issue for RFP
February 16, 2009	Due date for vendor submission of first round of written questions
February 16, 2009	Vendor Letter of Intent to Submit Proposal Due (requested, not required)
February 24, 2009 (est.)	Answers to first round of written questions and any supplements for revisions/addendums to the RFP posted to Vendornet http://vendornet.state.wi.us
March 4, 2009	Second Round of Questions Due
March 11, 2009 (est.)	Answers to second round question and any supplements for revisions/addendums to the RFP posted to Vendornet http://vendornet.state.wi.us
April 08, 2009 4:00 p.m. CT	Proposals Due
Tentative -To Be Announced	Interviews/Demonstrations of invited vendors (May or may not occur)
May 20, 2009 (est.)	Notification of intent to award issued

1.13 Contract term and Funding

A contract(s) resulting from this RFP process shall be effective on the date indicated on the purchase order or the contract execution date and shall run for an initial three (3)-year term from that date, with an option, by mutual agreement of the Department and contractor(s), to renew for up to two (2) additional one-year contract renewal periods.

1.14 Open Records Law and Confidentiality

The Wisconsin Open Records Law requires public disclosure of all sealed proposals and related documents upon issue of intent to award. In addition, after issuance of the Notice of Intent to Award a Contract, all opened and qualified proposals are considered open records. Inspection is subject to the statutes and rules of the State of Wisconsin.

Proposers must complete and submit Form DOA-3027, Designation of Confidential and Proprietary Information with their proposals. If the proposal includes material that is considered by the Respondent to be proprietary and confidential under Wisconsin law, the Respondent shall clearly designate the material as such. DHS will make an independent determination as to which items or materials may be considered closed records or nonpublic records.

The Respondent shall identify each page or section of the proposal that it believes is proprietary or confidential, with sufficient grounds to justify each exemption from release, including the prospective harm to the competitive position of the Respondent if the identified material was to be released.

In all cases, cost proposals will be considered open records upon the Department's issuance of the notice of intent to award. Therefore, Proposers may not declare their cost proposals (or any portion thereof) as confidential or proprietary. The contents of the Technical Proposal and Cost Proposal, as accepted by the State, will become part of any contract awarded as a result of this RFP.

1.15 VendorNet Registration

The State of Wisconsin's purchasing information and vendor notification service is available to all businesses and organizations that want to sell and/or provide payable services to the State. Anyone may access VendorNet on the Internet at <http://vendornet.state.wi.us> to receive information on State purchasing practices and policies, goods, and services that the state buys, and tips on selling to the State. Vendors may use the same web-site address for inclusion on the bidders list for goods and services that the organization wants to sell to the State. A subscription with notification guarantees the organization will receive an e-mail message each time a state agency, including any campus of the University of Wisconsin System, posts a request for bid or a request for proposal in their designated commodity/service area(s) with an estimated value exceeding \$25,000. Organizations without Internet access receive paper copies in the mail. Increasingly, state agencies also are using VendorNet to post simplified bids valued at \$25,000 or less. Vendors also may receive e-mail notices of these simplified bid opportunities as they are registered with the VendorNet system

2.0 PREPARING AND SUBMITTING A PROPOSAL

2.1 General Instructions

The evaluation and selection of a contractor(s) and contract award will be based on the information submitted in the vendor's proposal plus references and any required on-site visits, oral interviews and/or demonstrations. Failure to respond to each of the requirements in the RFP may be the basis for rejecting a response.

2.2 Incurring Costs

The State of Wisconsin is not liable for any cost incurred by proposers in replying to this RFP.

2.3 Submitting the Proposal(s)

DHS is soliciting pharmacy services for six (6) DHS/DLTC and DMHSAS long-term care treatment facilities as noted in Sections 1.1 and 4.0. Vendors may submit proposals for one or more of the facilities; however, separate technical and cost proposals are required for each facility.

Each proposal must conform fully to the requirements for proposal submission and include copies of all required forms. In responding to RFP requirements that may be applicable to multiple proposals, vendors may not simply cross-reference a response or document from one facility proposal section to another in a proposal response.

General instructions for completing the technical proposal are documented in Section 4.0 of the main RFP and specific instructions for the technical proposal responses is contained in Sections 4.0 – 4.8 of each of the facility Appendices (A-F) Specific instructions for completing the cost proposal are documented Section 5.0.

Proposals must be clear, concise, and direct, and fully describe the vendor’s approach and solution. Proposals should not include marketing or other materials not requested in the RFP that add little or no value to DHS’s understanding of the Proposal. Brochures or other presentations, beyond that sufficient to present a complete and effective proposal, are not desired. Audio and/or videotapes are not allowed. Elaborate artwork, expensive paper, expensive binders, and expensive visual and other presentation aids are not necessary.

Proposers must submit an original and five (5) paper copies, and one (1) electronic copy in PDF format on a CD/DVD of all materials required for acceptance of their **technical proposal by April 08, 2009, 4:00 p.m. CT** to:

Susan McKercher, Procurement Manager
RFP 1637-DLTC-SM
Department of Health Services
Division of Enterprise Services
1 W. Wilson Street, Room 750
Madison, WI 53703
Susan.McKercher@dhs.wi.gov
Telephone: (608) 267-7637

To ensure confidentiality of the document, proposals must be packaged, sealed and show the following *information on the outside of the envelope/package:

*Proposal #RFP 1637-DLTC-SM
Pharmacy Management Services
Facility Name ___XXX Appendix Alpha __XX___
Vendor Name: XXXXX_____
Proposal Due Date XX/XX/XX___ and time X:X___

Proposers must submit an original plus five (5) paper copies and one (1) electronic copy in PDF format of the ***cost proposal** for acceptance by **April 08, 2009, 4:00 pm CT** to:

Susan McKercher, Procurement Manager
RFP 1637-DLTC-SM
Department of Health Services
Division of Enterprise Services
1 W. Wilson Street, Room 750

Madison, WI 53703
Susan.McKercher@dhs.wi.gov
Telephone: (608) 267-7637

Cost proposal must be labeled with the same information as noted above for the technical proposal, with the additional words “cost proposal”, and separately sealed within the technical proposal package.

Proposals must be date and time stamped by the soliciting purchasing office on or before the date and time that the proposal is due. Proposals date and time stamped in another office will be rejected. Receipt of a proposal by the State or other mail system does not constitute receipt of a proposal by the purchasing office.

Faxed or e-mailed proposals will not be accepted. Proposals submitted in whole or in part by fax or e-mail will be rejected. Late proposals will be rejected and will be returned unopened. **There will be no exceptions.**

2.4 Proposal Organization and Format

Proposal Format

Proposers responding to this RFP must comply with the following format requirements. The State reserves the right to exclude any responses from consideration that do not follow the required format as instructed below.

Proposals should be typed and submitted on 8.5 X 11 inch paper bound securely. The proposal should be well organized and each page marked by a page number, the name of the responding vendor, and the RFP number, facility name and appendix reference. Font size and style throughout submission should be 11 or 12-point Arial font.

Proposal Organization

Proposal responses for each facility must be clearly labeled and organized with bolded headings and subheadings. Each heading and subheading should be separated by tabs or otherwise clearly marked and be presented in the following order:

I. Transmittal Cover Letter

A transmittal cover letter must accompany each vendor facility proposal and include the following:

1. Name and title of proposer representative
2. Name and address of company
3. Telephone number, fax number, and email address
4. RFP number and title: RFP#1637 Pharmacy Benefits Management Services, Facility Name and Appendix Reference.
5. An itemized list of all materials and enclosures submitted in the response
6. A reference to any RFP#1637 addenda or amendments posted to Vendornet prior to due date of proposal; if none have been posted, include a statement to that effect.
7. A statement stipulating that proposal is predicated upon the requirements, terms, and conditions of this RFP and any supplements or revisions thereof.
8. A statement that the vendor believes its proposal substantially meets all the requirements set forth in the RFP

9. A statement that the proposer's organization or an agent of the proposer's organization has arrived at the prices and discounts without consultation, communication, or agreement with any other respondent or with any competitor for the purpose of restricting competition.
10. A statement that the pricing quoted in the response have not been knowingly disclosed by the proposer's organization or by any agent of the proposer's organization and will not be knowingly disclosed by same, directly or indirectly, to any other respondent or to any competitor.
11. A statement that no attempt has been made or will be made by the proposer's organization or by any agent of the proposer's organization to induce any other person or firm to submit or not to submit a response for the purpose of restricting competition.
12. A statement acknowledging the proposal conforms to all rights of the State including procurement rules, procedures, rights, terms, and conditions specified in this RFP.
13. A statement acknowledging agreement to adhere to all State of Wisconsin Standard Terms and Conditions and Supplemental Standard Terms and Conditions.
14. A statement that the individual signing the proposal is authorized to sign for the proposing organization.
15. A statement certifying that the contractor firm is not debarred, suspended or otherwise declared ineligible to contract by any federal, state or local public agency.
16. The proposer's assurance the proposal will remain in full force and effect for at least one hundred twenty (120) days from the proposal due date.

II Table of Contents

III. Technical Proposal Requirements

Section 4.0 Technical Proposal Response Requirements

- 4.1 Executive Summary (5 pages maximum)
- 4.2 Organizational Capabilities
- 4.3 Staffing Capabilities and Requirements
- 4.4 Financial Strength
- 4.5 Implementation Timeline
- 4.6 Contract Termination Work Plan
- 4.7 Work Requirements
- 4.8 Risk/Quality Assurance

iv. 9.0 Required Forms

- Designation of Confidential and Proprietary Information (DOA-3027)
- Vendor Information (DOA 3477)
- Vendor References (DOA 3478)
- Signed RFP Cover page (DOA Form 3261)

v. 5.0 Cost Proposal

The cost proposal must be submitted in a separately sealed envelope within the technical proposal as noted in Section 2.3. Vendors must use the format in Attachment G, H and/or I, depending on the facility to which you are responding.) **No mention of your cost proposal may be made in the technical proposal response.**

2.5 Multiple Proposals

Multiple proposals for each facility from a vendor will be permissible; however, each proposal must conform fully to the requirements for proposal submission. Each such proposal for a single facility must be submitted separately, and include the facility cost proposal labeled and sealed within. Multiple proposals must be labeled as Proposal #1, Proposal #2, etc. on each page included in the response. Appendix Facility name and letter must be on all pages of the technical and cost proposal(s) as well as RFP number and proposer name. Alternate acquisition plans do not constitute multiple proposals.

2.6 Oral Interviews and Site Visits

Top scoring vendors, based on an evaluation of the technical proposal, may be required to participate in interviews and/or site visits to support and clarify their proposals. The Department will make every reasonable attempt to schedule each presentation at a time and location that is agreeable to the proposer. Failure of a proposer to interview or permit a site visit on the date scheduled may result in rejection of the vendor's proposal.

2.7 Demonstrations

Top-scoring vendor(s) may be required to install and demonstrate its product(s) and/or service(s) at a State site. Product(s) and or service(s) being demonstrated must be delivered to the State site upon two (2) weeks notice by the State to the vendor(s) and must be installed and ready for the demonstration within one (1) week of delivery.

If the State has determined a demonstration is required, the Department will furnish detailed specifications concerning the demonstration site and the particular test it will use to exercise the vendor's product(s) and/or service(s). Failure of a vendor to furnish the product(s) and/or service(s) it has proposed for demonstration within the time constraints of the preceding paragraph may result in rejection of that proposal. Failure of any product(s) and/or service(s) to meet the State's specified requirements during the demonstration may result in rejection of the vendor's proposal.

The successful demonstration of the vendor's product(s) and/or service(s) does not constitute acceptance by the State. Any product(s) and/or service(s) furnished by the vendor for the purposes of this demonstration must be identical in every respect to those which will be furnished if a contract results.

2.8 Withdrawal of Proposals

Proposals, including cost proposals, shall be irrevocable until contract award unless the proposal is withdrawn. Proposers may withdraw a proposal in writing at any time up to the proposal closing date and time or upon expiration of ten (10) days after the due date and time if received by the RFP project manager. To accomplish this, the written request must be signed by an authorized representative of the proposer and submitted to the RFP project manager. If a previously submitted proposal is withdrawn before the proposal due date and time, the proposer may submit another proposal at any time up to the proposal closing date and time.

3.0 PROPOSAL EVALUATION AND AWARD PROCESS

The purpose of this section is to provide a description of the evaluation process and the criteria that the State shall employ in the selection of a Contractor.

3.1 Preliminary Evaluation

The purpose of the preliminary evaluation is to determine the substantial responsiveness to the RFP of each proposal received. A substantially responsive proposal is one which is complete, properly signed, generally in order, and conforms to all the terms and conditions of the RFP without material deviation.

The determination of a proposal's responsiveness is based on the contents of the proposal itself without recourse to extrinsic evidence. Therefore, vendors must comply with the instructions contained in this RFP and all requested information should be included. Failure to comply with the instructions or provide information may cause the proposal to be rejected without further consideration. Proposals that fail this review may not be given further consideration. The state reserves the right to waive any minor irregularities in the proposal.

3.2 Proposal Scoring

Technical proposals will be reviewed and scored by an evaluation committee against the stated criteria. Vendors must address how they will meet the technical requirements of the RFP.

A vendor may not contact any member of an evaluation committee except with the procurement manager's prior written approval. The committee may review references, request interviews/demonstrations, and/or conduct on-site visits and use the results in scoring the proposals.

Cost proposals will be calculated by Department staff with the most points awarded to the proposal with the lowest cost. Other cost proposals will be assigned points that correlate to those assigned to the lowest cost proposal.

Proposals from certified Minority Business Enterprises may have points weighted by a factor of 1.00 to 1.05 to provide up to a five percent (5%) preference to these businesses (Wis. Stats. 16.75(3m)). The evaluation committee's scoring will be tabulated and proposals ranked based on the numerical scores received.

3.3 Evaluation Criteria

Each evaluator will score the proposals and assign a range of points up to the maximum allowed as shown below. Vendor references, interviews, demonstrations, final offers if requested, as well as the written response, may be used in scoring.

Sections to be scored and the maximum points each evaluator may give are as follows:

DESCRIPTION		TOTAL POINTS	% OF TOTAL POINTS
4.0	PROPOSAL TECHNICAL RESPONSE	750 max	75%
4.1	Executive Summary	20	
4.2	Organizational Capabilities	60	
4.3	Staffing Capabilities/Requirements	70	
4.4	Financial Strength	60	
4.5	Implementation Timeline	60	
4.6	Contract Termination Work Plan	60	
4.7	Work Requirements	400	
4.8	Risk/Quality Assurance	20	

5.0	COST	250 max	25%
	TOTAL:	1000	100%

Each evaluator may give up to 750 points for the technical score. The combined maximum number of points will depend on the number of evaluators. There will be a minimum of three evaluators for the technical response. Technical proposals that do not sufficiently address all of the requirements may be rejected and cost proposals would not be opened.

3.4 Right to Reject Proposals and Negotiate Contract Terms

The State of Wisconsin reserves the right to accept or reject any or all proposals, to waive any technicality in any bid/proposal submitted, and to accept any part of a proposal as deemed to be in the best interests of the State of Wisconsin.

The Department may negotiate the terms of the contract, including the award amount, with the selected proposer(s) prior to entering into a contract. If contract negotiations cannot be concluded successfully with the highest scoring proposer for a facility proposal, the state may negotiate a contract with the next highest scoring proposer.

3.5 Award and Final Offers

The Department will compile the final scores (technical and cost) for each proposal. The award may be granted in one of two ways. The award may be granted to the highest scoring responsive and responsible proposer. Alternatively, the highest scoring proposer or proposers may be requested to submit final and best offers. If final and best offers are requested by the evaluation committee and submitted by the vendor, the offer will be evaluated against the stated criteria, scored and ranked by the evaluation committee. However, a proposer should not expect that the State will request a final and best offer.

Once final ranking is determined, an award may then be granted to the highest scoring proposer if the department's assessment shows that contracting for pharmacy management services meets the objectives of the RFP stated in Section 1.3.

3.6 Notification of Intent to Award

All vendors who respond to this RFP will be notified in writing of the State's intent in awarding a contract(s) as a result of this RFP.

After notification of the State's intent to award of a contract(s) is sent, and under the supervision of state staff, copies of proposals will be available for public inspection from 8:00 a.m. to 4:30 p.m. at 1 West Wilson Street, Madison, WI 53703. Vendors may schedule reviews with Susan McKercher via e-mail at the following address: Susan.McKercher@dhs.wisconsin.gov

3.7 Protest and Appeal Process

Notices of intent to protest and protests must be made in writing to the head of the procuring state agency. Protestors should make their protests as specific as possible and should identify statutes and Wisconsin Administrative Code provisions that are alleged to have been violated.

Any written notice of intent to protest the intent to award a contract must be filed with

Karen Timberlake, Secretary
Wisconsin Department of Health Services
1 W. Wilson Street, Room 650
Madison, WI 53703

and received in her office no later than five (5) working days after the notices of intent to award are issued.

Any written protest must be received within ten (10) working days after the notice of intent to award is issued.

The decision of the head of the procuring state agency may be appealed to the Secretary of the Department of Administration within five (5) working days of issuance, with a copy of such appeal filed with the procuring state agency. The appeal must allege a violation of a Wisconsin statute or a section of the Wisconsin Administrative Code.

4.0 TECHNICAL PROPOSAL REQUIREMENTS (75 %)

Each facility's technical response requirements are contained in the facility appendices. Sections are noted below. Vendors must submit a complete separate written technical proposal and separate cost proposal for each facility it intends to propose on.

4.0 Technical Proposal

- 4.1 Executive Summary
- 4.2 Organizational Capabilities
- 4.3 Staffing Capabilities and Requirements
- 4.4 Financial Strength
- 4.5 Implementation Timeline
- 4.6 Contract Termination Work Plan
- 4.7 Technical Work Requirements
- 4.8 Risk/Quality Assurance

5.0 COST PROPOSAL REQUIREMENTS (25%)

A separate cost proposal must be submitted with each technical response for a facility. The cost proposal must only include costs for that technical response. No combined facility costs shall be included. The cost proposal must be completed using the format contained in Cost Proposal Worksheet Appendix G and/or Appendix H as appropriate for your proposal(s). The cost proposal must be sealed in a separate envelope/package and included within the technical proposal package as noted in Section 2.3. Failure to provide any requested information in the prescribed format may result in disqualification of the proposal(s).

The proposed cost must be inclusive of all costs associated with providing the services in a vendor's technical proposal and other contractual requirements noted in the RFP.

5.1 Fixed Proposal Price Period

All costs and conditions outlined in the proposal shall remain fixed and valid for acceptance for one-hundred twenty (120) calendar days starting on the due date for proposals. The purpose of fixed price is to ensure vendors maintain pricing/conditions during the evaluation process.

6.0 SPECIAL CONTRACT TERMS AND CONDITIONS

6.1 Prime Contractor

The prime contractor will be responsible for contract performance of subcontractors when minority business or other subcontractors are used. Subcontractors must abide by all terms and conditions of the contract. If subcontractors are to be used, the proposer must clearly explain their participation in each of its facility proposals.

The State of Wisconsin is committed to the promotion of minority business in the state's purchasing program and a goal of placing 5% of its total purchasing dollars with certified minority businesses. Authority for this program is found in ss. 15.107(2), 16.75(4), 16.75(5) and 560.036(2), Wisconsin Statutes. The contracting state agency is committed to the promotion of minority business in the state's purchasing program.

The State of Wisconsin policy provides that minority-owned business enterprises certified by the Wisconsin Department of Commerce, Bureau of Minority Business Development should have the maximum opportunity to participate in the performance of its contracts. The supplier/contractor is strongly urged to use due diligence to further this policy by awarding subcontracts to minority-owned business enterprises or by using such enterprises to provide goods and services incidental to this agreement, with a goal of awarding at least 5% of the contract price to such enterprises.

The supplier/contractor shall furnish appropriate quarterly information about its effort to achieve this goal, including the identities of such enterprises certified by the Wisconsin Department of Commerce and their contract amount.

A listing of certified minority businesses, as well as the services and commodities they provide, is available from the Department of Administration, Office of the Minority Business Program, 608/267-7806. The listing is published on the Internet at: <http://www.doa.state.wi.us/dsas/mbe/index.asp>.

6.2 Executed Contract to Constitute Entire Agreement

In the event of a contract award(s), the contents of this RFP (including all attachments), RFP addenda, revisions, and the proposal of a successful proposer, and additional terms agreed to, in writing, by the state agency and the contractor shall become part of the contract. Failure of a successful proposer to accept these terms in a contractual agreement may result in a cancellation of award.

The following priority for contract documents will be used if there are conflicts or disputes.

Official Purchase Orders
Vendor's Proposal Dated xx/xx/xx (Due date), as accepted
State Request for Proposal Dated xx/xx/xx (Issue date)
Standard Terms and Conditions

6.3 Termination of Contract

The state may terminate the contract at any time at its sole discretion by delivering 60 days written notice to the contractor. If termination is for cause, the state will be liable only for services or deliverables accepted prior to the date of termination. If termination is for convenience, the state may also compensate the contractor for partially completed services or deliverables.

The contractor may terminate the contract for cause and must give one-hundred twenty (120) days notice. Upon termination, the contractor will be liable for services or deliverables accepted by the contractor prior to the termination.

6.4 Liquidated Damages

The contractor will be subject to liquidated damages in amounts to be negotiated for failures to meet performance standards and for violations of confidentiality requirements. These will be in addition to the contractor's liability for mitigation costs and corrective action plan costs, including credit monitoring, for confidentiality violations.

7.0 STANDARD TERMS AND CONDITIONS

The State of Wisconsin reserves the right to incorporate standard State contract provisions into any contract negotiated with any proposal submitted responding to this RFP (Standard Terms and Conditions (DOA-3054) and Supplemental Standard Terms and Conditions for Procurements for Services (DOA-3681) Failure of the successful proposer to accept these obligations in a contractual agreement may result in cancellation of the award. DOA-3054 and DOA 3681 are part of the RFP document by reference and are posted with the RFP at Vendornet.

8.0 VENDOR REFERENCES

Proposers must include in their RFPs, a list of all clients/buyers/organizations with whom the proposer has done business similar to that required by this solicitation within the last three (3) years. For each client/buyer/organization, the proposer must include the name, title, address, and telephone number of a contact person along with a brief description of the project or assignment, which was the basis for the business relationship. The evaluation committee will determine which, if any, references to contact to assess the quality of work performed and personnel assigned to the project. The results of any references may be used in scoring the proposal.

9.0 REQUIRED FORMS

In addition to a vendor's technical and cost proposal, the following forms/documents must be submitted with each facility proposal in accordance with the instructions given in Section 2.4.

Signed Cover Page (DOA 3261)
Designation of Confidential and Proprietary Information (DOA 3027)
Vendor Information (DOA 3477)
Vendor Reference (DOA 3478)

10.0 ATTACHMENTS

Attachment 1 - Facility Population Estimates
Attachment 2 - Sample of HIPAA Business Associate Agreement
Attachment 3 - CWC Utilization
Attachment 4 - NWC Utilization
Attachment 5 - SWC Utilization
Attachment 6 - MMHI Utilization
Attachment 7 - WMHI/WRC Utilization
Attachment 8 -Client Payment Source Snapshot
Standard Terms and Condition (DOA 3054)
Supplemental Standard Terms and Conditions (DOA 3681)

11.0 APPENDICES FOR TECHNICAL AND COST RESPONSE

- Appendix A - Central Wisconsin Center
- Appendix B - Northern Wisconsin Center
- Appendix C - Southern Wisconsin Center
- Appendix D - Mendota Mental Health Institute
- Appendix E - Winnebago Mental Health Institute/Wisconsin Resource Center
- Appendix F - Sand Ridge Secure Treatment Center
- Appendix G - COST Proposal worksheet – Use for CWC, NWC, SWC
- Appendix H - COST Proposal worksheet – Use for MMHI, WMHI/WRC
- Appendix I - COST Proposal worksheet – Use for SRSTC

