State of West Virginia
Department of Administration
Purchasing Division
2019 Washington Street East
Post Office Box 50130
Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER	PAGE
BMS70641	1

ADDRESS CORRESPONDENCE TO ATTENTION OF:
ROBERTA WAGNER
304-558-0067

VENDOR
RFQ COPY
TYPE NAME/ADDRESS HERE

SHIP TO
HEALTH AND HUMAN RESOURCES
BUREAU FOR MEDICAL SERVICES
ROOM 251
350 CAPITOL STREET
CHARLESTON, WV
25301-3709 304-558-1737

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
01/11/2007				

BID OPENING DATE: 02/20/2007 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO.	ITEM NUMBER	UNIT PRICE	AMOUNT

**********REQUEST FOR PROPOSAL**********

THE WEST VIRGINIA DIVISION OF PURCHASING IS SOLICTING BIDS TO PROVIDE SERVICES FOR THE DEVELOPMENT, IMPLEMENTATION AND OPERATION OF THE WV MEDICAID RETRO DRUG UTILIZATION REVIEW PROGRAM PER THE ATTACHED SPECIFICATIONS.

****

PLEASE NOTE THAT A MANDATORY PRE-BID CONFERENCE SHALL BE CONDUCTED ON JANUARY 30, 2007 AT 1:30 PM. SAID CONFERENCE WILL BE HELD AT 350 CAPITOL STREET, ROOM 251 CHARLESTON, WV 25301. ALL INTERESTED BIDDERS ARE REQUIRED TO BE PRESENT AT THIS MEETING. FAILURE TO ATTEND THE MANDATORY PRE-BID CONFERENCE SHALL AUTOMATICALLY RESULT IN DISQUALIFICATION. NO ONE CAN REPRESENT MORE THAN ONE VENDOR.

****

SCHEDULE OF EVENTS:

RELEASE OF RFP:	JANUARY 12, 2007
MANDATORY PRE-BID CONFERENCE:	JANUARY 30, 2007
VENDOR'S WRITTEN QUESTIONS SUBMISSION DEADLINE:	
(CLOSE OF BUSINESS)	FEBRUARY 1, 2007
ADDENDUM ISSUED:	FEBRUARY 6, 2007
BID OPENING DATE:	FEBRUARY 20, 2007

PLEASE NOTE THE FOLLOWING ATTACHEMENTS:
1) AFFIDAVIT (1 PAGE)
2) WV-96 AGREEMENT ADDENDUM (1 PAGE)

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE

TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

GENERAL TERMS & CONDITIONS
REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)

1. Awards will be made in the best interest of the State of West Virginia.

2. The State may accept or reject in part, or in whole, any bid.

3. All quotations are governed by the ***West Virginia Code*** and the ***Legislative Rules*** of the Purchasing Division.

4. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required $125 00 registration fee.

5. All services performed or goods delivered under State Purchase Orders/Contracts are to be continued for the term of the Purchase Order/Contract, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods, this Purchase Order/Contract becomes void and of no effect after June 30.

6. Payment may only be made after the delivery and acceptance of goods or services.

7. Interest may be paid for late payment in accordance with the ***West Virginia Code***.

8. Vendor preference will be granted upon written request in accordance with the ***West Virginia Code***.

9. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.

10. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.

11. The laws of the State of West Virginia and the ***Legislative Rules*** of the Purchasing Division shall govern all rights and duties under the Contract, including without limitation the validity of this Purchase Order/Contract.

12. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.

13. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, this contract is automatically null and void, and is terminated without further order.

14. **HIPAA Business Associate Addendum -** The West Viginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (**http://www.state.wv.us/admin/purchase/vrc/hipaa.htm**) is hereby made part of the agreement. Provided that, the Agency meets the definition of a Covered Entity (45 CFR §160 103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor

---

INSTRUCTIONS TO BIDDERS

1. Use the quotation forms provided by the Purchasing Division.

2. **SPECIFICATIONS:** Items offered must be in compliance with the specifications. Any deviation from the specifications must be clearly indicated by the bidder. Alternates offered by the bidder as **EQUAL** to the specifications must be clearly defined. A bidder offering an alternate should attach complete specifications and literature to the bid. The Purchasing Division may waive minor deviations to specifications.

3. Complete all sections of the quotation form.

4. Unit prices shall prevail in cases of discrepancy.

5. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.

6. **BID SUBMISSION:** All quotations must be delivered by the bidder to the office listed below prior to the date and time of the bid opening. Failure of the bidder to deliver the quotations on time will result in bid disqualifications.

SIGNED BID TO:

Department of Administration
Purchasing Division
2019 Washington Street East
Post Office Box 50130
Charleston, WV 25305-0130

State of West Virginia
Department of Administration
Purchasing Division
2019 Washington Street East
Post Office Box 50130
Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER	PAGE
BMS70641	2

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304-558-0067

VENDOR
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BUREAU FOR MEDICAL SERVICES
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25301-3709 304-558-1737

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01/11/2007				

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LINE	QUANTITY	UOP	CAT NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
	3) BMS70641 SPECIFICATIONS (30 PAGES)					
	4) DEBARMENT AND SUSPENSION CERT. (1 PAGE)					
0001	1	YR		948-74		
	RFP TO OBTAIN RETRO DRUG UTILIZATION REVIEW SERVICES					
	EXHIBIT 3					
	LIFE OF CONTRACT: THIS CONTRACT BECOMES EFFECTIVE ON ..... AND EXTENDS FOR A PERIOD OF ONE (1) YEAR OR UNTIL SUCH "REASONABLE TIME" THEREAFTER AS IS NECESSARY TO OBTAIN A NEW CONTRACT OR RENEW THE ORIGINAL CONTRACT. THE "REASONABLE TIME" PERIOD SHALL NOT EXCEED TWELVE (12) MONTHS. DURING THIS "REASONABLE TIME" THE VENDOR MAY TERMINATE THIS CONTRACT FOR ANY REASON UPON GIVING THE DIRECTOR OF PURCHASING 30 DAYS WRITTEN NOTICE.					
	UNLESS SPECIFIC PROVISIONS ARE STIPULATED ELSEWHERE IN THIS CONTRACT DOCUMENT, THE TERMS, CONDITIONS AND PRICING SET HEREIN ARE FIRM FOR THE LIFE OF THE CONTRACT.					
	RENEWAL: THIS CONTRACT MAY BE RENEWED UPON THE MUTUAL WRITTEN CONSENT OF THE SPENDING UNIT AND VENDOR, SUBMITTED TO THE DIRECTOR OF PURCHASING THIRTY (30) DAYS PRIOR TO THE EXPIRATION DATE. SUCH RENEWAL SHALL BE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AND SHALL BE LIMITED TO TWO (2) ONE					

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

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(1) YEAR PERIODS.

CANCELLATION: THE DIRECTOR OF PURCHASING RESERVES THE RIGHT TO CANCEL THIS CONTRACT IMMEDIATELY UPON WRITTEN NOTICE TO THE VENDOR IF THE COMMODITIES AND/OR SERVICES SUPPLIED ARE OF AN INFERIOR QUALITY OR DO NOT CONFORM TO THE SPECIFICATIONS OF THE BID AND CONTRACT HEREIN.

OPEN MARKET CLAUSE: THE DIRECTOR OF PURCHASING MAY AUTHORIZE A SPENDING UNIT TO PURCHASE ON THE OPEN MARKET, WITHOUT THE FILING OF A REQUISITION OR COST ESTIMATE, ITEMS SPECIFIED ON THIS CONTRACT FOR IMMEDIATE DELIVERY IN EMERGENCIES DUE TO UNFORESEEN CAUSES (INCLUDING BUT NOT LIMITED TO DELAYS IN TRANSPORTATION OR AN UNANTICIPATED INCREASE IN THE VOLUME OF WORK.)

QUANTITIES: QUANTITIES LISTED IN THE REQUISITION ARE APPROXIMATIONS ONLY, BASED ON ESTIMATES SUPPLIED BY THE STATE SPENDING UNIT. IT IS UNDERSTOOD AND AGREED THAT THE CONTRACT SHALL COVER THE QUANTITIES ACTUALLY ORDERED FOR DELIVERY DURING THE TERM OF THE CONTRACT, WHETHER MORE OR LESS THAN THE QUANTITIES SHOWN.

ORDERING PROCEDURE: SPENDING UNIT(S) SHALL ISSUE A WRITTEN STATE CONTRACT ORDER (FORM NUMBER WV-39) TO THE VENDOR FOR COMMODITIES COVERED BY THIS CONTRACT. THE ORIGINAL COPY OF THE WV-39 SHALL BE MAILED TO THE VENDOR AS AUTHORIZATION FOR SHIPMENT, A SECOND COPY MAILED TO THE PURCHASING DIVISION, AND A THIRD COPY RETAINED BY THE SPENDING UNIT.

BANKRUPTCY: IN THE EVENT THE VENDOR/CONTRACTOR FILES FOR BANKRUPTCY PROTECTION, THIS CONTRACT IS AUTOMATICALLY NULL AND VOID, AND IS TERMINATED WITHOUT FURTHER ORDER.

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

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BMS70641	4

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THE TERMS AND CONDITIONS CONTAINED IN THIS CONTRACT SHALL SUPERSEDE ANY AND ALL SUBSEQUENT TERMS AND CONDITIONS WHICH MAY APPEAR ON ANY ATTACHED PRINTED DOCUMENTS SUCH AS PRICE LISTS, ORDER FORMS, SALES AGREEMENTS OR MAINTENANCE AGREEMENTS, INCLUDING ANY ELECTRONIC MEDIUM SUCH AS CD-ROM.

REV. 04/11/2001

VENDOR PREFERENCE CERTIFICATE

CERTIFICATION AND APPLICATION* IS HEREBY MADE FOR PREFERENCE IN ACCORDANCE WITH WEST VIRGINIA CODE, 5A-3-37 (DOES NOT APPLY TO CONSTRUCTION CONTRACTS).

A. APPLICATION IS MADE FOR 2.5% PREFERENCE FOR THE REASON CHECKED:

( ) BIDDER IS AN INDIVIDUAL RESIDENT VENDOR AND HAS RESIDED CONTINUOUSLY IN WEST VIRGINIA FOR FOUR (4) YEARS IMMEDIATELY PRECEDING THE DATE OF THIS CERTIFICATION; OR

( ) BIDDER IS A PARTNERSHIP, ASSOCIATION OR CORPORATION RESIDENT VENDOR AND HAS MAINTAINED ITS HEADQUARTERS OR PRINCIPAL PLACE OF BUSINESS CONTINUOUSLY IN WEST VIRGINIA FOR FOUR (4) YEARS IMMEDIATELY PRECEDING THE DATE OF THIS CERTIFICATION; OR 80% OF THE OWNERSHI INTEREST OF BIDDER IS HELD BY ANOTHER INDIVIDUAL, PARTNERSHIP, ASSOCIATION OR CORPORATION RESIDENT VENDOR WHO HAS MAINTAINED ITS HEADQUARTERS OR PRINCIPAL PLACE OF BUSINESS CONTINUOUSLY IN WEST VIRGINIA FOR FOUR (4) YEARS IMMEDIATELY PRECEDING THE DATE OF THIS CERTIFICATION; OR

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BMS70641	5

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( ) BIDDER IS A CORPORATION NONRESIDENT VENDOR WHICH HAS AN AFFILIATE OR SUBSIDIARY WHICH EMPLOYS A MINIMUM OF ONE HUNDRED STATE RESIDENTS AND WHICH HAS MAINTAINED ITS HEAQUARTERS OR PRINCIPAL PLACE OF BUSINESS WITHIN WEST VIRGINIA CONTINUOUSLY FOR THE FOUR (4) YEARS IMMEDIATELY PRECEDING THE DATE OF THIS CERTIFICATION.

B. APPLICATION IS MADE FOR 2.5% PREFERENCE FOR THE REASON CHECKED:

( ) BIDDER IS A RESIDENT VENDOR WHO CERTIFIES THAT, DURING THE LIFE OF THE CONTRACT, ON AVERAGE AT LEAST 75% OF THE EMPLOYEES WORKING ON THE PROJECT BEING BID ARE RESIDENTS OF WEST VIRGINIA WHO HAVE RESIDED IN THE STATE CONTINUOUSLY FOR THE TWO YEARS IMMEDIATELY PRECEDING SUBMISSION OF THIS BID;
OR
( ) BIDDER IS A NONRESIDENT VENDOR EMPLOYING A MINIMUM OF ONE HUNDRED STATE RESIDENTS OR IS A NONRESIDENT VENDOR WITH AN AFFILIATE OR SUBSIDIARY WHICH MAINTAINS ITS HEADQUARTERS OR PRINCIPAL PLACE OF BUSINESS WITHIN WEST VIRGINIA EMPLOYING A MINIMUM OF ONE HUNDRED STATE RESIDENTS WHO CERTIFIES THAT, DURING THE LIFE OF THE CONTRACT, ON AVERAGE AT LEAST 75% OF THE EMPLOYEES OR BIDDERS' AFFILIATE'S OR SUBSIDIARY'S EMPLOYEES ARE RESIDENTS OF WEST VIRGINIA WHO HAVE RESIDED IN THE STATE CONTINUOUSLY FOR THE TWO YEARS IMMEDIATELY PRECEDING SUBMISSION OF THIS BID.

BIDDER UNDERSTANDS IF THE SECRETARY OF TAX & REVENUE DETERMINES THAT A BIDDER RECEIVING PREFERENCE HAS FAILED TO CONTINUE TO MEET THE REQUIREMENTS FOR SUCH PREFERENCE, THE SECRETARY MAY ORDER THE DIRECTOR OF PURCHASING TO: (A) RESCIND THE CONTRACT OR PURCHASE

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BMS70641	6

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ORDER ISSUED; OR (B) ASSESS A PENALTY AGAINST SUCH BIDDER IN AN AMOUNT NOT TO EXCEED 5% OF THE BID AMOUNT AND THAT SUCH PENALTY WILL BE PAID TO THE CONTRACTING AGENCY OR DEDUCTED FROM ANY UNPAID BALANCE ON THE CONTRACT OR PURCHASE ORDER.

BY SUBMISSION OF THIS CERTIFICATE, BIDDER AGREES TO DISCLOSE ANY REASONABLY REQUESTED INFORMATION TO THE PURCHASING DIVISION AND AUTHORIZES THE DEPARTMENT OF TAX AND REVENUE TO DISCLOSE TO THE DIRECTOR OF PURCHASING APPROPRIATE INFORMATION VERIFYING THAT BIDDER HAS PAID THE REQUIRED BUSINESS TAXES, PROVIDED THAT SUCH INFORMATION DOES NOT CONTAIN THE AMOUNTS OF TAXES PAID NOR ANY OTHER INFORMATION DEEMED BY THE TAX COMMISSIONER TO BE CONFIDENTIAL.

UNDER PENALTY OF LAW FOR FALSE SWEARING (WEST VIRGINIA CODE 61-5-3), BIDDER HEREBY CERTIFIES THAT THIS CERTIFICATE IS TRUE AND ACCURATE IN ALL RESPECTS; AND THAT IF A CONTRACT IS ISSUED TO BIDDER AND IF ANYTHING CONTAINED WITHIN THIS CERTIFICATE CHANGES DURING THE TERM OF THE CONTRACT, BIDDER WILL NOTIFY THE PURCHASING DIVISION IN WRITING IMMEDIATELY.

BIDDER: ----------

DATE: ----------

SIGNED: ----------

TITLE: ----------

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE

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Department of Administration
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RFQ NUMBER	PAGE
BMS70641	7

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* CHECK ANY COMBINATION OF PREFERENCE CONSIDERATION(S) IN EITHER "A" OR "B", OR BOTH "A" AND "B" WHICH YOU ARE ENTITLED TO RECEIVE. YOU MAY REQUEST UP TO THE MAXIMUM 5% PREFERENCE FOR BOTH "A" AND "B".
(REV. 12/00)

NOTICE

A SIGNED BID MUST BE SUBMITTED TO:

DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION
BUILDING 15
2019 WASHINGTON STREET, EAST
CHARLESTON, WV 25305-0130

THE BID SHOULD CONTAIN THIS INFORMATION ON THE FACE OF THE ENVELOPE OR THE BID MAY NOT BE CONSIDERED:

SEALED BID

BUYER: FILE 22

RFQ. NO.: BMS70641

BID OPENING DATE: FEBRUARY 20, 2007

BID OPENING TIME: 1:30 PM

PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY

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Department of Administration
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RFQ NUMBER	PAGE
BMS70641	8

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TO CONTACT YOU REGARDING YOUR BID:

CONTACT PERSON (PLEASE PRINT CLEARLY):

****** THIS IS THE END OF RFQ BMS70641 ****** TOTAL: _____

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REQUEST FOR PROPOSAL
Department of Health and Human Resources
Bureau for Medical Services

BMS70641

PART 1 GENERAL INFORMATION/TERMS AND CONDITIONS

1.1 Purpose:
The Acquisition and Contract Administration Section of the Purchasing Division "State" is soliciting bids for the Department of Health and Human Resources, Bureau for Medical Services (BMS), "Agency" to engage the services of a qualified vendor to provide Retrospective Drug Utilization Review Services for the Medicaid Pharmacy program.

1.2 Project:
The mission or purpose of the project is to improve pharmaceutical care delivered to our clients with the resultant benefit of reducing suboptimal drug utilization, thereby leading to a reduction in unnecessary Medicaid expenditures and better therapeutic outcomes for our clients. Specifically, this is done through review by assuring that drug prescribing is therapeutically appropriate, preventing over or under utilization of medication, duplication of agents, clinical abuse and misuse of medications and preventing therapy that is contraindicated by combinations of medications or by diagnosis. RetroDUR is designed to identify recipients at high risk for drug induced illness, communicate these risk factors to physicians and pharmacists, and modify drug therapies to reduce or eliminate these risks.

1.3 RFP Format:
This RFP has four parts. "Part 1" contains general information/terms and conditions, "Part 2" describes the background and working environment of the project, "Part 3" is a statement of the specifications for the services requested pursuant to this RFP, contractual requirements, and special terms/conditions and "Part 4" explains the required format of the Bidder's response to the RFP, the evaluation criteria the State will use in evaluating the proposals received, and how the evaluation will be conducted.

1.4 Inquiries:
Additional information inquiries regarding specifications of this RFP must be submitted in writing to the State Buyer with the exception of questions regarding proposal submission which may be oral. The deadline for written inquiries is identified in the Schedule of Events, Section 1.16. All inquiries of specification clarification must be addressed to:

Roberta Wagner, Senior Buyer
Purchasing Division
2019 Washington Street, East
P.O. Box 50130
Charleston, WV 25305-0130
Fax: (304) 558-4115
RWAGNER@WVADMIN.GOV

Absolutely NO contact shall be made by the vendor with any member of the evaluation committee. Violation may result in rejection of the bid. The State Buyer named above is the sole contact for any and all inquiries after this RFP has been released.

1.5 Vendor Registration:
Vendors participating in this process should complete and file a Vendor Registration and Disclosure Statement (Form WV-1) and remit the registration fee. Vendor is not required to be a registered vendor in order to submit a proposal, but the successful bidder must register and pay the fee prior to the award of an actual purchase order/contract.

1.6 Oral Statements and Commitments:
Vendor must clearly understand that any verbal representations made or assumed to be made during any oral discussions held between Vendor's representatives and any State personnel is not binding. Only the information issued in writing and added to the Request for Proposal specifications file by an official written addendum are binding.

1.7 Economy of Preparation:
Proposals should be prepared simply and economically, providing a straightforward, concise description of Vendor's abilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.

1.8 Labeling of RFP Sections:
The sections within this RFP contain instructions governing how the Vendor's proposal is to be arranged, submitted and to identify the material to be included therein.

1.8.1 Mandatory Requirements.
The mandatory sections included in part 3 and 4 require a response, and they describe the minimum requirements requested in this RFP. Any specification or statement containing the word "must", "shall, or "will" are mandatory. The vendor is required to meet the mandatory specifications in order to be eligible for consideration and to continue in the evaluation process. A simple "yes" or "no" response to these sections is not adequate. Failure to meet mandatory items shall result in disqualification of the vendor's proposal and the evaluation process terminated for that vendor. Decisions regarding compliance with the intent of any mandatory specification shall be at the sole discretion of the State.

1.8.2 Contract Terms and Conditions:
This Request for Proposals contains all the contractual terms and conditions under which the State of West Virginia will enter into a contract.

1.8.3 Informational Sections:
All information specifications do not require a response from the vendor. They are intended to aid the vendor in structuring an effective proposal capable of meeting the needs of the issuing agency.

1.9 Proposal Format and Submission:

1.9.1 Vendors must complete a response to all mandatory specifications in order to be considered. Each proposal should be formatted as per the outline in Part 4 of this

RFP. No other arrangement or distribution of the proposal information may be made by the bidder. Failure on the part of the bidder to respond to specific requirements detailed in the RFP may be basis for disqualification of the proposal. The State reserves the right to waive any informality in the proposal format and minor irregularities.

1.9.2 State law requires that the original technical and cost proposal be submitted to the Purchasing Division. All proposals must be submitted to the Purchasing Division prior to the date and time stipulated in the RFP as the opening date. All bids will be date and time stamped to verify official time and date of receipt.

1.9.3 Vendors mailing proposals should allow sufficient time for mail delivery to ensure timely arrival. In accordance with State Code 5A-3-11, the Purchasing Division cannot waive or excuse late receipt of a proposal which is delayed and late for any reason. Any proposal received after the bid opening date and time will be immediately disqualified in accordance with State law and the administrative rules and regulations.

Submit: One original technical and cost plus seven (7) convenience copies to:

Purchasing Division
2019 Washington Street, East
P.O. Box 50130
Charleston, WV 25305-0130

The outside of the envelope or package(s) should be clearly marked:

Buyer: RW-22
Req#: BMS70641
Opening Date: February 20, 2007
Opening Time: 1:30 P. M.

1.9.4. Best Value Purchasing Standard Format
All Requests for Proposals should follow the standard format defined by the Purchasing Division. This format addresses required areas and enables the agency to modify the background and scope of work to meet its needs.

1.9.4.1 Evaluation Criteria: All evaluation criteria must be clearly defined in the specifications section and based on a 100 point total score. Based on a 100 point total, cost shall represent a minimum of 30 of the 100 total points in the criteria.

1.9.4.2 Proposal Format and Content: Proposals shall be requested and received in two distinct parts: Technical and Cost. The cost portion shall be sealed in a separate envelope and will not be opened initially.

1.9.4.3 Technical Bid Opening: The Purchasing Division will open only the technical proposals on the date and time specified in the Request for Proposal. The Purchasing Division representative will read aloud the names of those who responded to the solicitation. The Purchasing Division Buyer will confirm that the original packages contain a separately sealed cost proposal prior to providing the courtesy copies to the agency to begin the evaluation process.

1.9.4.4 Technical Evaluation: The pre-selected, approved evaluation committee will review the technical proposals, deduct appropriate points for deficiencies and make a final written consensus recommendation to the Purchasing Division Buyer. If the Buyer approves the committee's recommendation, the technical evaluation will be forwarded to an internal review committee within the Purchasing Division.

1.9.4.5 Cost Bid Opening: Upon approval of the technical evaluation from the internal review committee, the Purchasing Division shall schedule a time and date to publicly open and read aloud the cost proposals. The agency and the vendors shall be notified of this date.

1.9.4.6 Cost Evaluation and Resident Vendor Preference: The evaluation committee will review the cost proposals, assign appropriate points and make a final consensus recommendation to the Purchasing Division. In accordance with West Virginia State Code §5A-3-37, the Purchasing Division will make the determination of the Resident Vendor Preference, if applicable. Resident Vendor Preference provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the West Virginia State Code. A certificate of application is used to request this preference. Generally, a West Virginia vendor may be eligible for two 2.5% preferences in the evaluation process.

1.9.4.7 Contract Approval and Award: After the cost proposals have been opened, the evaluation committee completes its review and prepares the final evaluation making its recommendation for contract award based on the highest scoring vendor. The final evaluation is submitted to the Purchasing Division buyer. Once approved by the buyer, the final evaluation must be reviewed and approved by the Purchasing Division internal review committee. The contract is prepared and signed in the Purchasing Division, forwarded to the Attorney General's Office for approval as to form, encumbered and mailed to the appropriate parties.

1.10 Rejection of Proposals:
The State shall select the best value solution according to the evaluation criteria. However, the State reserves the right to accept or reject any or all proposals, in part or in whole at its discretion. The State reserves the right to withdraw this RFP at any time and for any reason. Submission of, or receipt by the State of proposals confers no rights upon the bidder nor obligates the State in any manner.

A contract based on this RFP and the Vendor's proposal, may or may not be awarded. Any contract resulting in an award from this RFP is not valid until properly approved and executed by the Purchasing Division and approved as to form by the Attorney General.

1.11 Incurring Costs:
The State and any of its employees or officers shall not be held liable for any expenses incurred by any bidder responding to this RFP for expenses to prepare, deliver the proposal, or to attend any mandatory prebid meeting or oral presentations.

1.12 Addenda:
If it becomes necessary to revise any part of this RFP, an official written addendum will be issued by the State to all bidders of record.

1.13 Independent Price Determination:
A proposal will not be considered for award if the price in the proposal was not arrived at independently without collusion, consultation, communication, or agreement as to any matter relating to prices with any competitor unless the proposal is submitted as a joint venture.

1.14 Price Quotations:
The price(s) quoted in the bidder's proposal will not be subject to any increase and will be considered firm for the life of the contract unless specific provisions have been provided for adjustment in the original contract.

1.15 Public Record:

1.15.1 Submissions are Public Record.
All documents submitted to the State Purchasing Division related to purchase orders/contracts are considered public records. All bids, proposals, or offers submitted by bidders shall become public information and are available for inspection during normal official business hours in the Purchasing Division Records and Distribution center after the award is complete and documents have been microfilmed.

1.15.2 Written Release of Information.
All public information may be released with or without a Freedom of Information request, however, only a written request will be acted upon with duplications fees paid in advance. Duplication fees shall apply to all requests for copies of any document. Currently the fees are $0.50/page, or a minimum of $10.00 per request which ever is greater.

1.15.3 Risk of Disclosure.
The only exemptions to disclosure of information are listed in West Virginia Code §29B-1-4. Primarily, only trade secrets as submitted by a bidder are the only exemption to public disclosure. The submission of any information to the State by a vendor puts the risk of disclosure on the vendor. The State will make a reasonable effort not to disclose information that is within the guidelines of §29B-1-4 and is properly labeled "proprietary information not for public disclosure". The State does not guarantee non-disclosure of any information to the public.

1.16 Schedule of Events:

Release of the RFP	01/12/2007
Vendor's Written Questions Submission Deadline	02/01/2007
Response to Questions	02/06/2007
Mandatory Prebid Conference	01/30/2007
Addendum Issued	02/06/2007
Bid Opening Date	02/20/2007
Oral Presentation	TBD

1.17 Mandatory Prebid Conference:
A mandatory prebid conference shall be conducted on the date specified above at 1:30 p.m. Said conference will be held at 350 Capitol Street, Room 251, Charleston, WV 25301. All interested bidders are required to be present at this meeting. **Failure to attend the mandatory prebid conference shall automatically result in disqualification. No one person can represent more than one vendor.**

1.18 Affidavit:
West Virginia State Code §5A-3-10a requires that all bidders submit an affidavit regarding any debt owed to the State. The affidavit must be signed and submitted prior to award. It is preferred that the affidavit be submitted with the proposal.

1.19 General Terms and Conditions:
By signing and submitting their proposal, the successful Vendor agrees to be bound by all the terms contained in this RFP.

1.19.1 Conflict of Interest:
Vendor affirms that it, its officers or members or employees presently have no interest and shall not acquire any interest, direct or indirect which would conflict or compromise in any manner or degree with the performance or its services hereunder. The Vendor further covenants that in the performance of the contract, the Vendor shall periodically inquire of its officers, members and employees concerning such interests. Any such interests discovered shall be promptly presented in detail to the Agency.

1.19.2 Prohibition Against Gratuities:
Vendor warrants that it has not employed any company or person other than a bona fide employee working solely for the vendor or a company regularly employed as its marketing agent to solicit or secure the contract and that it has not paid or agreed to pay any company or person any fee, commission, percentage, brokerage fee, gifts or any other consideration contingent upon or resulting from the award of the contract.

For breach or violation of this warranty, the State shall have the right to annul this contract without liability at its discretion, and/or to pursue any other remedies available under this contract or by law.

1.19.3 Certifications Related to Lobbying:
Vendor certifies that no federal appropriated funds have been paid or will be paid, by or on behalf of the company or an employee thereof, to any person for purposes of influencing or attempting to influence an officer or employee of any Federal entity, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement.

If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee or any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or

cooperative agreement, the Vendor shall complete and submit a disclosure form to report the lobbying.

Vendor agrees that this language of certification shall be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this contract was made and entered into.

1.19.4 Vendor Relationship:
The relationship of the Vendor to the State shall be that of an independent contractor and no principal-agent relationship or employer-employee relationship is contemplated or created by the parties to this contract. The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents.

Vendor shall be responsible for selecting, supervising and compensating any and all individuals employed pursuant to the terms of this RFP and resulting contract. Neither the Vendor nor any employees or contractors of the vendor shall be deemed to be employees of the State for any purposes whatsoever.

Vendor shall be exclusively responsible for payment of employees and contractors for all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits, professional liability insurance premiums, contributions to insurance and pension or other deferred compensation plans, including but not limited to Workers' Compensation and Social Security obligations, and licensing fees, etc. and the filing of all necessary documents, forms and returns pertinent to all of the foregoing.

Vendor shall hold harmless the State, and shall provide the State and Agency with a defense against any and all claims including but not limited to the foregoing payments, withholdings, contributions, taxes, social security taxes and employer income tax returns.

The Vendor shall not assign, convey, transfer or delegate any of its responsibilities and obligations under this contract to any person, corporation, partnership, association or entity without expressed written consent of the Agency.

1.19.5 Indemnification:
The Vendor agrees to indemnify, defend and hold harmless the State and the Agency, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person or firm performing or supplying services, materials or supplies in connection with the performance of the contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use or disposition of any data used under the contract in a manner not authorized by the contract, or by Federal or State statutes or regulations; (3) Any failure of the Vendor, its officers, employees or subcontractors to observe State and Federal laws, including but not limited to labor and wage laws.

1.19.6 Contract Provisions:
After the successful Vendor is selected, a formal contract document will be executed between the State and the Vendor. In addition, the RFP and the Vendor's response will be included as part of the contract by reference. The order of precedence is the contract, the RFP and the Vendor's proposal in response to the RFP.

1.19.7 Governing Law:
This contract shall be governed by the laws of the State of West Virginia. The Vendor further agrees to comply with the Civil Rights Act of 1964 and all other applicable laws (Federal, State or Local Government) regulations.

1.19.8 Compliance with Laws and Regulations:
The vendor shall procure all necessary permits and licenses to comply with all applicable laws, Federal, State or municipal, along with all regulations, and ordinances of any regulating body.

The Vendor shall pay any applicable sales, use, or personal property taxes arising out of this contract and the transactions contemplated thereby. Any other taxes levied upon this contract, the transaction, or the equipment, or services delivered pursuant here to shall be borne by the contractor. It is clearly understood that the State of West Virginia is exempt from any taxes regarding performance of the scope of work of this contract.

1.19.9 Subcontracts/Joint Ventures:
The Vendor is solely responsible for all work performed under the contract and shall assume prime contractor responsibility for all services offered and products to be delivered under the terms of this contract. The State will consider the Vendor to be the sole point of contact with regard to all contractual matters. The Vendor may, with the prior written consent of the State, enter into written subcontracts for performance of work under this contract; however, the vendor is totally responsible for payment of all subcontractors.

1.19.10 Term of Contract & Renewals:
This contract will be effective (date set upon award) and shall extend for the period of one (1) year, at which time the contract may, upon mutual consent, be renewed. Such renewals are for a period of up to one (1) year, with a maximum of two (2) one year renewals, or until such reasonable time thereafter as is necessary to obtain a new contract. The "reasonable time" period shall not exceed twelve (12) months. During the "reasonable time" period the vendor may terminate the contract for any reason upon giving the Agency ninety (90) days written notice. Notice by Vendor of intent to terminate will not relieve Vendor of the obligation to continue to provide services pursuant to the terms of the contract.

Any change in Federal or State law, or court actions which constitute binding precedent in West Virginia, and which significantly alters the Vendor's required activities or any change in the availability of funds, shall be viewed as binding and shall warrant good faith renegotiation of the compensation paid to the Vendor by the Agency and of such other provisions of the contract that are affected. If such renegotiation proves unsuccessful, the contract may be terminated by the State upon written notice to the Vendor at least thirty (30) days prior to termination of this contract.

1.19.11 Non-Appropriation of Funds:
If the Agency is not allotted funds in any succeeding fiscal year for the continued use of the service covered by this contract by the West Virginia Legislature, the Agency may terminate the contract at the end of the affected current fiscal period without further charge or penalty. The Agency shall give the vendor written notice of such non-allocation of funds as soon as possible after the Agency receives notice. No penalty shall accrue to the Agency in the event this provision is exercised.

1.19.12 Contract Termination:
The State may terminate any contract resulting from this RFP immediately at any time the Vendor fails to carry out its responsibilities or to make substantial progress under the terms of this RFP and resulting contract. The State shall provide the Vendor with advance notice of performance conditions which are endangering the contract's continuation. If after such notice the Vendor fails to remedy the conditions contained in the notice, within the time period contained in the notice, the State shall issue the Vendor an order to cease and desist any and all work immediately. The State shall be obligated only for services rendered and accepted prior to the date of the notice of termination.

The contract may also be terminated upon mutual agreement of the parties with thirty (30) days prior notice.

1.19.13 Changes:
If changes to the original contract become necessary, a formal contract change order will be negotiated by the State, the Agency and the Vendor, to address changes to the terms and conditions, costs of work included under the contract. An approved contract change order is defined as one approved by the Purchasing Division and approved as to form by the West Virginia Attorney General's Office, encumbered and placed in the U.S. Mail prior to the effective date of such amendment. An approved contract change order is required whenever the change affects the payment provision and/or the scope of the work. Such changes may be necessitated by new and amended Federal and State regulations and requirements.

As soon as possible after receipt of a written change request from the Agency, but in no event more than thirty (30) days thereafter, the Vendor shall determine if there is an impact on price with the change requested and provide the Agency a written statement to identifying any price impact on the contract or to state that there is no impact. In the event that price will be impacted by the change, the Vendor shall, provide a description of the price increase or decrease involved in implementing the requested change.

NO CHANGE SHALL BE IMPLEMENTED BY THE VENDOR UNTIL SUCH TIME AS THE VENDOR RECEIVES AN APPROVED WRITTEN CHANGE ORDER.

1.19.14 Invoices, Progress Payments, & Retainage:
The Vendor shall submit invoices, in arrears, to the Agency at the address on the face of the purchase order labeled "Invoice To" pursuant to the terms of the contract. Progress payments may be made at the option of the Agency on the basis of percentage of work completed if so defined in the final contract. Any provision for

progress payments must also include language for a minimum 10% retainage until the final deliverable is accepted.

If progress payments are permitted, Vendor is required to identify points in the work plan at which compensation would be appropriate. Progress reports must be submitted to Agency with the invoice detailing progress completed or any deliverables identified. Payment will be made only upon approval of acceptable progress or deliverables as documented in the Vendor's report. Invoices may not be submitted more than once monthly and State law forbids payment of invoices prior to receipt of services.

1.19.15 Record Retention (Access & Confidentiality):
Vendor shall comply with all applicable Federal and State of West Virginia rules and regulations, and requirements governing the maintenance of documentation to verify any cost of services or commodities rendered under this contract by Vendor. The Vendor shall maintain such records a minimum of five (5) years and make available all records to Agency personnel at Vendor's location during normal business hours upon written request by Agency within 10 days after receipt of the request.

Vendor shall have access to private and confidential data maintained by Agency to the extent required for Vendor to carry out the duties and responsibilities defined in this contract. Vendor agrees to maintain confidentiality and security of the data made available and shall indemnify and hold harmless the State and Agency against any and all claims brought by any party attributed to actions of breech of confidentiality by the Vendor, subcontractors, or individuals permitted access by Vendor.

PART 2 OPERATING ENVIRONMENT

2.1 Location:
Agency is located at the Department of Health and Human Resources Building, Bureau for Medical Services, 350 Capitol Street, Room 251, Charleston, West Virginia 25301-3707.

2.2 Background:
The Bureau for Medical Services (BMS) is responsible for development of policy and procedures for statewide implementation of the Medicaid Program under the federally approved state plan. BMS also interacts with other divisions within the Department of Health and Human Resources (DHHR) and with other purchasers and providers of health care within state government, as well as with all medical service practitioners, providers, and provider organizations. The West Virginia Medicaid Program services approximately 286, 500 individuals, of whom 85 per cent will utilize one or more service within any given year. Financial and program eligibility are determined by the Office of Income Maintenance, Bureau for Children and Families, and in each of the 55 county offices. This information is entered into a central computer system where eligibility files are maintained. Medicaid covered services which require professional review or medical eligibility determinations are evaluated by the professional staff in BMS and in other organizations under contract with the Bureau for Medical Services. 6.7 million prescriptions were paid for by BMS in the year 2005. Approximately 99 per cent of the claims were processed through a point-of-sale (POS) prospective DUR system, operated by the State's Medical Management Information System (MMIS)

contractor, Unisys. All West Virginia Medicaid recipients, whether enrolled in fee-for-service or a managed care organization, have the same pharmacy benefit. As specified in the Omnibus Budget Reconciliation Act of 1990 (OBRA '90) and detailed in Title 42, Section 456.7 of the Code of Federal Regulations, a state must have in place a Drug Utilization Review (DUR) program, consisting of prospective drug utilization review, retrospective drug utilization review, and an educational program for pharmacists and physicians to correct inappropriate or medically unnecessary care. The DUR Board, an advisory group of primarily physicians and pharmacists, oversees all elements of this program. Their goal is to ensure appropriate drug therapy, while permitting sufficient professional prerogatives to allow for individualized care. A point-of-sale (POS) system was established statewide in July 1992 to enable pharmacies to implement prospective drug utilization review of patient's current drug therapies, determine the appropriateness of pharmaceutical regimens, and respond accordingly. The Retrospective DUR component was implemented in 1995 to analyze pharmacy and medical claims data in order to identify problematic patterns and trends to detect treatment that could be improved. The Retrospective DUR program provides monthly monitoring claims data, both medical and pharmacy, and other records to identify patterns of fraud and abuse, gross overuse, or inappropriate or unnecessary care among physicians, pharmacists, and recipients of benefits under West Virginia Medicaid. Provider targeted review, along with a pharmacy lock-in program, improves drug utilization and outcomes. Educational outreach programs are mandated by OBRA '90 to instruct practitioners on common drug therapy programs with the aim of improving prescribing and dispensing practices. The Retro DUR program fulfills this requirement with a quarterly newsletter, population based interventions with prescribers, and other programs as deemed appropriate. It is necessary for the West Virginia Drug Utilization Review program to continue in order to receive Federal matching funds for outpatient prescription medications.

PART 3 PROCUREMENT SPECIFICATIONS

The mandatory sections included in Parts 3 and 4 require a response, and they describe the minimum requirements requested in this RFP. Any specification or statement containing the word "must", "shall, or "will" are mandatory. The vendor is required to meet the mandatory specifications in order to be eligible for consideration and to continue in the evaluation process. A simple "Yes" or "No" response to these sections is not adequate.

General Requirements:

The vendor will provide Retrospective Drug Utilization Review services for the Bureau. The services listed in Section 3.2 below shall be in accordance with security and privacy regulations of the Health Insurance Portability and Accountability Act (HIPAA) of 1996. The overall objective of a Retrospective Drug Utilization Review program is to improve the quality of pharmaceutical care delivered to patients with the resultant benefit of reducing sub-optimal drug utilization, thereby leading to a reduction in unnecessary Medicaid program expenditures.

3.1.1 The specific objectives of the program are to:

3.1.1.1 Identify high risk drug use patterns among physicians, pharmacists and members and educate providers (prescribers and dispensers) in appropriate cost-effective drug use.

3.1.1.2 Identify and educate providers on the use of prescription drugs associated with causing/exacerbating medical disorders in order to reduce the need for remedial drugs.

3.1.1.3 Identify provider prescribing and dispensing practices which deviate from defined standards.

3.1.1.4 Generate provider profiles and ad hoc reports for specified provider and recipient populations.

3.1.1.5 Identify and conduct educational interventions with providers whose prescribing or dispensing patterns are inconsistent with evidence-based clinical and nationally recognized consensus criteria or algorithms. Providers are to be identified through profiling and population based analysis.

3.1.1.6 Identify recipients whose profiles show patterns of abuse, gross overuse, or inappropriate or medically unnecessary care who may utilize multiple pharmacies or who may seek the services of a variety of clinical specialists or prescribers.

3.1.1.7 Provide monthly educational interventions consisting of letters, telephone contacts, and provide face-to face educational sessions when feasible.

3.1.1.8 Identify the use of drugs with a known potential to produce adverse effects by the extended use of the drug(s) and provide educational interventions to the providers

3.1.1.9 Identify patients with specific disease states and/or drug therapy problems and providers involved in their care in order to provide educational interventions

3.1.1.10 Identify trends in prescription drug costs and utilization in institutions and community-based care and provide a tool for evaluating the cost-effectiveness of DUR interventions on pharmacy benefit costs and total health costs.

3.1.1.11 Identify trends in prescription drug costs and drug utilization related to a diagnosis code or procedure code that substantiates the medical necessity for receiving the drug.

3.1.1.12 Assess the effects of new drugs on prescribing patterns, therapeutic efficacy, and program expenditures, and act as a resource for providers, furnishing them with the most current information to aid them in assessing the therapeutic management of their patients.

3.1.1.13 Report to the Bureau any indications of fraud that are identified. The primary emphasis of the DUR program and of the contractor's responsibility will be education and intervention.

3.1.1.14 Identify patient candidates based upon criteria established in conjunction with and approved by the DUR Board and/or the Retrospective DUR Committee and by utilizing predetermined algorithms and standards consistent with the following references:

a) Evidence Based Practice Guidelines (AHRQ and others)

b) FDA Approval Letters and Medline Searches

c.) HEDIS and other national quality measures

d) United States Pharmacopoeia-Drug Information

e) The DRUGDEX Information System

3.1.2 Retrospective DUR is designed to identify members at high risk for drug-induced illness, members with inappropriate therapy for certain diagnoses, communicate these risk factors to physicians and pharmacists, and modify drug therapies to reduce or eliminate these risks.

3.1.2.1 The principle components of the Retrospective DUR program will be, but are not limited to:

3.1.2.1.1 Flexible therapeutic criteria modules which scan each recipient's drug and disease history profile and identify recipients at risk due to inappropriate drug therapy. This criteria must be consistent with the West Virginia BMS Pharmacy Program policies, including the Preferred Drug List, prior authorized products and criteria for approval and current patterns of use. The contractor shall maintain a complete listing of the West Virginia Medicaid therapeutic criteria and update such criteria on a regular basis.

3.1.2.1.2 Therapeutic criteria must take into account newly marketed drugs and must be updated monthly for this purpose at no cost to the Bureau. The contractor shall utilize new indications and drug usage protocols in the criteria and shall provide literature references with the most current sources. The contractor must receive approval from the DUR Board and/or the Retrospective DUR Committee prior to implementing updated criteria and shall not overwrite previous criteria adjustments made by the DUR Board and/or the RetroDUR Committee without their advance approval.

3.1.2.1.2.1The contractor shall accurately reference literature documentation and make such documentation available in printed form upon request by providers and others.

3.1.2.1.2.2 The contractor shall develop the therapeutic criteria with attention given to types of diseases, therapeutic classes of drugs, and specific problems most often associated with, or implicated in, cases of inappropriate drug therapy so that clinically significant alerts will be generated. The contractor's therapeutic criteria shall be utilized to screen for potential therapeutic problems.

3.1.2.1.3 Targeted disease categories shall include, but not be limited to: Cardiovascular, renal, endocrine, hypertension, arthritis, asthma, gastrointestinal, psychiatric, and pulmonary diseases.

3.1.2.1.4 Targeted classes of drugs shall include, but not be limited to: Antiulcer drugs, antihypertensives, diuretics, antidepressants, nonsteroidal anti-inflammatory drugs, cardiovascular drugs, insulins, oral antidiabetic drugs,

sedative/hypnotics, antianxiety drugs, antipsychotics, antibiotics, respiratory drugs, anticoagulants, analgesics, and antineoplastics.

The problems most often associated with inappropriate drug therapy include, but are not be limited to: Under-utilization, over-utilization, drug(s) contraindicated by diagnosis, drug/drug interactions, duplication of therapy, therapeutic appropriateness, appropriate use of generic drugs, incorrect drug dosage or duration of therapy, clinical abuse/misuse, iatrogenic complications, treatment failure, and adverse drug interactions.

3.1.2.2 The contractor shall provide recommendations to the Department and the DUR Board for clinical edits and prior authorization criteria based on findings in the retrospective therapeutic review of profiles that would be beneficial to the health care of the Medicaid recipient, cost effective to the State, or both.

3.1.2.3 The contractor shall be able to read the Long Term Care Indicator in order to distinguish Long Term Care recipients from community based recipients. The contractor shall include Long Term Care recipients in the retrospective DUR therapeutic criteria reviews.

3.1.2.4 The contractor shall maintain an archive of exception profiles.

3.1.2.5 A tracking system shall generate letters to providers, monitors provider=s responses through turnaround documents (TAD), and monitors changes in the subsequent treatment of each recipient at risk for a drug-induced illness.

3.1.2.6 The contractor's system shall allow flexibility in formatting and production of meaningful patient and provider profiles to impart educational information to providers. The contractor's system shall be able to establish the total number of profiles generated and to select various demographics, such as specific criteria exceptions for certain patient populations and read up to six provider specialty codes and their corresponding effective dates and end dates.

3.1.2.6.1The contractor's system shall allow for interactive selection of population-based interventions, provider profiling options, and population and patient-specific Intervention tracking reports

3.1.2.6.2 The contractor shall generate patient and provider cases by applying weighting and ranking mechanisms, which have been approved prior to use by the state agency, to sort exceptions by potential seriousness.

3.1.2.6.3 The profiles generated by the contractor shall provide at least twenty-four (24) months of, contiguous drug months of claims history (but suppress any periods requested by the Bureau and/or RetroDUR Committee) representing a summarized review of all drug information and diagnoses for which claims were reimbursed. The Contractor shall be able to differentiate between a claim that was voided or cancelled and a paid claim

3.1.2.6.3.1 The Contractor shall maintain patient and provider confidentiality in all aspects of developing and handling history profiles, as well as all input claims history data. The contractor shall provide a secure e-mail system between its staff and the Bureau to maintain patient and provider privacy. The secure system must be compatible with the State's Medicaid e-mail system and be in compliance with the Health

Insurance Portability and Accountability Act of 1996 and amendments hereto.

3.1.2.6.3.2 The contractor shall conduct a quality analysis of patient profiles to assure that they contain the most current data regarding pharmacy and medical claims before they are sent to the Bureau for review by the RetroDUR Committee.

3.1.2.7 The contractor shall provide ongoing interventions for physicians and pharmacists targeted toward therapy problems or individual patients identified in the course of RetroDUR review.

3.1.2.7.1 The contractor shall design intervention letters or other targeted provider interventions to be modifiable per the state agency and/or the DUR Board's requirements. The contractor shall make any modifications to wording or format, specified by the state agency and/or DUR Board, within 30 days of the request of the Bureau.

3.1.2.8. A flexible reporting system which monitors program effectiveness including the rate of hospitalization for specific diagnosis categories and the rate of hospitalization for recipients with identified drug therapy problems and specific diagnosis categories.

3.1.2.8.1 The contractor shall provide reports to the Bureau on statistical data, complaints, quarterly progress reports, and cost savings data.

3.1.2.8.2 The contractor shall provide a flexible ad hoc reporting capability based upon data elements collected from the MMIS data base.

3.1.2.8.3 The contractor's system shall allow for generation of reports to include, but not be limited to: Provider report cards, drug/drug class utilization patterns, disease/disease categories, recipient histories/profiles, sorting providers by prescribed drugs, specialty, region, patient volume, diagnosis codes, procedure codes, number of medications per patient, etc, ability to identify recipients who utilize more than one physician and/or pharmacy (and the ability to sort by the number of providers used), ranking by utilization, volume, dollars paid, etc, and duration of therapy.

3.1.2.9 Other components of the total program include, but are not limited to:

3.1.2.9.1. A lock-in program to manage recipients who exhibit over utilization of prescription medications, specifically narcotics and/or other controlled substances, according to established guidelines. The eligible recipient will be correctly identified by application of a utilization algorithm and clinical review.

The contractor shall accept recipient names from the Department for select review to add to the monthly utilization algorithm and clinical review. The contractor shall accept lock-in recipient name candidates from the pharmacy program and be flexible in order to accept and process these candidates for immediate lock-in. The eligible recipient will be required to select one provider of pharmacy services

submitted by any provider other than the provider selected. The purpose of the lock-in program shall be to improve patient care by coordinating the activities of various health care providers, to integrate the pharmacist into the drug therapy management process and to improve patient outcomes. The Contractor shall have the program ready to put in place beginning the first month of the contract period.

3.1.2.9.1.1 The Contractor shall accept current lock-in information for each eligible recipient and update their files accordingly so that letters sent to recipients for lock-in renewals will contact valid information for the recipient.

3.1.2.10 A newsletter, produced at least quarterly, to educate providers on the appropriate, rational and cost-effective use of medication, including information on better prescribing and dispensing habits that impact both therapeutic and economic outcomes.

3.1.2.11 The Retrospective DUR program will be overseen by a Drug Utilization Review Board, consisting of members appointed by the Bureau for Medical Services. The Committee will meet monthly, unless otherwise announced by the Pharmacy Policy Unit of the Bureau for Medical Services.

3.2 Scope of Work:

The vendor shall provide all Retrospective DUR services as required, including, but not limited to:

3.2.1 DATA COLLECTION:

3.2.1.1 The Contractor will coordinate with the Medical Management Information System (MMIS) contract administrator of the Bureau for Medical Services for receipt of MMIS specifications, file layouts, etc. to enable access to a recipient drug history file using the therapeutic criteria modules in order to generate individual exception profiles.

3.2.1.2 The drug history file will be initially constructed from paid claims history files for all recipients for a twenty-four month period. It will be updated with paid claims data from the most recent month's paid claims prior to each interrogation. The file will include drug and diagnosis history data including a summary of all diagnoses for which each recipient has received medical services.

3.2.1.3 At minimum, the file will contain the following Recipient Information:

3.2.1.3.1 Name

3.2.1.3.2 Address

3.2.1.3.3 Medicaid Recipient Number

3.2.1.3.4 Age

3.2.1 3.5 Sex

3.2.1.4 Utilization Information:

3.2.1.4.1 Diagnosis

3.2.1.4.2 Drug name and NDC number

3.2.1.4.3 Date of service

3.2.1.4.4 Quantity dispensed

3.2.1.4.5 Days supply

3.2.1.4.6 Pharmacy/Physician name

3.2.1.4.7 Pharmacy/Physician address

3.2.1.4.8 Pharmacy/Physician ID number and Board Certified Specialty of Physician

3.2.1.4.9 New/Refill Indicator

3.2.1.4.10 Total Charges

3.2.1.4.11Amount paid per claim

3.2.2 EXCEPTION PROFILES AND INTERVENTION LETTERS

3.2.2.1 The therapeutic criteria modules will focus on drug classes and specific categories of disease most often associated with cases of inappropriate drug therapy. The database must allow the Bureau to select and vary the therapeutic exception criteria which contain the specific high risk disease categories and drug classes to be interrogated each month. The vendor should have the ability to rank the criteria and to suppress any which is deemed unnecessary by the Retro DUR Committee in order to reduce the number of exceptions generated. The vendor shall also supply literature documentation for all therapeutic review criteria. The State DUR Program reserves the right to approve or disapprove all therapeutic criteria modifications made by the vendor. Modifications must not require a complete overwrite to amend or change criteria.

3.2.2.2 The vendor must have the ability to suppress patient profile generation for previously identified criteria after the initial flagging for a period specified by the State. This is to prevent providers from receiving intervention letters monthly for identical or similar situations.

3.2.2.3 Profiles must include:

3.2.2.3.1 Highlighted (bold) listing of all drugs that caused the profiles to be generated.

3.2.2.3.2 Count of practitioners that caused profiles to be flagged.

3.2.2.3.3 Criteria severity level and literature source from which criteria was taken.

3.2 2.3.4 A clear delineation (line demarcation) between calendar months of claims data.

3.2.2.3.5 Claims appearing in decreasing month order.

3.2.2.4 The Vendor shall produce follow-up drug history profiles and reports, when requested. Follow-up profiles are to include the most recent data available to the Vendor and are to be as current as the previous month's activity.

3.2.2.5 If the Retro DUR Committee determines that the intervention is necessary, a letter will be mailed to both pharmacy and physician providers. A turnaround document (TAD) and a business reply envelope addressed to the Contractor also will be included with each letter for provider responses. The Contractor shall update the holding file on-line with a code(s) for the message(s) which the Committee would like to include in the letter to providers. The system then will automatically generate a letter to providers. At a minimum, the message should include the drug names and strengths, NDC numbers, quantities dispensed, dates of service, days supply, the diagnosis(es), literature sources supporting the intervention criteria (when appropriate), and an explanation of the reason for the intervention by the Committee. These interventions may also include counseling of providers or pharmacists through educational materials and telephone or face-to face interventions. The DHHR is specifically seeking a proposer who can provide the best value in developing a system that includes pattern analysis, predetermined standards of physician prescribing practices, drug use by individual patients and, where appropriate, dispensing practices of pharmacies. The accepted Vendor's system must be capable of interacting with the State's mechanized drug claim's processing and information retrieval system (MMIS). Intervention procedures will be developed by the Contractor and approved by the Bureau. The system must rely on sound clinical, epidemiologic, and cost control objectives to produce desired results.

3.2.2.6 The system must rely upon predetermined standards to monitor the following minimum requirements to comply with Omnibus Budget Reconciliation Act (OBRA) of 1990:

- 3.2.2.6.1 Therapeutic appropriateness; that is, drug prescribing and dispensing that is in conformity with predetermined standards.
- 3.2.2.6.2 Over utilization and underutilization of drugs.
- 3.2.2.6.3 Appropriate use of generic products ; that is, use of such products in conformity with state product selection laws.
- 3.2.2.6.4 Therapeutic duplication.
- 3.2.2.6.5 Drug-disease interaction.
- 3.2.2.6.6 Drug-drug interaction.
- 3.2.2.6.7 Incorrect drug dosages.
- 3.2.2.6.8 Incorrect duration of drug treatment.
- 3.2.2.6.9 Clinical abuse or misuse.

3.2.2.7 Additionally, a system capable of more advanced retrospective drug utilization features is preferred. Examples include:

3.2.2.7.1 Provider profiling.

3.2.2.7.2 Intervention outcome tracking and reporting.

3.2.2.7.3 Patient tracking, meaning how many interventions are sent regarding an individual patient and when sent and the final outcome.

3.2.2.7.4 Target drug and/or disease interventions.

3.2.2.7.5 Research-type capabilities such as studies based on diagnosis, specific drugs, outcomes, and cost-analysis.

3.2.2.7.6 Population statistics and prevalence reporting.

3.2.2.7.7 Education templates prepared by the proposer's clinical staff.

3.2.2.7.7 Appropriate use of Preferred Agents, that is use of such products designated as preferred by the Bureau for Medical Services Pharmacy Program.

3.2.2.8 If intervention is not necessary, the Contractor will update the holding file online to reflect that no action was required. Each profile for which no action is taken should be maintained in the holding file for six (6) months in order to prevent profiles from being re-selected during that period.

3.2.2.9 On the resolution of each case, the holding file should be used to update the recipient history file to reflect any action taken by the Retro DUR Committee as well as results achieved.

3.2.2.10 The tracking system shall automatically re-select each profile requiring intervention from three (3) to nine (9) months after the date of original selection. The purpose of this re-selection is to allow the Retro DUR Committee to evaluate changes in drug regimens and determine whether further action is necessary. Responses received on TAD's should be entered by the Contractor into the holding file for review by the Committee at this time.

3.2.2.11 The Vendor shall be required to provide a minimum of 200 profiles for review per month, and project the cost of an additional 100 profiles, for a total of 300 profiles per month.

Deliverable: Provide a minimum of 200 profiles, with an additional 100 more (optional), per month to the Retro DUR Committee for review, an automatic tracking system, and postage and mailing costs for delivering these profiles and comments to providers.

3.2.3 EDUCATIONAL PROGRAMS FOR PROVIDERS

3.2.3.1 The Vendor shall provide at least six population based interventions with providers per year. These interventions will be presented to the DUR Board and only instituted with the approval of the Board and after review by the Pharmacy Policy staff.

3.2.3.2 The Vendor may also provide a system of report-card assessment for providers in relation to the prescribing habits of their peers and in comparison

to evidence- based best practice guidelines. The therapeutic or drug category for these interventions will be suggested by either the Vendor with input from the Retro DUR Committee or the BMS staff, with input from the Vendor and be approved by the DUR Board. The results of this evaluation will be sent to providers in a format that is easily understood, with a letter of explanation about the information provided Prescribers whose habits are severely inappropriate will be contacted by telephone or by personal visit to discuss the findings of the intervention. (Optional) The Vendor will provide a minimum of three of these interventions per year. The Bureau will have the option to include these report-card assessments as part of the population-based interventions done each year.

3.2.3.3 The Vendor will be willing to implement or develop interventions that complement any disease management programs that the Bureau may institute or requests made by the DUR Board and /or the Bureau for Medical Services. These interventions may be done either with individual profiles or with population based prescriber letters, and, if appropriate, follow-up phone calls or visits.

3.2.3.4 Drug Utilization Review Newsletter:

The Vendor will develop, publish and circulate a quarterly newsletter to pharmacists and physicians targeting drug related issues within the West Virginia Medicaid program. The newsletter should contain articles to educate providers toward better dispensing and prescribing habits that impact both therapeutic and economic outcomes, in a colorful, easy to read format. Articles should be timely and useful. The newsletter should contain a minimum of four (4) pages and a maximum of six (6) pages of information. All articles must be reviewed and approved by the Bureau prior to circulation of the newsletter. The newsletter will be distributed to approximately 8,000 providers no later than the fifteenth (15th) of the second month of each quarter.

Deliverables:

Six population-based interventions approved by the DUR Board. These interventions may include report-card evaluations or other sorts of comparisons of prescribing habits. (Mandatory)

A minimum of three report-card evaluations of prescribers per year. (Mandatory)

If appropriate, as a follow-up to report card interventions, a follow-up by phone or personal visit. (Optional)

Develop, publish and circulate a quarterly newsletter.

3.2.4 LOCK- IN PROGRAM

The purpose of the Recipient Pharmacy Lock-In Program is to monitor and identify the overuse, and/or unnecessary or inappropriate use of prescription drugs under the West Virginia Medicaid Program. Medicaid claims data are analyzed using standard lock-in criteria defined to identify recipients whose drug use patterns suggest overuse of drugs or the diversion of drugs to persons other than the recipient.

3.2.4.1 Lock-in criteria analysis will be performed on updated claims data every month for all recipients. Referrals from the State may also be submitted to the contractor for review.

3.2.4.2 All recipients' drug history profiles generated from the computer based lock-in criteria analysis should undergo a target review by the Vendor and the Retro DUR Committee to confirm cases that should result in intervention. Based on the review of the drug/medical history profiles, the Vendor and the Retro DUR Committee will make recommendations to the State to determine the level of intervention:

3.2.4.2.1 Therapeutic DUR notice to prescriber(s).

3.2.4.2.2 Warning notice to the recipient and to the prescriber(s).

3.2.4.2.3 Lock-in notice to the recipient and a therapeutic DUR notice to the prescriber(s).

3.2.4.3 No Action

No course of action is taken when there is diagnoses on the profile that support the need for medications being used and evidence of misuse is lacking. Also, if the medications contain small quantities of a narcotic agent e.g., Lomotil®, then intervention is not pursued.

3.2.4.4 Therapeutic DUR Notice to the Prescriber

A therapeutic DUR intervention letter is sent to the prescriber(s), alerting them to the inappropriate use of selected prescription medications. Inappropriate use includes chronic use of a medication commonly used short-term, duplication of therapy, early refill, lack of a supporting diagnosis, and/or receiving the same drug from multiple prescribers. The Vendor will re-profile these recipients in six (6) months from the original date.

3.2.4.5 Warning

A recipient identified as a possible lock-in candidate will receive a notification by letter of the Retro DUR program's findings. The recipient is informed that the Retro DUR program will continue to monitor their drug use and is warned of potential restriction to a sole pharmacy provider. The practitioner(s) who prescribe the medications that are being inappropriately used will also receive a letter about the Retro DUR program's finding. The prescriber is requested to provide the program with any information that will assist in proceeding with an alternative course of action. The Vendor will re-profile these recipients in six (6) months from the original profile date.

3.2.4.6 Lock-In

Recipients who are lock-in candidates will be issued a letter informing them of the program's findings and that they will be restricted to using only one pharmacy provider for twelve (12) months. Each recipient is given the option to choose a pharmacy provider. If the recipient fails to choose a provider, the Vendor will select a pharmacy for the recipient. The selected pharmacy provider will be notified of the recipient's lock-in status and asked to serve as the sole pharmacy provider. If the pharmacy accepts, they will be asked to sign a Pharmacy Agreement. A copy of the agreement will be forwarded to

the state. If the recipient requests a change in the lock-in assignment, the recipient must contact the Vendor in writing. The Vendor will report all changes and assignments to the State on a monthly basis. The Vendor will also accept any changes made to the lock-in status made by the state and update their files accordingly so that the most current information available is provided on letters sent to recipients. The identified prescribing physicians will be notified of the recipient's lock-in status.

3.2.4.6.1 The locked-in recipient will be re-profiled in twelve (12) months to determine if the lock-in status should continue. If it is determined that the recipient is no longer inappropriately using their Medicaid prescription benefits, then the recipient will be removed from the lock-in program. If it is determined that the recipient still shows evidence of problematic drug use, lock-in will continue for another twelve months.

3.2.4.6.2 A lock-in summary report, detail report, lock-in tracking report, lock-in recommendation report, and lock-in response report will be required monthly. The specifics will be determined by the Bureau and the Vendor. A quarterly summary report will be made to the DUR Board.

Deliverable: Identify and monitor recipient pharmacy lock-in program and provide reports as described above.

3.2.5 REPORTING REQUIREMENTS

Reporting capabilities of the proposer's system should be described as well as samples provided. Reports shall include but not be limited to the following:

3.2.5.1 Patient diagnosis history and patient profiles.

3.2.5.2 Patient profile review forms.

3.2.5.3 Sample physician and pharmacist intervention letter.

3.2.5.4 Sample physician and pharmacist report forms.

3.2.5.5 Provider profiling reports.

3.2.5.6 Research outcomes.

3.2.5.7 Outcomes tracking reports.

3.2.5.8 Cost analysis reports.

3.2.5.9 Population and prevalence reporting: utilization based on age and gender, diagnosis claims analysis, and prescription claims analysis.

3.2.5.10 Center for Medicare and Medicaid Services (CMS) annual report.

3.2.5.11 The Retro DUR contractor's system must be capable of providing flexible reporting. At a minimum, the following information should be reported to the Bureau on a monthly basis:

3.2.5.11.1 Number of profiles generated

3.2.5.11.2 Number of profiles reviewed

3.2.5.11.3 Number and percentage of profiles requiring intervention

3.2.5.11.3.1 Total
3.2.5.11.3.2 Underutilization and Overutilization
3.2.5.11.3.3 Adverse reaction to medications
3.2.5.11.3.4 Contraindicated combination of medications
3.2.5.11.3.5 Drug therapy contraindicated by diagnosis

3.2.5.11.4 Number of responses received from providers

3.2.5.11.4.1 Total
3.2.5.11.4.2 Physicians
3.2.5.11.4.3 Pharmacists

3.2.5.11.5 Types of responses received (by categories to be determined based on final format and content of (TAD).

3.2.5.11.6 Percentage of profiles for which responses (TADs) received from providers.

3.2.5.11.7 Number and percentage of profiles in which treatment was modified.

3.2.5.11.7.1 Total.
3.2.5.11.7.2 Underutilization and Overutilization of medications.
3.2.5.11.7.3 Adverse reaction to medications.
3.2.5.11.7.4 Contraindicated combinations of medications.
3.2.5.11.7.5 Drug therapy contraindicated by diagnosis.

3.2.5.11.8 Change in pharmacy program costs per profile.

3.2.5.11.8.1 Total
3.2.5.11.8.2 Underutilization and Overutilization
3.2.5.11.8.3 Adverse reactions to medications
3.2.5.11.8.4 Contraindicated combinations of medications
3.2.5.11.8.5 Drug therapy contraindicated by diagnosis

3.2.5.11.9 Total change in pharmacy program costs.

3.2.5.11.9.1 Cost savings reports for medication interventions should offer estimates of the total overall savings to the Medicaid program, such as the elimination of unnecessary medical expenses or hospitalization.

3.2.5.11.9.2 In addition, the system should have the capability to produce special reports on selected medications in order to monitor other areas, such as the type of providers prescribing the drug and the diagnoses for which it is being prescribed.

3.2.5.11.9.3 The Contractor must provide a report which summarizes the activities of the Retro DUR Committee and present these finding to the DUR Board at least quarterly.

3.2.5.11.9.4 The Contractor will assist in the preparation of the annual report for Retrospective DUR to comply with Section 1927 (g)(3)(D) of the Social Security Act that

requires each state to submit an annual report to CMS on the operation of the Medicaid DUR Program. This report will be submitted to the Bureau for Medical Services no later than June 1 of that year.

Deliverable: Provide monthly, quarterly, and annual reports as described above.

3.2.6 ADDITIONAL SERVICES

3.2.6.1 The Vendor may be asked to perform additional services related to the pharmacy Retro DUR Program.

Deliverable: The Vendor will provide additional services, as agreed upon by BMS and the Vendor. The Vendor will include an all-inclusive hourly fee for pricing additional services.

3.2.7 VENDOR RESPONSIBILITIES

3.2.7.1 Vendor must utilize an automated Retro DUR system.

3.2.7.2 Provide staff required to design, develop, implement, operate and maintain the system. The Vendor will define and maintain the detailed medical policy, edits, and criteria.

3.2.7.3 Compare, at a minimum, 3,000 therapeutic exception criteria with Medicaid recipient drug history files each month.

3.2.7.4 Utilize drug and diagnosis codes consistent with those of the State=s Procedure Formulary File.

3.2.7.5 Vendor must maintain a database of claims used for therapeutic DUR through the receipt of a monthly claims data file from the Medical Management Information System (MMIS).

3.2.7.6 Be responsible for salary and expenses of the Retro DUR Committee. The number, configuration and appointment of committee members is solely within the discretion of the Bureau for Medical Services. The Bureau anticipates that the committee will consist of no more than seven (7) members who will be reimbursed $275 per day of service.

3.2.7.7 Submit to the Retro DUR Committee 50 lock-in profiles, 200 clinical profiles, and an appropriate number of 6-and 12-month review profiles per month for review.

3.2.7.8 Submit standard report formats to be approved by the Bureau and revised, as needed, without cost to the Bureau.

3.2.7.9 Receive and process a monthly file of paid claims data. This shall be accomplished within the first two (2) weeks of each new month.

3.2.7.10 Provide methodology used to determine cost savings to Medicaid.

3.2.7.11 Prepare reports on cost savings of Retro DUR processing program on a hard copy and IBM compatible file monthly, quarterly, and annually

3.2.7.12 Make available reports for specific drugs by brand name, generic name, and therapeutic class and any ad hoc reports, within reason, as requested.

3.2.7.13 Develop, implement, and maintain a pharmacy lock-in program with reports as described in this section.

3.2.7.14 Develop, publish, and circulate a quarterly newsletter with potential distribution to 8000 providers.

3.2.7.15 Present written and oral reports on profile reviews, interventions, lock-in program, and savings to the DUR Board at their quarterly meetings.

3.2.7.16 Present oral or written reports to any legislative committee or other body as requested by the Bureau.

3.2.8 PROGRAM IMPLEMENTATION

The Vendor shall complete development and implementation of the Retrospective DUR program within ninety (90) days of the award of contract. The deliverables schedule will be coordinated and approved by the Bureau for Medical Services in a timely fashion. A system review will be completed quarterly and adjustments made as needed.

3.3 Special Terms and Conditions:

3.3.1 Bid and Performance Bonds: Not required.

3.3.2 Insurance Requirements:
The Vendor, as an independent contractor, is solely liable for the acts and omissions of its employees and agents. Proof of insurance shall be provided by the Vendor at the time the contract is awarded. The Vendor shall maintain and furnish proof of coverage of liability insurance for loss, damage, or injury (including death) of third parties arising from acts and omissions on the part of the Vendor, its agents and employees in the following amounts:

a) For bodily injury (including death): $500,000.00 per person, minimum of $1,000,000.00 per occurrence.

b) For property damage and professional liability: Minimum of $1,000,000.00 per occurrence.

3.3.3 License Requirements:
Provide certification that it is registered with the Secretary of State's Office to do business in West Virginia; provide evidence it is in good standing with the State Bureau of Employment Programs as to Unemployment Compensation coverage and Worker's Compensation coverage or exempt from such coverage.

3.3.4 Litigation Bond: Non-applicable to this proposal.

3.3.5 HIPAA Business Associate Addendum
The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (http://www.state.wv.us/admin/purchase/vrc/hipaa.htm) is hereby made part of the agreement. Provided that, the Agency meets the definition of a Covered Entity

(45 CFR§160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.

3.3.6 Agreement Addendum: Form WV-96:
Any contract resulting from an award from this RFP and a vendor's proposal must include, but is not limited to, in its terms and conditions all mandatory sections contained herein. Agreement Addendum is available online at http://www.state.wv.us/admin/purchase/vrc/wv96.pdf

3.3.7 Debarment and Suspension:
Vendor will not be considered in proposal process if debarred or suspended. Vendor must certify that they are not debarred or suspended. Successful vendor must certify that no entity, agency or person associated with the vendor is debarred or suspended.

--- End of Part 3 ---

PART 4 PROPOSAL FORMAT

The mandatory sections included in Part 4 require a response, and they describe the minimum requirements requested in this RFP. Any specification or statement containing the word "must", "shall, or "will" are mandatory. The vendor is required to meet the mandatory specifications in order to be eligible for consideration and to continue in the evaluation process. A simple "yes" or "no" response to these sections is not adequate.

4.1 Vendor's Proposal Format:
The proposal must be formatted in the same order, providing the information listed below:

Title Page - Shall state the RFP Subject and number, the name of the Vendor, Vendor's business address, telephone number, name of authorized contact person to speak on behalf of the Vendor, dated and signed.

Table of Contents - Clearly identify the material by section and page number.

Section I - Understanding of the Project Objectives and Time-line
Vendor shall discuss their understanding of the overall project (Please identify in your response the following: Parts 3.1 and 3.2 thru 3.2.8); list current projects with which they are now engaged; list their workload scheduled; provide a time line showing how they will be able to commence providing services upon award of the contract and continue to provide those services. A statement that the firm will meet the desired deadlines should be included.

Section II - Vendor Experience
Vendor shall provide credible, detailed evidence of their related experience and capabilities in providing the required services. Vendors shall provide details of the background of the company/organization; the size and location of the company/ organization; and, the experience and capabilities of the company/organization which qualify and enable them to provide the service. At least three (3) vendor references from work within last five (5) years should be included, along with a detailed description of the work performed for each reference.

Section III - Qualifications of Project Staff
Vendor must provide resumes of qualified staff to be assigned to the project and a staff organizational chart. If proposed staff are not employed by the Vendor, the Vendor must provide a signed letter of intent from the individual indicating that they will accept employment if the Vendor is awarded the contract. Vendors must identify the names of the key personnel assigned to the project. The Department of Health and Human Resources reserves the right to reject any staff proposed or later assigned to the project and require the successful vendor to remove them from the project. Whenever possible, the successful vendor will notify the Department two (2) weeks prior to replacing any key staff. (The Agency reserves the right to request the vendor to provide an oral presentation to the Evaluation Committee.)

Section IV - Project Work Plan
Vendor must provide a proposed work plan discussing its provision of administrative support services for the Retrospective Drug Utilization Review Program. The work plan must demonstrate a clear grasp of the overall project and services to be provided, with specific action steps that will guarantee the successful provision/completion of services. This work

plan must detail how the vendor will perform/complete the services required in Part 3.2 of this RFP.

Section V - Cost Proposal

The cost proposal, with the bidder's name, title, date and signature, must be in a separately sealed envelope and be included with the technical proposal or attached there to and shall contain:

a) The total amount proposed, including a "not to exceed" figure. The total "not to exceed" cost is to contain all direct and indirect costs including travel and out of pocket expenses.

b) The factors involved in calculating that amount, including any hourly rates of staff, together with a breakdown of all costs and estimated hours of work associated with the staffing affiliated with the proposal.

c) The Vendor shall provide an all-inclusive hourly rate for the pricing of additional services that the Department may purchase. The all-inclusive hourly rate will include all direct and indirect costs, to include travel and out-of-pocket costs. Refer to Part 3.2.6 for Additional Services.

d) Vendor is to submit costs on the cost proposal sheet, as laid out in RFP Part 4.5 – Cost Proposal.

4.2 Evaluation Process:

4.2.1 Method of Evaluation:

The proposals will be evaluated by a committee of three (3) or more individuals in accordance with the criteria stated. The Vendor who meets all the mandatory specifications, attains the final highest point score of all vendors (possible one-hundred 100 points maximum) shall be awarded the contract. The selection of the successful vendor will be made by a consensus of the evaluation committee.

4.3 Evaluation Criteria:

The following are the evaluation factors and maximum points possible for technical point scores:

A. Understanding of the Project Objectives & Time-line (Part 4, Section I)	20 Points Possible
B. Vendor Experience (Part 4, Section II)	30 Points Possible
C. Qualifications of Project Staff (Part 4, Section III)	15 Points Possible
D. Project Work Plan (Part 4, Section IV)	5 Points Possible
E. Cost Proposal (Part 4, Section V)	30 Points Possible
Total	100 Points Possible

Each cost proposal cost will be evaluated by use of the following formula for all vendors who attained the Minimum acceptable score only:

$$\frac{\text{Lowest price of all proposals}}{\text{Price of Proposal being evaluated}} \times 30 = \text{Price Score}$$

4.4 Minimum Acceptable Score:
Vendors must score a minimum of 70% of the total technical points possible (if doing an oral presentation, may require it for technical criteria not including the oral, in order to avoid interviewing non-qualified vendors). The minimum qualifying score would be 70% of 70 points or a technical score of 49 points or greater to be eligible for further consideration and to continue in the evaluation process. All vendors not attaining the minimum acceptable score (MAS) shall be disqualified and removed from further consideration.

The State will select the successful vendor's proposal based on best value purchasing which is not necessarily the low bidder. Cost is considered but is not the sole determining factor for award. The State does reserves the right to accept or reject any or all of the proposals, in whole or in part, without prejudice if to do so is felt to be in the best interests of the State.

Vendor's failure to provide complete and accurate information may be considered grounds for disqualification. The State reserves the right if necessary to ask vendors for additional information to clarify their proposals. Nothing may be added to alter the written solution or method contained in the original proposal after the bid opening.

---- **See Cost Proposal on next page.** ----

4.5 COST PROPOSAL

Totals by Deliverables:

Data Collection (Part 3.2.1) ..... $_____

Retrospective Drug Utilization Review (Part 3.2.2)
(Mandatory)-200 Profiles per Month ..... $_____

Retrospective Drug Utilization Review (Part 3.2.2 Optional)
(Optional)-100 Additional Profiles per Month.....(Add)..... $_____

Educational Programs for Providers (Part 3.2.3)
(Mandatory)-Population Based Interventions,
Report Evaluations or Prescribers, and Newsletter ..... $_____

Educational Programs for Providers (Part 3.2.3 Optional)
(Optional) Report Card Evaluations of Prescribers with
Follow-up Phone Calls or Visits .....(Add)..... $_____

Lock-In Program (Mandatory).... (Part 3.2.4)..... $_____

Reports (Mandatory)-Monthly, Quarterly, and
Annual Reports (Part 3.2.5)..... $_____

All inclusive hourly rate for additional services (Part 3.2.6) ..... $_____
(Based upon 100 hours of addition services at $_____ per hour.)

Total Not to Exceed Per Year ..... $_____

Vendor Name _____ Date _____

Signature _____ Title _____

(Signature on the price quotation and the WV-96 must be the same.)

RFQ No. BMS70641

AFFIDAVIT

West Virginia Code §5A-3-10a states:
No contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and the debt owned is an amount greater than one thousand dollars in the aggregate

DEFINITIONS:
"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Debtor" means any individual, corporation, partnership, association, limited liability company or any other form or business association owing a debt to the state or any of its political subdivisions. "Political subdivision" means any county commission; municipality; county board of education; any instrumentality established by a county or municipality; any separate corporation or instrumentality established by one or more counties or municipalities, as permitted by law; or any public body charged by law with the performance of a government function or whose jurisdiction is coextensive with one or more counties or municipalities. "Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceed five percent of the total contract amount.

EXCEPTION:
The prohibition of this section does not apply where a vendor has contested any tax administered pursuant to chapter eleven of this code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

LICENSING:
Vendors must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agencies or political subdivision. Furthermore, the vendor must provide all necessary releases to obtain information to enable the Director or spending unit to verify that the vendor is licensed and in good standing with the above entities.

CONFIDENTIALITY:
The vendor agrees that he or she will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the agency's policies, procedures and rules. Vendors should visit **www.state.wv.us/admin/purchase/privacy** for the Notice of Agency Confidentiality Policies.

Under penalty of law for false swearing (West Virginia Code, §61-5-3), it is hereby certified that the vendor acknowledges the information in this said affidavit and are in compliance with the requirements as stated.

Vendor's Name: _____

Authorized Signature: _____ Date: _____

No Debt Affidavit (Revised 10/13/06)

WV-96
Rev 5/94

AGREEMENT ADDENDUM

In the event of conflict between this addendum and the agreement, this addendum shall control:

1. **ARBITRATION** - Any references to arbitration contained in the agreement are hereby deleted Disputes arising out of the agreement shall be presented to the West Virginia Court of Claims

2 **HOLD HARMLESS** - Any clause requiring the Agency to indemnify or hold harmless any party is hereby deleted in its entirety

3 **GOVERNING LAW** - The agreement shall be governed by the laws of the State of West Virginia This provision replaces any references to any other State's governing law

4 **TAXES** - Provisions in the agreement requiring the Agency to pay taxes are deleted As a State entity, the Agency is exempt from Federal, State, and local taxes and will not pay taxes for any Vendor including individuals, nor will the Agency file any tax returns or reports on behalf of Vendor or any other party

5 **PAYMENT** - Any references to prepayment are deleted Payment will be in arrears

6. **INTEREST** - Should the agreement include a provision for interest on late payments, the Agency agrees to pay the maximum legal rate under West Virginia law All other references to interest or late charges are deleted

7 **RECOUPMENT** - Any language in the agreement waiving the Agency s right to set-off, counterclaim, recoupment, or other defense is hereby deleted

8 **FISCAL YEAR FUNDING** - Service performed under the agreement may be continued in succeeding fiscal years for the term of the agreement, contingent upon funds being appropriated by the Legislature or otherwise being available for this service In the event funds are not appropriated or otherwise available for this service, the agreement shall terminate without penalty on June 30. After that date, the agreement becomes of no effect and is null and void However, the Agency agrees to use its best efforts to have the amounts contemplated under the agreement included in its budget Non-appropriation or non-funding shall not be considered an event of default

9 **STATUTE OF LIMITATION** - Any clauses limiting the time in which the Agency may bring suit against the Vendor, lessor, individual, or any other party are deleted

10 **SIMILAR SERVICES** - Any provisions limiting the Agency's right to obtain similar services or equipment in the event of default or non-funding during the term of the agreement are hereby deleted.

11 **ATTORNEY FEES** - The Agency recognizes an obligation to pay attorney's fees or costs only when assessed by a court of competent jurisdiction Any other provision is invalid and considered null and void

12 **ASSIGNMENT** - Notwithstanding any clause to the contrary, the Agency reserves the right to assign the agreement to another State of West Virginia agency, board or commission upon thirty (30) days written notice to the Vendor and Vendor shall obtain the written consent of Agency prior to assigning the agreement

13 **LIMITATION OF LIABILITY** - The Agency, as a State entity, cannot agree to assume the potential liability of a Vendor. Accordingly, any provision limiting the Vendor's liability for direct damages or limiting the Vendor's liability under a warranty to a certain dollar amount or to the amount of the agreement is hereby deleted In addition, any limitation is null and void to the extent that it precludes any action for injury to persons or for damages to personal property

14 **RIGHT TO TERMINATE** - Agency shall have the right to terminate the agreement upon thirty (30) days written notice to Vendor

15 **TERMINATION CHARGES** - Any provision requiring the Agency to pay a fixed amount or liquidated damages upon termination of the agreement is hereby deleted. The Agency may only agree to reimburse a Vendor for actual costs incurred or losses sustained during the current fiscal year due to wrongful termination by the Agency prior to the end of any current agreement term.

16 **RENEWAL** - Any reference to automatic renewal is hereby deleted The agreement may be renewed only upon mutual written agreement of the parties

17 **INSURANCE** - Any provision requiring the Agency to insure equipment or property of any kind and name the Vendor as beneficiary or as an additional insured is hereby deleted

18 **RIGHT TO NOTICE** - Any provision for repossession of equipment without notice is hereby deleted However, the Agency does recognize a right of repossession with notice.

19. **ACCELERATION** - Any reference to acceleration of payments in the event of default or non-funding is hereby deleted.

20 **AMENDMENTS** - All amendments, modifications, alterations or changes to the agreement shall be in writing and signed by both parties No amendment, modification, alteration or change may be made to this addendum without the express written approval of the Purchasing Division and the Attorney General

ACCEPTED BY:

STATE OF WEST VIRGINIA	**VENDOR**
Spending Unit: _____	Company Name: _____
Signed: _____	Signed: _____
Title: _____	Title: _____
Date: _____	Date: _____

West Virginia Department of Health & Human Resources
FEDERAL PROGRAM PARTICIPATION ACKNOWLEDGMENT, AUTHORIZATION, CONSENT, AND RELEASE

No person who is currently excluded, debarred, suspended, or otherwise ineligible to participate in federal health care programs or in federal procurement or non-procurement programs shall be hired by the West Virginia Department of Health and Human Resources.

I am ☐ am not ☐ currently excluded, debarred, suspended, or otherwise ineligible to participate in federal health care programs or in federal procurement or non-procurement programs.

_____ _____

Signature ***Date***

I authorize and consent to a background check by the West Virginia Department of Health and Human Resources specifically to determine whether I am currently excluded, debarred, suspended, or otherwise ineligible to participate in federal health care programs or in federal procurement or non-procurement programs. If hired, I also agree to periodic conduct of additional such background checks during the course of employment by the West Virginia Department of Health and Human Resources.

I release any persons and the West Virginia Department of Health and Human Resources and its agents, officials, representatives, employees, officers, or related personnel both individually and collectively, from any and all liability for damages of any kind that may result because of compliance with this acknowledgment and authorization.

For positive identification purposes, the following information is required when conducting a background check. This information is confidential and will not be used for any other purposes (**please print**):

Name _____ _____ _____

last name *first name* *middle initial*

Maiden/Other Names _____

(This should include other married names by which you have been known.)

Current Address _____ _____ _____

street/box# *city* *state*

NOTE: Your social security card must be presented for verification purposes.

Social Security # ___ - ___ - _____ **Date of Birth** _____

month/day/year

Driver's License Number _____ **State of Issue** _____

_____ _____

Signature ***Date***

EMPLOYING UNIT INFORMATION

Office/Facility/Region/District Contact Person

Fax Number Phone Number

FOR OPS USE ONLY

HHS Match Outcome ☐ Positive ☐ Negative

GSA Match Outcome ☐ Positive ☐ Negative Initial _____ Date _____

The completed form must be included with the employment package to be sent to the Office of Personnel Services