



**Minnesota Multistate Contracting Alliance for Pharmacy
(MMCAP)**

**State of Minnesota
Department of Administration**

**REQUEST FOR PROPOSAL
FOR
PHARMACEUTICAL WHOLESALER
DISTRIBUTION SERVICES**

**For all questions about this RFP contact:
Jennifer Faricy, Procurement & Contract Officer
MMCAP.RFP@state.mn.us**

**DUE DATE:
May 8, 2014
4:00 P.M. Central Time**

Project Overview

The Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP or “State”) is a voluntary group purchasing organization for states and local government facilities nationwide and is managed by the Materials Management Division of the State of Minnesota’s Department of Administration. It primarily contracts directly with pharmaceutical manufacturers/suppliers for their products and uses pharmaceutical wholesalers to deliver the products to its member facilities.

MMCAP Participating Facilities are located across the nation and purchase over \$1 billion of pharmaceuticals and other medical related supplies per year. Participation in MMCAP is available to government facilities with authority to contract with the State of Minnesota. MMCAP Participating Facilities are state agencies and political subdivisions that primarily fall under the following classes of trade: correctional facilities, psychiatric treatment facilities, student health services, public health services, non-federal veterans’ nursing homes, public hospitals, and veterinary clinics/hospitals. For more information on MMCAP and its membership, visit www.mmcap.org.

Upon contract award, member states will each select an MMCAP approved pharmaceutical wholesaler from which each MMCAP Participating Facility in that state will obtain distribution services. MMCAP does not guarantee that an approved pharmaceutical wholesaler will have a member state select them to provide services.

Goal

The State of Minnesota, Department of Administration on behalf of MMCAP is issuing this Request for Proposal (RFP) to establish multiple contracts with qualified pharmaceutical wholesalers that will provide pharmaceutical wholesaler distribution services to MMCAP Participating Facilities (MMCAP Members). Specifically, the selected wholesaler(s) will distribute all pharmaceutical, OTC, nutritional, vaccine (other than influenza vaccines), and other drug products.

Sample Tasks

The Statement of Work (SOW) for this RFP will be developed using the responses to the Technical Proposal Questionnaire. The following is a brief list of many of the expected tasks:

1. Customer service, including account management;
2. Inventory management, including stocking MMCAP Contract Products, management of stock outages, manufacturer backorders, shift demands, and service levels;
3. Management of MMCAP Contract Products, including price-loading, price accuracy, product additions and deletions, convenience contracts, bid roll, 340B drug program and product expiration dating;
4. Ordering Systems and equipment, including devices, training, back-up services, and labeling;
5. Order placement, including ordering system, auto-substitution, order confirmation, ordering of controlled substances, and special orders.
6. Delivery, including routine delivery, drop-shipments, special products, bulky items, and emergency orders;
7. Pedigree management;
8. Contract compliance, including on-contract purchasing;
9. Invoicing, including credits and rebills, chargebacks, product returns, reverse distribution, and recalls;
10. Payment terms;
11. Other value-added services;
12. Implementation and transition;

13. Business interruption planning;
14. Shareback credits;
15. Fees; and
16. Reporting.

In addition to the tasks or activities set forth above, Responders are encouraged to propose additional tasks or activities if they will substantially improve the delivery of services. These items should be separated from the required items on the Cost Proposal.

The term of the awarded contracts is anticipated to run from November 1, 2014 to October 31, 2016, with the option to extend an additional 3 years in increments determined by the State, upon formal amendment, for a total term not to exceed 5 years.

Rights Reserved

Notwithstanding anything to the contrary, MMCAP reserves the right to:

1. Reject any and all responses received;
2. Award to multiple Responders
3. Waive or modify any informalities, irregularities, or inconsistencies in the responses received;
4. Negotiate any aspect of the proposal with any Responder and negotiate with more than one Responder;
5. Request a best and final offer, if MMCAP deems it necessary and desirable;
6. Terminate negotiations and select the next response providing the best value for MMCAP, prepare and release a new RFP, or take such other action as MMCAP deems appropriate if negotiations fail to result in a successful contract;
7. Cancel this RFP if it is considered to be in MMCAP's best interest.

RFP Data and Cost Proposal Worksheet

The following will be available as supporting data for this RFP:

- MMCAP pharmaceutical purchases by state and month for state fiscal year 2013 (7/1/12 – 6/30/13)
- MMCAP pharmaceutical purchases by facility and month for state fiscal year 2013 (7/1/12 – 6/30/13)
- MMCAP pharmaceutical sales by GCN_SEQ number for state fiscal year 2013 (7/1/12 – 6/30/13)
- MMCAP pharmaceutical units sold by generic name for state fiscal year 2013 (7/1/12 – 6/30/13)
- MMCAP pharmaceutical sales by generic name for state fiscal year 2013 (7/1/12 – 6/30/13)
- MMCAP membership listing dated 3/11/2014
- MMCAP contract portfolio as of 3/10/2014
- MMCAP Reporting: Report Layout Files

Upon Responder's request for this RFP data, MMCAP will also provide the Cost Proposal worksheet.

To request access to supporting data and Cost Proposal worksheet, submit an email to Jennifer Faricy, Contracts and Procurement Officer.

Email: MMCAP.RFP@state.mn.us

Email Subject: Pharmaceutical Wholesaler RFP Usage Data

If you do not receive the information within one business day, please resend your request.

Questions?

Questions regarding this RFP must be submitted and received via e-mail to MMCAP.RFP@state.mn.us no later than 2:00 PM Central Time on Wednesday April 16, 2014.

Please note it is the responder's responsibility to ensure that all question have been received by deadline date and time. Electronic read receipts are recommended.

Answers are anticipated to be provided April 23, 2014, **no later than 4:30 p.m., Central Time** on the MMCAP website at: www.mmcap.org (click on "Vendors & RFPs") and also at <http://www.mmd.admin.state.mn.us/process/admin/postings.asp>. Questions and answers will not identify the requesting Responder. Repetitive questions may be batched, summarized, and responded to with a single answer. MMCAP staff will be unable to respond to any substantive questions after the question submission deadline date. MMCAP Members must not be contacted about this RFP. MMCAP reserves the right to decline to provide an answer to a submitted question.

Other personnel are **NOT authorized** to discuss this RFP with Responders before the proposal submission deadline. Contact regarding this RFP with any personnel other than those specifically listed could result in disqualification.

Addenda and Oral Communication.

MMCAP may modify this RFP any time prior to the proposal due date by issuing written addenda. Any such addenda will be posted on the MMCAP website at www.mmcap.org (click on "Vendors & RFPs" "Open RFPs") and also at <http://www.mmd.admin.state.mn.us/process/admin/postings.asp>. It is the Responder's responsibility to check the MMCAP website for changes.

Any oral communication concerning this RFP will not be binding, nor cause for protesting any language of this procurement, nor in any way excuse the Responder from its obligations.

Proposal Content

Responders must submit the following information:

1. **Contact Information:** Responder must clearly identify the company's full legal name, business address, the primary contact person's name, telephone number, fax number and email address, for this RFP.
2. **Technical Proposal Questionnaire**, including:
 - a. Attachment A – Transmittal Certification
 - b. Attachment B – Exceptions to Contract Terms and Conditions; Sample Contract
 - c. Attachment C – Top Client Sheet
 - d. Attachment D – Client Termination Sheet
 - e. Attachment E – Reference Sheet; provide three
 - f. Attachment F – Proposed Distribution Centers
 - g. Attachment G – MMCAP Contracted Suppliers
 - h. Attachment H – Ordering System Data Fields
 - i. Attachment I – Invoice Detail and Sample Invoice
3. **Submit the following forms:**
 - a. Certificate Regarding Lobbying.
 - b. Affirmative Action Certification.
 - c. Affidavit of Non Collusion
 - d. Veterans Preference Form (if applicable).
 - e. Resident Vendor Form (if applicable).

f. Taxpayer ID Form.

4. **Cost Proposal**, submitted separately.

Proposal Instructions

Responses to the RFP must be completed in the format provided, as attached, and must strictly follow numbering order of the RFP. Enter responses in the Word version of the Technical Proposal Questionnaire. DO NOT submit a proposal that deviates from, recreates, or otherwise alters the questionnaires or attachments. Deviation from this requirement may result in the rejection of your proposal.

NOTE: All requested information must be included in the proposal. Do not direct or refer evaluators to the company website for information.

All proposals must be sent to:

Attn: Jennifer Faricy
MMCAP Procurement and Contracts Officer
MMCAP Pharmaceutical Wholesaler Distribution Services RFP
State of Minnesota, Department of Administration
50 Sherburne Avenue, Suite 112
St. Paul, MN 55155

All proposals must be received no later than 4:00 p.m., Central Time, May 8, 2014, as indicated by time stamp at the front desk of 50 Sherburne Avenue, Suite 112, St. Paul, MN 55155.

Late proposals will not be considered.

All costs incurred in responding to this RFP will be borne by the Responder.
Fax and email responses will not be accepted or considered.

1. Submit one original, ten printed copies, and one electronic copy (in an unlocked Microsoft Word format) of the RFP response, including Technical Proposal Questionnaire, attachments, and forms. Proposals are to be sealed in mailing envelopes or packages with the Responder's name and address written on the outside. The original proposal must be signed in ink by an authorized representative of the company.
2. Provide one printed copy and one electronic copy (in an unlocked Microsoft Excel format) of the Cost Proposal in a separately sealed envelope clearly marked on the outside "Cost Proposal" along with the Responder's name.

Proposals will be evaluated on "best value" as specified below. The Cost Proposal will not be evaluated until after the Technical Proposal Questionnaire evaluation is completed.

Proposal Evaluation

All complete responses received by the deadline and meeting the mandatory requirements will be evaluated by representatives of MMCAP, MMCAP State Contacts, and/or MMCAP Members. Responses that fail to meet the aforementioned requirements will not advance to the next phase of the evaluation. MMCAP reserves the right, based on the scores of the proposals, to create a short-listing of Responders who have received the highest scores, and conduct further interviews, demonstrations, and

presentations. MMCAP reserves the right to seek best and final offers from one or more Responders. A 1000-point scale will be used for scoring.

Mandatory Requirements (Scored as Pass/Fail)

The following will be considered on a pass/fail basis, as demonstrated on the Transmittal Certification:

1. Proposals must be received on or before the due date and time specified in this solicitation.
2. Responder must demonstrate 5 years of experience as a wholesaler of prescription pharmaceutical products.
3. Responder must have \$1 billion or more in annual revenue from pharmaceutical distribution services.
4. Responder must have achieved accreditation as a Verified-Accredited Wholesale Distributor (VAWD).
5. Responder must be able to serve and meet each state’s regulatory requirements for at least four whole (not partial) MMCAP member states.

Evaluation Factors (Scored based on percentage or points as indicated)

The factors and weighting on which proposals will be judged are:

1. Technical Proposal Questionnaire		60%
a. Inventory Management (includes Wholesaler Generic Program and Pedigree)	15%	
b. Management of MMCAP Contract Products and Contract Compliance	14%	
c. Customer Service (includes account management, service areas, ordering, delivery, implementation, and business interruption)	12%	
d. Management of Ancillary Programs (340B drug program, value-added services, and MMCAP service contracts)	8%	
e. Reports	7%	
f. Invoicing and Payment	2%	
g. Shareback Credits, Risk Assessment (non-cost)	2%	
2. Cost Proposal (includes fees, performance guarantees service fee discounts, etc.)		40%

It is anticipated that the evaluation and selection will be completed by *June 30, 2014*.

General Requirements

Sample Contract

A sample contract is attached. Much of the language reflected in the contract is required by statute. Exceptions to any of the terms, conditions, or language in the contract must be indicated in your response to the RFP; certain exceptions may result in your proposal being disqualified from further review and evaluation. Only those exceptions indicated in your response to the RFP will be available for discussion or negotiation.

Affidavit of Noncollusion

Each Responder must complete the attached Affidavit of Noncollusion and include it with the response.

Conflicts of Interest

Responder must provide a list of all entities with which it has relationships that create, or appear to create, a conflict of interest with the work that is contemplated in this RFP. The list should indicate the name of the entity, the relationship, and a discussion of the conflict.

Proposal Contents

By submission of a proposal, Responder warrants that the information provided is true, correct, and reliable for purposes of evaluation for potential contract award. The submission of inaccurate or misleading information may be grounds for disqualification from the award, as well as subject the Responder to suspension or debarment proceedings as well as other remedies available by law.

Disposition of Responses

All materials submitted in response to this RFP will become property of the State and will become public record in accordance with Minnesota Statutes, section 13.591, after the evaluation process is completed. Pursuant to the statute, completion of the evaluation process occurs when the government entity has completed negotiating the contract with the selected vendor. If the Responder submits information in response to this RFP that it believes to be trade secret materials, as defined by the Minnesota Government Data Practices Act, Minnesota Statute § 13.37, the Responder must:

1. Clearly mark all trade secret materials in its response at the time the response is submitted,
2. Include a statement with its response justifying the trade secret designation for each item, and
3. Defend any action seeking release of the materials it believes to be trade secret and indemnify and hold harmless the State, its agents and employees, from any judgments or damages awarded against the State in favor of the party requesting the materials, and any and all costs connected with that defense. This indemnification survives the State's award of a contract. In submitting a response to this RFP, the Responder agrees that this indemnification survives as long as the trade secret materials are in possession of the State.

MMCAP will not consider the prices submitted by the Responder to be proprietary or trade secret materials.

Contingency Fees Prohibited

Pursuant to Minnesota Statutes Section 10A.06, no person may act as or employ a lobbyist for compensation that is dependent upon the result or outcome of any legislation or administrative action.

Organizational Conflicts of Interest

The Responder warrants that, to the best of its knowledge and belief, and except as otherwise disclosed, there are no relevant facts or circumstances, which could give rise to organizational conflicts of interest. An organizational conflict of interest exists when, because of existing or planned activities or because of relationships with other persons, a vendor is unable or potentially unable to render impartial assistance or advice to the State, or the vendor's objectivity in performing the contract work is or might be otherwise impaired, or the vendor has an unfair competitive advantage. The Responder agrees that, if after award, an organizational conflict of interest is discovered, an immediate and full disclosure in writing must be made to the Assistant Director of the Department of Administration's Materials Management Division ("MMD") which must include a description of the action, which the contractor has taken or proposes to take to avoid or mitigate such conflicts. If an organization conflict of interest is determined to exist, the State may, at its discretion, cancel the contract. In the event the responder was aware of an organizational conflict of interest prior to the

award of the contract and did not disclose the conflict to MMD, the State may terminate the contract for default. The provisions of this clause must be included in all subcontracts for work to be performed similar to the service provided by the prime contractor, and the terms “contract,” “contractor,” and “contracting officer” modified appropriately to preserve the State’s rights.

Preference to Targeted Group and Economically Disadvantaged Business and Individuals

In accordance with Minnesota Rules, part 1230.1810, subpart B and Minnesota Rules, part 1230.1830, certified Targeted Group Businesses and individuals submitting proposals as prime contractors will receive a six percent preference in the evaluation of their proposal, and certified Economically Disadvantaged Businesses and individuals submitting proposals as prime contractors will receive a six percent preference in the evaluation of their proposal. Eligible TG businesses must be currently certified by the Materials Management Division prior to the solicitation opening date and time. For information regarding certification, contact the Materials Management Helpline at 651.296.2600, or you may reach the Helpline by email at mmdhelp.line@state.mn.us. For TTY/TDD communications, contact the Helpline through the Minnesota Relay Services at 1.800.627.3529.

Veteran-Owned Preference

In accordance with Minn. Stat. § 16C.16, subd. 6a, (a) Except when mandated by the federal government as a condition of receiving federal funds, the commissioner shall award up to a six percent preference on state procurement to **certified small businesses** that are **majority-owned and operated by:**

- (1) recently separated veterans who have served in active military service, at any time on or after September 11, 2001, and who have been discharged under honorable conditions from active service, as indicated by the person's United States Department of Defense form DD-214 or by the commissioner of veterans affairs;
- (2) veterans with service-connected disabilities, as determined at any time by the United States Department of Veterans Affairs; or
- (3) any other veteran-owned small businesses certified under section 16C.19, paragraph (d).

In accordance with Minn. Stat. § 16C.19 (d), a veteran-owned small business, the principal place of business of which is in Minnesota, is certified if it has been verified by the United States Department of Veterans Affairs as being either a veteran-owned small business or a service disabled veteran-owned small business, in accordance with Public Law 109-461 and Code of Federal Regulations, title 38, part 74.

To receive a preference the veteran-owned small business must meet the statutory requirements above by the solicitation opening date and time.

If you are claiming the veteran-owned preference, **attach documentation, sign and return the Veteran-Owned Preference Form with your response to the solicitation.** Only eligible veteran-owned small businesses that meet the statutory requirements and provide adequate documentation will be given the preference.

Human Rights Requirements

For all contracts estimated to be in excess of \$100,000, Responders are required to complete the attached Affirmative Action Data page and return it with the response. As required by Minnesota Rule 5000.3600, “It is hereby agreed between the parties that Minnesota Statute § 363A.36 and Minnesota Rule 5000.3400 - 5000.3600 are incorporated into any contract between these parties

based upon this specification or any modification of it. A copy of Minnesota Statute § 363A.36 and Minnesota Rule 5000.3400 - 5000.3600 are available upon request from the contracting agency.”

Certification Regarding Lobbying

Federal money will be used or may potentially be used to pay for all or part of the work under the contract, therefore the Proposer must complete the attached **Certification Regarding Lobbying** and submit it as part of its proposal.

Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion.

Federal money will be used or may potentially be used to pay for all or part of the work under the contract, therefore the Proposer must certify the following, as required by the regulations implementing Executive Order 12549.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
4. The terms *covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded*, as used in this clause, have the meaning set out in the Definitions and Coverages sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this response that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction,” without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

E-Verify Certification (In accordance with Minn. Stat. §16C.075)

By submission of a proposal for services in excess of \$50,000, Contractor certifies that as of the date of services performed on behalf of the State, Contractor and all its subcontractors will have implemented or be in the process of implementing the federal E-Verify program for all newly hired employees in the United States who will perform work on behalf of the State. In the event of contract award, Contractor shall be responsible for collecting all subcontractor certifications and may do so utilizing the E-Verify Subcontractor Certification Form available at <http://www.mmd.admin.state.mn.us/doc/EverifySubCertForm.doc>. All subcontractor certifications must be kept on file with Contractor and made available to the State upon request.

The remainder of this page is intentionally left blank.

CERTIFICATION REGARDING LOBBYING
For State of Minnesota Contracts and Grants over \$100,000

The undersigned certifies, to the best of his or her knowledge and belief that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, 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.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of 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 undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Organization Name

Name and Title of Official Signing for Organization

By: _____
Signature of Official

Date

State Of Minnesota – Affirmative Action Certification

If your response to this solicitation is or could be in excess of \$100,000, complete the information requested below to determine whether you are subject to the Minnesota Human Rights Act (Minnesota Statutes 363A.36) certification requirement, and to provide documentation of compliance if necessary. **It is your sole responsibility to provide this information and—if required—to apply for Human Rights certification prior to the due date of the bid or proposal and to obtain Human Rights certification prior to the execution of the contract. The State of Minnesota is under no obligation to delay proceeding with a contract until a company receives Human Rights certification.**

BOX A – For companies which have employed more than 40 full-time employees within Minnesota on any single working day during the previous 12 months. All other companies proceed to BOX B.

Your response will be rejected unless your business:

has a current Certificate of Compliance issued by the Minnesota Department of Human Rights (MDHR)
–or–

has submitted an affirmative action plan to the MDHR, which the Department received prior to the date the responses are due.

Check one of the following statements if you have employed more than 40 full-time employees in Minnesota on any single working day during the previous 12 months:

- We have a current Certificate of Compliance issued by the MDHR. **Proceed to BOX C. Include a copy of your certificate with your response.**
- We do not have a current Certificate of Compliance. However, we submitted an Affirmative Action Plan to the MDHR for approval, which the Department received on _____ (date). **Proceed to BOX C.**
- We do not have a Certificate of Compliance, nor has the MDHR received an Affirmative Action Plan from our company. **We acknowledge that our response will be rejected. Proceed to BOX C. Contact the Minnesota Department of Human Rights for assistance.** (See below for contact information.)

Please note: Certificates of Compliance must be issued by the Minnesota Department of Human Rights. Affirmative Action Plans approved by the Federal government, a county, or a municipality must still be received, reviewed, and approved by the Minnesota Department of Human Rights before a certificate can be issued.

BOX B – For those companies not described in BOX A

Check below.

- We have not employed more than 40 full-time employees on any single working day in Minnesota within the previous 12 months. **Proceed to BOX C.**

BOX C – For all companies

By signing this statement, you certify that the information provided is accurate and that you are authorized to sign on behalf of the responder. You also certify that you are in compliance with federal affirmative action requirements that may apply to your company. (These requirements are generally triggered only by participating as a prime or subcontractor on federal projects or contracts. Contractors are alerted to these requirements by the federal government.)

Name of Company: _____ Date _____

Authorized Signature: _____ Telephone number: _____

Printed Name: _____ Title: _____

For assistance with this form, contact:

Minnesota Department of Human Rights, Compliance & Community Relations

Mail: The Freeman Building 625 Robert Street North, Saint Paul, MN 55155 TC Metro: (651) 296-5663 Toll Free: 800-657-3704

Web: www.humanrights.state.mn.us Fax: (651) 296-9042 TTY: (651) 296-1283

Email: compliance.mdhr@state.mn.us

Affirmative Action Certification Page, Revised 6/11 - MDHR

**STATE OF MINNESOTA
AFFIDAVIT OF NONCOLLUSION**

I swear (or affirm) under the penalty of perjury:

1. That I am the Responder (if the Responder is an individual), a partner in the company (if the Responder is a partnership), or an officer or employee of the responding corporation having authority to sign on its behalf (if the Responder is a corporation);
2. That the attached proposal submitted in response to the _____ Request for Proposals has been arrived at by the Responder independently and has been submitted without collusion with and without any agreement, understanding or planned common course of action with, any other Responder of materials, supplies, equipment or services described in the Request for Proposal, designed to limit fair and open competition;
3. That the contents of the proposal have not been communicated by the Responder or its employees or agents to any person not an employee or agent of the Responder and will not be communicated to any such persons prior to the official opening of the proposals; and
4. That I am fully informed regarding the accuracy of the statements made in this affidavit.

Responder's Firm Name: _____

Authorized Representative (Please Print) _____

Authorized Signature: _____

Date: _____

Subscribed and sworn to me this _____ day of _____

Notary Public Signature: _____

My commission expires: _____

**STATE OF MINNESOTA
VETERAN-OWNED PREFERENCE FORM**

In accordance with Minn. Stat. § 16C.16, subd. 6a, (a) Except when mandated by the federal government as a condition of receiving federal funds, the commissioner shall award up to a six percent preference in the amount bid on state procurement to **certified small businesses** that are **majority-owned and operated by:**

- (1) recently separated veterans who have served in active military service, at any time on or after September 11, 2001, and who have been discharged under honorable conditions from active service, as indicated by the person's United States Department of Defense form DD-214 or by the commissioner of veterans affairs;
- (2) veterans with service-connected disabilities, as determined at any time by the United States Department of Veterans Affairs; or
- (3) any other veteran-owned small businesses certified under section 16C.19, paragraph (d).

In accordance with Minn. Stat. § 16C.19 (d), a veteran-owned small business, the principal place of business of which is in Minnesota, is certified if it has been verified by the United States Department of Veterans Affairs as being either a veteran-owned small business or a service disabled veteran-owned small business, in accordance with Public Law 109-461 and Code of Federal Regulations, title 38, part 74.

To receive a preference the veteran-owned small business must meet the statutory requirements above by the solicitation opening date and time. When responding to a Request for Bid (RFB), the preference is applied only to the first \$500,000 of the response. When responding to a Request for Proposal (RFP), the preference is applied as detailed in the RFP.

If you are claiming the veteran-owned preference, **attach documentation, sign and return this form with your response to the solicitation.** Only eligible veteran-owned small businesses that meet the statutory requirements and provide adequate documentation will be given the preference.

I HEREBY CERTIFY THAT THE FIRM LISTED BELOW:

My firm is a certified small business and it is majority-owned and operated by an eligible person as defined by Minn. Stat. § 16C.16, subd. 6a.

Yes **No** (must check yes or no) **State the type of documentation attached:** _____

DOCUMENTATION MUST BE PROVIDED FOR ONE OF THE FOLLOWING REQUIREMENTS:

(1) recently separated veterans who have served in active military service, at any time on or after September 11, 2001, and who have been discharged under honorable conditions from active service, as indicated by the person's United States Department of Defense form DD-214 or by the commissioner of veterans affairs;

State the type of documentation attached:

(2) veterans with service-connected disabilities, as determined at any time by the United States Department of Veterans Affairs;

State the type of documentation attached:

(3) any other veteran-owned small businesses certified under Minnesota Statute Section 16C.19, paragraph (d).

State the type of documentation attached:

Name of Company: _____ Date: _____
Authorized Signature: _____ Telephone: _____
Printed Name: _____ Title: _____

IF YOU ARE CLAIMING THE VETERAN-OWNED PREFERENCE, ATTACH DOCUMENTATION, SIGN AND RETURN THIS FORM WITH YOUR RESPONSE TO THE SOLICITATION.

**STATE OF MINNESOTA
RESIDENT VENDOR FORM**

In accordance with Laws of Minnesota 2013, Chapter 142, Article 3, Section 16, amending Minn. Stat. § 16C.02, subd. 13, a “Resident Vendor” means a person, firm, or corporation that:

- (1) is authorized to conduct business in the state of Minnesota on the date a solicitation for a contract is first advertised or announced. It includes a foreign corporation duly authorized to engage in business in Minnesota;
- (2) has paid unemployment taxes or income taxes in this state during the 12 calendar months immediately preceding submission of the bid or proposal for which any preference is sought;
- (3) has a business address in the state; and
- (4) has affirmatively claimed that status in the bid or proposal submission.

To receive recognition as a Minnesota Resident Vendor (“Resident Vendor”), your company must meet each element of the statutory definition above by the solicitation opening date and time. If you wish to affirmatively claim Resident Vendor status, you should do so by submitting this form with your bid or proposal.

Resident Vendor status may be considered for purposes of resolving tied low bids or the application of a reciprocal preference.

I HEREBY CERTIFY THAT THE COMPANY LISTED BELOW:

- 1. Is authorized to conduct business in the State of Minnesota on the date a solicitation for a contract is first advertised or announced. *(This includes a foreign corporation duly authorized to engage in business in Minnesota.)*
 Yes No **(must check yes or no)**
- 2. Has paid unemployment taxes or income taxes in the State of Minnesota during the 12 calendar months immediately preceding submission of the bid or proposal for which any preference is sought.
 Yes No **(must check yes or no)**
- 3. Has a business address in the State of Minnesota.
 Yes No **(must check yes or no)**
- 4. Agrees to submit documentation, if requested, as part of the bid or proposal process, to verify compliance with the above statutory requirements.
 Yes No **(must check yes or no)**

BY SIGNING BELOW, you are certifying your compliance with the requirements set forth herein and claiming Resident Vendor status in your bid or proposal submission.

Name of Company: _____ Date: _____

Authorized Signature: _____
Telephone: _____

Printed Name: _____ Title: _____

**IF YOU ARE CLAIMING RESIDENT VENDOR STATUS, SIGN AND RETURN THIS FORM WITH YOUR
BID OR PROPOSAL SUBMISSION.**

Taxpayer Identification Form

The Contract Vendor consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number to federal and State tax agencies and State personnel involved in the payment of State obligations. These identification numbers may be used in the enforcement of federal and State tax laws which could result in action requiring the Contract Vendor to file tax returns and pay delinquent tax liabilities, if any (Minn. Stat. § 270C.65).

Vendor's Name: _____

Address: _____

Federal Employer ID Number (FEIN): _____

Minnesota State Tax ID Number, if applicable: _____

Does the FEIN provided match the Responder's Legal Name? Yes No

Is Responder a sole proprietorship? Yes No

Is Responder an independent contractor? Yes No

TECHNICAL PROPOSAL QUESTIONNAIRE

The submitted response to the Technical Proposal Questionnaire is **to follow the narrative order**, with the Responder providing an answer to each question in the order indicated. **DO NOT** submit a proposal response that deviates from, recreates, or otherwise alters the Technical Proposal Questionnaire. In the event MMCAP discovers any unauthorized modifications to the questions, charts, or forms, the proposal response **may be rejected**. The Responder's answer should be placed below the question; completing tables as provided and including any specific information requests.

All fee information must be included in the Cost Proposal. **DO NOT** list any fee information in the answers offered in response to the questions posed within the Technical Proposal Questionnaire. Inclusion of any fee information in the responses provided within the Technical Proposal Questionnaire may be cause to remove Responder from consideration.

Place each section of the Technical Proposal Questionnaire into a separate index tab, utilizing numbered index tabs. For example, the Responder's answers for the questions identified in Section 1, Company and Organization Overview, should be placed in the index tab "1". If there is information requested, like organizational charts, or attachments, the Responder is to place those items in the index tab section for which the information was requested. For example, organizational charts and staff CVs (curriculum vitae) requested to be included with Section 3, Customer Service - MMCAP, should be placed after the responses to questions in index tab "3".

NOTE: The information requested below should be included in the proposal. Do not direct or refer evaluators to the company website for information, unless explicitly requested. Direction to a company website, when not explicitly requested, may be considered non-responsive.

SECTION 1: COMPANY AND ORGANIZATION OVERVIEW

1. Responder must clearly identify the company's full legal name, business address, the primary authorized contact person's name, telephone number, fax number and email address, for this RFP. In addition, identify, by name and title, the key individuals who participated in preparation of this proposal response.
2. Identify, by number and issuance date, each addenda to this RFP received by the Responder.
3. Provide a brief description of the Responder's organization, including company history, organizational structure, services provided, location of headquarters, and length of time the Responder has been in business.
4. _____ Number of Responder's consecutive years of pharmaceutical distribution.
5. Provide for each of the Responder's top clients, determined by a combination of volume and sales, for whom similar services, as detailed in this RFP, have been provided during the past three (3) years. CLIENT SHEET is **Attachment C**.
6. Provide a CLIENT TERMINATION SHEET of any services that have been terminated by any client(s) in the past three 3 years and the reason(s) for termination. CLIENT TERMINATION SHEET is **Attachment D**.
7. Provide a REFERENCE SHEET for each of three (3) client references for services similar to those in this RFP that were performed in the past three (3) years. REFERENCE SHEET is **Attachment E**.

8. Disclose any involvement by the Responder or any officer or principal in any business litigation within the last five (5) years which may have a material impact or effect on the services requested in this RFP. Failure to disclose this may constitute grounds for rejection or any proposal or termination of any contract.

List any litigation, include an explanation, current status or final disposition:

9. State whether the Responder, its officers, agents or employees, who are expected to perform services under the MMCAP contract, have been disciplined, admonished, warned, or had a license, registration, charter, certification, or any similar authorization to do business suspended or revoked for any reason.
10. If Responder is selected to enter into negotiations resulting from this RFP, Responder will be required to substantiate their financial stability and provide audited financial statements, or MMCAP-approved equivalent, for the three most recent fiscal years. Please confirm Responder's willingness to provide required documentation.
11. Identify all services that are currently outsourced or subcontracted, the name of the vendor/partner, and length of the relationship. Describe how Responder ensures quality customer service and timely and effective issue resolution with any outsourced or subcontracted relationships.
12. Describe safeguards deployed to protect MMCAP and MMCAP Members' data from a cyber attack or other breach.

SECTION 2: SERVICE AND SERVICE AREA

Responder will designate its organization as either national (ALL MMCAP Members) or regional distribution services to MMCAP Members and will provide the full range of contracted services to all requesting MMCAP Members within the contracted service area. A Responder proposing service in a regional area must identify whole (not partial) states it proposes to service.

13. Indicate whether Responder is proposing national or regional distribution.
 - a. _____ National
 - b. _____ Regional
14. Complete **Attachment F**, of the Technical Proposal Questionnaire, to identify proposed service area(s); include the primary distribution center(s) that will provide service to each MMCAP Member.

SECTION 3: CUSTOMER SERVICE - MMCAP

Responder is expected to designate an Account Management Team for MMCAP. It is expected that the assigned Account Management Team will have the depth of experience needed to serve in a solution-oriented role. The principal resources identified are to have the authority to make decisions on behalf of the Responder and are to be empowered to provide accountability. The Account Management Team is to be staffed with enough qualified resources to provide sufficient back-up support in the event that the principal resources become unavailable.

15. Provide a high level Organizational Chart for Responder's organization, specific to the senior leadership.
16. Provide an Organizational Chart for the Account Management Team dedicated to MMCAP.

17. For each member of the Account Management Team, provide the following, placing details after the Account Management Team Organizational Chart:
 - a. The name(s) and title(s) of the specific individual(s);
 - b. A description of his/her principal responsibilities, including all other accounts serviced;
 - c. The individual's credentials, education, and experience, in curriculum vitae format;
 - d. The number of years of wholesale distribution experience, including any government and GPO experience.

18. Describe how/what the Account Management Team will do to meet or exceed the expectations and provide specific detail on:
 - a. Empowerment and authority to make decisions to remedy issues and fulfill responsibilities;
 - b. Escalation procedures for MMCAP for issues of non-responsiveness;
 - c. Escalation steps for the replacement of staff assigned to MMCAP for non-performance, if necessary;
 - d. Metrics to be used to measure the effectiveness of the Account Management Team.

19. **Functional Resource Identification.**
 Identify the functional contacts from the Responder's company including names, titles, areas of responsibility, intended span of control (specific to states), and contact information, to include office address/city state/zip code, office email address, office phone, mobile phone, and fax number.
 - a. Contract issues/discrepancies (product stocking, product loading, pricing);
 - b. Class of trade issues (contract eligibility, denials, etc.);
 - c. Issues concerning MMCAP's invoice auditing service:
 - 1) Technical (e.g., electronic 810s);
 - 2) Discrepancy resolution;
 - d. Service fee discounts;
 - e. Data/Reporting;
 - f. Accounts Receivable;
 - g. Accounts Payable;
 - h. MMCAP Shareback Fee process and details.

SECTION 4: CUSTOMER SERVICE – MMCAP Members

4A. Customer Service Department.

Responder will provide a customer service department available to all MMCAP Members. It is expected that the customer service department will have hours of operation to meet the needs of MMCAP Members in all the applicable time zones, have established after-hours emergency capabilities and, at a minimum, meet standard call center service attributes.

20. Describe how the Responder's customer service department will meet the needs of MMCAP Members. Identify standards for the following metrics and state the process Responder proposes for measuring performance to its identified standards for: call length, speed of answer by a representative, first call resolution, and time to problem resolution. In addition, identify:
 - a. Whether or not there is a centralized call center(s) and/or onsite customer service located at each of the distribution centers;
 - b. Principal responsibilities of the customer service representatives;
 - c. Scheduling coverage (e.g., time zones, average number of people working during hours of operation, peak coverage, off-hours, etc.) demonstrating how varying time zones will be accommodated;
 - d. Points of access (e.g., telephone, e-mail, web-based, etc.); and
 - e. Reporting on the types of calls received (e.g., stocking issues, billing inquiries, etc.).

21. Describe how the Responder will provide technical support for ordering. Include specificity on the hours of "live" support and how Responder will provide access to support to address urgent or critical ordering issues.

4B. Customer Account Representatives.

The Responder will provide customer account representatives to MMCAP Members and designated account representatives to the MMCAP State Contacts and the MMCAP Field Services representatives. These customer account representatives are to be responsible for managing the working relationship. In managing this relationship, it is expected that the Responder will utilize various relationship management contact options, including the MMCAP Field Services representatives whenever possible, dependent on the needs of the MMCAP Members. In addition, customer account representatives must conduct quarterly business reviews with MMCAP State Contacts and any MMCAP Member with a monthly average purchasing volume of \$25,000 or more, depending on an MMCAP Member’s desire to hold such reviews.

22. Complete the table below, identifying the minimum frequency of contact, as well as contact methods, Responder will provide to MMCAP Members.

Average Monthly Purchasing Volume	Frequency of Contact with MMCAP Member	Type of Contact
\$0 - \$25,000		
\$25,001 - \$50,000		
\$50,001 - \$75,000		
\$75,001 - \$100,000		
\$100,001 and Up		
State Purchasing Contact		

23. For designated customer account representatives, provide an organizational chart, depicting these customer account representatives and the authorized management. If there is an established set of designated account representatives assigned to specific states, the organizational chart should be expanded to identify these individuals, as well as providing the following details for each of the individuals, placing these details behind the organizational chart:

- a. The name(s) and title(s) of the specific individual(s);
- b. A description of his/her principal responsibilities, including all other accounts serviced;

24. Describe how the Responder’s designated customer account representatives will support and be organizationally supported to meet the relationship management expectations with MMCAP Members, and with the MMCAP Field Services representatives. Address how the Responder will ensure contractual compliance and meet obligations; maximize adherence to an MMCAP Member’s pharmacy standards; assist in optimizing the facility’s formulary; and provide consultative services regarding best practices to improve efficiency and reduce costs. Additionally:

- a. How the Responder will address retention to reduce turn-over rates of customer account staff;
- b. Escalation procedures for issues of non-responsiveness by the assigned customer account staff;
- c. Member initiated escalation procedures for the replacement of staff assigned to an MMCAP Member.

4C. MMCAP State Contacts and MMCAP Members Satisfaction Survey.

Responder is expected to solicit an MMCAP pre-approved, annual survey with all MMCAP State Contacts and a representative random sample of MMCAP Members. The goal is an overall average survey score of 3.5 out of 5 points. The Responder is expected to devise an action plan(s) to address those survey areas that have a score below 3.5 and present status updates at quarterly Executive Business Reviews, or more frequent as appropriate.

25. Please confirm Responder's willingness to collaborate on the survey instrument to be utilized for the annual survey and to devise action plans to remedy identified deficiencies.

SECTION 5: NEW ACCOUNTS

All new MMCAP accounts are expected to be established and ready to receive deliveries within a maximum of thirty (30) days of receiving all required documentation from an MMCAP Member.

26. Describe how Responder will onboard new MMCAP Members and transition current MMCAP Members. Include in this description:
- a. Any differences between new accounts being set up during a Responder's initial transition period, from those set up after transition, but during the awarded contract term;
 - b. The process used to identify new accounts to be included in data sets sent to MMCAP;
 - c. The process used to link new accounts to online reporting tools available to MMCAP and MMCAP Field Services representatives;
 - d. Confirmation as to whether initial account set-up can be facilitated online;
 - e. How the Responder ensures new MMCAP Members are attached to and receive the appropriate contract pricing;
 - f. The initial training and refresher training afforded to MMCAP Members to promote efficient and effective pharmacy operations.
27. Provide:
- a. A complete set of all documents an MMCAP Member will be required to execute in order to obtain Responder's services (e.g., credit application, software license, returns certification, etc.);
 - b. Any documents required to use MMCAP's contracts for repackaging, invoice auditing, and returned goods services.

SECTION 6: INVENTORY MANAGEMENT

Responder will be expected to have contractual relationships with all current and future MMCAP-contracted Suppliers necessary to provide all MMCAP Contract Products. All exceptions must be approved in writing by MMCAP.

6A. Inventory Sufficiency.

The Responder will be required to sufficiently stock MMCAP Contract Products. Responder will be required to stock inventory of MMCAP Contract Product unless there are fewer than three (3) units sold per month per distribution center. If there is volume of three (3) units or more of an equivalent product, Responder will be required to stock inventory of MMCAP Contract Product based on equivalent product sales. MMCAP Contract Products that do not meet the units sold threshold and which are not stocked will be expected to still be viewable and potentially orderable within Responder's online ordering system.

28. Describe how the Responder will sufficiently stock inventory of MMCAP Contract Products. In this description, also include how the Responder will meet:
- a. Special requests from an MMCAP Member, which may include but are not limited to: large quantities of identical lot numbers, product expiration dates;
 - b. Management of unanticipated increases in orders (e.g., orders that exceed the prior 30-day usage by 150%), such as governmental entities placing large orders at the end of their fiscal years, or new product releases (products not previously available).
29. Identify the timeline associated with providing an out-of-stock or non-stocked MMCAP Contract Product to an MMCAP Member once a request has been made, assuming the Product is not on manufacturer backorder and the Member can meet the minimum 3 unit stocking requirement.

30. Describe potential barriers associated with meeting the requirement to sufficiently stock MMCAP Contract Products, and viable solutions to eliminate or mitigate these barriers.
31. Describe Responder's process for ensuring inventory is available for:
 - a. New accounts;
 - b. Accounts transitioning to Responder from another wholesaler;
 - c. Bid roll (the period of transition from old to new contracts during MMCAP's contracting cycle).
32. On average, how many days' inventory does Responder keep available at each of its distribution center(s)?
33. Starting from receipt of MMCAP's contract file, describe how Responder will have MMCAP Contract Products loaded and viewable in its ordering system, as well as the strategy used to stock and manage inventory at each of its distribution center(s).
34. MMCAP will send its action file (adds, deletes, changes) to Responder on a weekly basis. How will Responder use MMCAP's contract file to ensure proper MMCAP Contract Product inventory is available at each distribution center? Besides the MMCAP action file, what further information is needed to adequately stock MMCAP Contract Products at each distribution center?

6B. Outages.

Stock Outages created by Responder, meaning Products ordered but not delivered due to Responder's inability to fulfill, will be viewed as a service failure.

35. From the point the Responder is notified that an MMCAP Contract Product is available from the Supplier but is not in stock at the Responder's distribution center(s), describe Responder's process and timeline for delivering an MMCAP Contract Product to an MMCAP Member, assuming the minimum usage requirements.
36. In the instance where an MMCAP Contract Product stock outage has been created by the Responder, describe, in detail, what remedy(ies) would be provided by the Responder to an MMCAP Member?

DO NOT list any financial specificity in this section for a stock outage created by the Responder. Within the Sample Contract, Section 29.2 Failure to Perform, addresses Inventory Management.

37. How will Responder proactively help MMCAP identify Contract Products that are on short- and long-term backorder? How will Responder proactively help MMCAP Members do the same?
38. Describe the Responder's process for updating short- and long-term backorder information in its online ordering system. In your description, include how often the updates occur and revalidation frequency.
39. Can MMCAP Members place orders for MMCAP Contract Products that are on manufacturer backorder? If yes, explain how this process works and list the advantages and disadvantages of doing so.
40. If Responder has insufficient inventory to completely fill an order, what happens? When using the online ordering system, if this triggers an automated response, what will this look like when the RFP Evaluators use the temporary ordering system? The Responder's online ordering system, for use by the MMCAP RFP Evaluators, will need to demonstrate this system attribute, or Responder will need to provide sample copy of what this ordering event will generate.
41. Describe the capabilities of Responder's online order entry system to indicate real-time inventory status.

42. Describe how Responder will allocate and stock products that are classified as national shortage items. Is there an exception process, and if so, describe the qualifiers and the process? How will the Responder proactively help MMCAP Members manage products on national shortage? Describe Responder’s strategy for mitigating hoarding of products classified as national shortage items.
43. Describe how Responder will allocate and stock products classified as national shortage items for:
 - a. New MMCAP Members whose historical purchasing data is not available;
 - b. Current MMCAP Members that did not historically purchase said products.
44. Describe Responder’s proposed notification process for discontinued products. How does Responder propose to verify that MMCAP Contract Products are discontinued by the Supplier?

6C. Service Level Calculations.

Responder is expected to maintain inventory of MMCAP Contract Products to satisfactorily meet service levels. In addition, the Responder is expected to deliver a monthly adjusted fill rate metric of 98.5% for all MMCAP Members (including 340B Drug Pricing Program Accounts).

45. Describe the Responder’s reporting capabilities to facilitate the tracking and reporting of the service level target and credit amounts that will be due back to the MMCAP Members should the Responder fail to meet a monthly 98.5% or better adjusted fill rate.

Raw and Adjusted Fill Rate calculations are defined as follows:

Raw Fill Rate:

$$\frac{\text{Number of Unites Delivered}}{\text{Number of Units Ordered}}$$

Orders for Contract Products that are not filled as a result of the Responder being out of stock of such Contract Products will be considered as a line item for Contract Product ordered in this calculation regardless of the reason for the Responder being out of stock.

The remainder of this page is intentionally left blank.

Adjusted Fill Rate:

Number of Units Delivered

Number of Units Ordered less MBO Units

MBO Units will include:

- a. Orders for Contract Products made but not shipped because of industry wide shortages or other issues beyond the control of Wholesaler as demonstrated by Wholesaler to the reasonable satisfaction of the MMCAP Managing Director, lead pharmacist, and lead financial representative (e.g., Manufacturer Unable to Supply, Manufacturer Allocations, Manufacturer Backorders, Manufacturer Recalls, and Manufacturer Discontinued).
- b. Purchases of Contract Products which exceed 150% of the previous month's activity
- c. Contract Products ordered which are filled and delivered within 24 hours of the original order.
- d. Partial shipments if 75% or more of the order can be completely filled within 48 hours.
- e. Unavailable Contract Products repeatedly ordered within 72 hours of the original order.
- f. Special orders requiring shipment from the manufacturer.
- g. Non-stock products that are not under contract with MMCAP.
- h. Contract rolls/awards where notifications from MMCAP are received with less than 4 weeks' notice prior to transition of addition (e.g., bid year transition). Responder may only include Contract Products in MBO Units for 30 calendar days after notification.

Non-Contract OTC Products will not be included in the Adjusted Fill Rate.

46. Provide Responder's deviations from MMCAP's standard formula for calculating raw and adjusted fill rates.
47. Suggest a way for MMCAP to validate service level methodology and methods for MMCAP to validate reported service levels.
48. Complete the tab called "Service Level Penalty Fee" within the Cost Proposal worksheet.

6D. Shift Demands.

49. Describe Responder's shift demand strategy to assist MMCAP and its Members to obtain timely access to MMCAP-contracted first-time generics.
50. Describe Responder's shift demand process for a current contracted generic product for movement to a lower priced contracted generic product.
51. How does Responder propose to manage and automate these shift demand processes for MMCAP and its Members, as well as provide updates? Include a metric or set of metrics to measure the success of Responder's processes.
52. Describe how Responder will manage shift demand when the packaging is:
 - a. The same as the new product's packaging
 - b. Different than the new product's packaging, for example:
 1. 60-count bottles shifting to 100-count bottles
 2. Product previously unavailable in unit dose packaging shifting to generic available in unit dose packaging

53. Outside of MMCAP's bid roll:
- a. Describe Responder's strategy for determining whether new MMCAP Contracts and/or new MMCAP Contract Products are to be stocked at a particular distribution center;
 - b. Confirm Responder's use of GCN (Generic Code Number, specific for active ingredient, route, dosage form and strength), rather than NDC to aid in these stocking decisions;
 - c. If GCN is not used to aid in these stocking decisions, describe Responder's alternative decision processes;

SECTION 7: MANAGEMENT of MMCAP CONTRACT PRODUCTS

7A. Contract Management.

Responder will be required to have executed contracts with all MMCAP-contracted Suppliers necessary to provide all MMCAP Contract Products, or other service elections, like repackaging service vendors, to MMCAP Members. All exceptions must be approved in writing by MMCAP.

54. **Attachment G**, MMCAP Contracted Suppliers, details the current list of MMCAP-contracted Suppliers as well as other current contracted service vendors. Please complete **Attachment G**.
55. In certain situations, MMCAP-contracted products and Responder-contracted products have the same national drug codes (NDC) (e.g., house-brand products). Describe method(s) that Responder will employ to help distinguish MMCAP-contracted products versus Responder-contracted products.

7B. Pricing Accuracy.

56. Describe Responder's process for attaching MMCAP Contracts to new and transitioning accounts.
57. How are GPO-driven contracts managed as opposed to Supplier-driven contracts, and what information or data are needed from MMCAP to ensure correct contract attachment for all MMCAP Members?
58. How will Responder continuously ensure that MMCAP Members are receiving the correct contract pricing, including tiered pricing? Include Responder's strategies for: the first 90 days following contract initiation; bid roll; and quarterly thereafter.
59. What percentage of supplier contracts does Responder receive electronically (e.g., EDI)? What steps is Responder taking to move suppliers to electronic methods?
60. Describe the process employed by the Responder in ensuring pricing accuracy with suppliers who currently do not have EDI capability.
61. What is Responder's procedure for adding and/or removing products from MMCAP's contract portfolio and describe how the MMCAP contract file, which will be provided weekly, will be used to ensure pricing and Contract Product accuracy?
62. What performance metrics does the Responder propose to measure pricing and Contract Product accuracy?
63. What is Responder's current rate of credits/rebills? What actions does Responder take to minimize the number of credits/rebills that all customers (book of business) receive?
64. Responder will be expected to have quality controls built in to ensure MMCAP Members are receiving the correct MMCAP Contract Product price. Describe Responder's quality controls, how they are performed, the frequency, and follow up procedure for discrepancies.
65. Does Responder's online reporting or ordering system allow MMCAP to verify which MMCAP contracts are attached to a particular account? If yes, describe and provide an example of this feature. If no, when does Responder propose to offer MMCAP this type of functionality?

66. When MMCAP, an MMCAP Member, or another approved party discovers an error in pricing that favors one MMCAP Member, the Responder will be expected to research the reported error. Please describe the Responder's process for reporting an error, the research process, and how these processes will be utilized to issue credits/rebills for all MMCAP Members impacted by the error.

7C. Convenience Contracts.

MMCAP has convenience or access contracts in place with Suppliers for products priced at Wholesale Acquisition Cost minus zero percent (WAC – 0%).

67. Describe Responder's process for reporting purchases made at WAC – 0% to the Supplier for purposes of administrative fee payments and also to MMCAP as on-contract sales.
68. Describe how the Responder will load contracts with suppliers that MMCAP Members have negotiated on their own.

7D. Product Expiration Dating.

Expiration dating for all products delivered under an awarded contract are expected to have a minimum shelf life of six (6) months upon delivery. Any product with expiration dating of less than six (6) months, the Responder will be expected to have the prior approval of the MMCAP Member before the Responder releases and delivers the short-dated Contract Product.

69. Describe the Responder's quality control process for reviewing shelf life requirements in order to avoid issuing shipments of short-dated products to MMCAP Members. Describe how Responder alerts MMCAP Members of short-dated products at the time of ordering.

SECTION 8: ORDERING SYSTEMS/EQUIPMENT

8A. Ordering System/Devices.

Responder's online order entry system is expected to provide real-time inventory and current backorder status information. In addition, the Responder is expected to offer to each MMCAP Member an ordering method(s) that allows the facility to quickly and accurately order MMCAP Contract Products.

Responder is expected to provide all new MMCAP Members with a standard default ordering set-up to ensure MMCAP Contract compliance. This default set-up is expected to be submitted to MMCAP for approval prior to being deployed.

To support auditing of MMCAP-contracted Suppliers and pricing attached to MMCAP Contract Products, the Responder will be expected to provide MMCAP access to a non-ordering account for each distribution center from which MMCAP Members will receive service. These non-ordering accounts will be real-time, applicable to current inventories, list MMCAP base contract pricing (meaning without service fee discounts) and at the highest (most expensive) pricing tier.

70. Provide temporary access to Responder's online ordering system for use by the MMCAP RFP Evaluators for review, validation of functionality in comparison to MMCAP RFP requirements, and MMCAP Evaluation and Rating purposes.
71. Describe the different ordering methods (e.g., online, fax, EDI, phone, etc.) MMCAP Members can employ to place orders through Responder. Include minimum technical requirements for access to Internet/web-based platform(s), as well as mobile technologies that can be made available to MMCAP Members and describe the corresponding technology installation considerations.

- 72. Describe Responder’s capability to provide an interface that allows for a “punch-out” option between a state procurement system and Responder’s ordering system. How often is inventory status updated in this type of ordering interface?
- 73. What equipment/software will be available to MMCAP Members to make the ordering process as simple and accurate as possible?

DO NOT list any financial specificity in this section for ordering equipment/software. Financial information is to be disclosed ONLY in the Cost Proposal.

- 74. How do customers receive confirmation of their orders?
- 75. How will MMCAP Contract Products be clearly identified in Responder’s online ordering system? How are products ranked? What is the default?
- 76. Complete **Attachment H**, and describe how the Responder will meet the expectations of providing an order system within the technological capabilities of MMCAP Members, as well as the minimum functionality requirements.
- 77. Describe the Responder’s standard default account set-ups for MMCAP Members.
- 78. What tools are available in Responder’s ordering or reporting systems to proactively provide MMCAP Members with access to order analyses for cost efficiency (comparisons between brands and generics), contract compliance, and auditing?
- 79. Describe how Responder’s ordering system is able to restrict the ordering of products (e.g., only vaccines, no controlled substances, etc.). Address available restrictions at an individual level (e.g., ordering by MMCAP Member staff restricted to ordering OTCs, etc.).
- 80. Describe how the Responder will create and maintain MMCAP non-ordering accounts. Since it is likely that more than one MMCAP staff might be in the same non-order account at a given time, identify any access limitations a multiple access user might encounter.

8B. Emergency Order Placement and Delivery.

An emergency order is defined as one necessary for immediate and specific patient care which falls outside the normal order and delivery parameters. OTC Products are not considered necessary for immediate and specific patient care and are not required to qualify for free emergency orders. Responder is expected to have a procedure for the placement of emergency orders during non-business hours.

- 81. Describe how Responder determines the number of no-charge emergency order deliveries provided to an MMCAP Member on an annual basis. If the determination basis is average monthly purchasing volume, provide in the details in the chart below. Expand the average monthly purchase volume to meet the Responder’s needs.

Average Monthly Purchasing Volume	Annual Number of No-Charge Emergency Order Deliveries
\$0 - \$25,000	
\$25,001 and up	

DO NOT list any fee information in this section for emergency order delivery charges. If the Responder is proposing fees for emergency order deliveries, fee information is to be disclosed ONLY in the Cost Proposal submission.

82. Describe Responder's procedure for placement of emergency orders during non-business hours, including response time, method, delivery time in hours, and frequency of contact information updates for emergency order placement.

8C. Ordering System(s), Back-up Service, Maintenance.

83. Describe the Responder's proposed ordering system maintenance schedule and how the Responder will accommodate the required notification to MMCAP Members, along with details on the modes of ordering system back-up available during ordering system maintenance down times.

8D. Training.

84. Describe Responder's orientation and training program for its ordering system(s) that is proposed for MMCAP Members, as well as for MMCAP Field Services representatives. Address the use of onsite training and web training for both initial training during the implementation/transition period and ongoing training as requested by MMCAP Members during the term of a resulting contract.

8E. Inventory at an MMCAP Member.

85. Describe how the Responder will support MMCAP Members' physical inventory requests, including options for onsite assistance. Include in this description the access point(s) to request the service support, lead time recommendations for reserving extra Telxon or similar devices to be used in performing the inventory, availability of and options for supplying shelf labels and any lead time requirements for Responder's staff to be scheduled for onsite support of a physical inventory.

DO NOT list any fee information in this section for inventory support. If the Responder is proposing fees for inventory support, fee information is to be disclosed ONLY in the Cost Proposal submission.

8F. Shelf Labels.

86. Describe the Responder's process for providing bar coded shelf labels and provide example(s) of product bar-code labels currently produced by the Responder for use by its customers.

8G. Automatic Substitution.

Responder is expected to only institute automatic substitution upon specific request of an MMCAP Member and upon written notification by the Responder to MMCAP.

87. Describe Responder's process to automatically substitute products, including any options available at the facility level, either at account set-up or later during the term of the resulting Contract. As part of the options available, can auto-substitution be overridden by the MMCAP Member? Is Responder able to customize auto-substitution protocols?
88. Does Responder have the capacity to auto-substitute to:
- a) The MMCAP Contract Product, and
 - b) The lowest cost product?
89. How will MMCAP Members know that an ordered product has been substituted prior to delivery?

8H. Controlled Substances.

Responder is expected to supply a method for ordering controlled substances that will allow MMCAP Members to submit secure, electronic orders for controlled substances. Responder will comply with all DEA requirements for controlled substances.

90. Describe Responder's ordering options for controlled substances. Is any additional equipment required to use Responder's electronic controlled substance ordering system? As an MMCAP Member is onboarded, is there any delay in the MMCAP Member's ability to access and order controlled substances? If there are delays, what resources will the Responder provide to assist MMCAP Members in the transition specifically for controlled substance ordering?
91. What is Responder's order fulfillment time after receiving an electronic DEA Form 222 versus a hard copy version of DEA Form 222?
92. Can controlled substances be held until an MMCAP Member's regular order ships, or will the controlled substance be shipped when available? If shipped when available, will this result in a separate charge for shipping?

DO NOT list any fee information in this section. If the Responder is proposing fees, fee information is to be disclosed ONLY in the Cost Proposal submission.

93. Does the Responder have an internal control process in place to detect irregular ordering patterns of controlled substances and methods to prevent and cure controlled substance diversion? In the event of a regulatory action against a Responder's distribution center, describe how Responder can ensure uninterrupted access to controlled substances by MMCAP Members.

8I. Non-Contract Accounts

There may be scenarios where an MMCAP Member has determined that it does not want to purchase at the MMCAP Contract price, or any contract price, for instance where purchases need to be at WAC for potential third-party reimbursement.

94. Describe Responder's ability to open and manage accounts that are not attached to MMCAP or any other contracts. What strategies will the Responder deploy to ensure that the management of multiple accounts is simple and streamlined for an MMCAP Member? How will this information be communicated and identified in the data provided to MMCAP?

8J. Picking Accuracy

95. Provide the picking accuracy rate for each of the Responder's distribution centers by quarter for the most recent year (four consecutive quarters), including standards and trends.
96. What strategies and technologies has Responder implemented to improve picking accuracy?
97. Describe the incentive program used for warehouse picking processes to meet accuracy rate standards. Include in this description the performance levers within the incentive program for warehouse picking processes aimed at resolving customer complaints regarding the condition of product shipments.
98. What percentage and how many of your distribution centers use automation to fulfill orders?
99. What percentage of totes are audited for quality control? Describe the Responder's quality assurance/control processes that are deployed to ensure accuracy and product condition for manual and automated picking processes.
100. Does Responder use Statements on Standards for Attestation Engagements, specifically SSAE #16, to validate its quality assurance and quality control processes? If no to the use of SSAE #16, what standards does the Responder use to validate quality assurance and quality control processes?

SECTION 9: 340B DRUG PRICING PROGRAM

Responder is required to be an authorized distributor of the 340B Drug Pricing Program for the entire term of the contract. Responder will be required to provide notice in writing to MMCAP in the event of a status change.

Responder is expected to manage MMCAP Members 340B accounts in accordance with the terms and conditions of any contract resulting from this RFP.

101. How will Responder structure MMCAP Members' accounts that are dually eligible for the 340B Drug Pricing Program and MMCAP?
102. How will Responder assist MMCAP Members who need to set up separate 340B account and WAC accounts?
103. How does Responder determine if an account is eligible and/or participating in the 340B Drug Pricing Program? How frequently does the Responder review this eligibility determination?
104. Does Responder assign a specific employee, who is s 340B expert, to manage 340B accounts at each distribution center?
105. Describe how contract attachment and credits/rebills will be managed for 340B accounts.
106. Describe how Responder manages quarterly 340B price changes and explain how Responder manages 340B pricing that is submitted late by a supplier.
107. Service fee discounts are to be applied to 340B purchases. Describe how Responder will facilitate this requirement. If the MMCAP Member has access to an improved service fee discount for 340B purchases, how can the MMCAP Contract be overridden in order to provide an MMCAP Member with the best discount?
108. Responder is strongly encouraged to pay distribution administrative fees to MMCAP on MMCAP Members' 340B purchases. Confirm willingness to pay distribution administration fees on 340B purchases.
109. Is Responder able to indicate a purchase is a 340B purchase in the sales data report and how would this be reported (e.g., 340B Purchase field Y/N or Contract Number Field, etc.)? Since reporting this type of sale is a contract expectation, if reporting functionality does not presently exist, when does Responder propose to have this type of functionality in place?

SECTION 10: DELIVERY

Responder is expected to maintain appropriate temperatures and environmental conditions in accordance with suppliers' requirements for delivery of products to the MMCAP Members. In providing these deliveries, the Responder is expected to be willing to provide no charge delivery for all MMCAP Members.

All deliveries shall be FOB Destination, prepaid and allowed, to the MMCAP Member's receiving dock or pharmacy, unless otherwise stated.

10A. Routine Delivery.

110. Describe how Responder determines the number of no-charge routine order deliveries provided to an MMCAP Member on an annual basis. If the determination basis is average monthly purchasing volume, provide details in the chart below. Expand the average monthly purchase volume to meet the Responder’s needs.

Average Monthly Purchasing Volume	Number of No Charge Routine Deliveries per Week
\$0 - \$25,000	
\$25,001 and up	

- a. Describe, in detail, the Responder’s proposed daily order and delivery schedule; state the deadline by which an order must be placed to be received the next business day.
- b. Is there a separate deadline for controlled substances?
- c. State at what time on the following business day the order will be received. Include order cut-off times for all states Responder is proposing to serve; include relevant time zones.

DO NOT list any fee information in this section for delivery charges. If the Responder is proposing fees for deliveries, fee information is to be disclosed ONLY in the Cost Proposal submission.

IMPORTANT CONSIDERATION REGARDING ROUTINE DELIVERIES:

In providing the details requested for routine deliveries, if certain geographic locations are considered to be outside of the parameters of what the Responder has described, these locations must be identified and the differences defined. If no locations are cited as outside of the parameters identified, the Responder will be held to this detail disclosure as being applicable to **all** MMCAP Member locations.

- 111. Provide:
 - a. Any criteria for which additional delivery fees would apply;

All fee information must be included on the Cost Proposal submission. DO NOT list any fee information in this section.

- b. The method (e.g., air, courier, etc.) by which orders will be delivered and if all items constituting an order can be shipped by this method (i.e. aerosols, flammables, refrigerated items, etc.). Is the Responder able to provide all legally required documentation for transport of specialized materials such as chemotherapeutic medications and hazardous materials?
- 112. In extreme weather conditions or regional emergency situations that may cause delivery delays, what mechanisms does the Responder have in place to mitigate delivery delays, as well as process flows to inform MMCAP Members in a timely manner of such delays?
- 113. Describe Responder’s process for appropriately delivering pharmaceuticals that have temperature restrictions and/or DEA requirements including:
 - a. How Responder ensures packing and transportation compliance with such restrictions or requirements;
 - b. How are MMCAP Members notified that a delivery contains items that need to be managed upon delivery
- 114. Explain Responder’s procedure for keeping delivery totes and shipped products clean and free from debris. How does the Responder ensure cleanliness consistently across distribution centers?

10B. Drop Shipments.

115. For an MMCAP Member's Drop Shipment request that is initiated with the Responder either through its electronic ordering system, by phone, or by fax, describe the Responder's drop ship policy, including the decision process used to determine why certain items are selected to be drop shipped, the procedure, the timeframes, and confirm if any additional fees would be applied to these deliveries
116. Describe how products that will be drop-shipped are annotated on an MMCAP Member's order confirmation.

All fees must be included on the Cost Proposal worksheet. DO NOT list any drop shipment shipping fees in this section.

10C. Specialty Products.

Responder is not to distribute MMCAP Contract Products through associated specialty distributors unless the Responder obtains prior written approval of MMCAP or the Supplier requires the Responder to do so.

117. Describe Responder's mechanism (e.g., sister corporation, parent/subsidiary, contractual, etc.) for providing MMCAP Contract Products (at the contract price) and non-contract products that are only distributed through specialty distribution channels? Will service fee discounts be applied to products purchased through Responder's specialty distribution mechanism? Describe how sales data from associated specialty distribution providers will be supplied to MMCAP. Describe how shipping and invoicing will be managed.
118. How will Responder proactively offer information to help MMCAP Members access contract and non-contract products only sold through manufacturer-restricted limited distribution networks, if Responder is not a wholesaler in such a network?
119. Describe how an MMCAP Member could order and be invoiced for the following products through Responder:
- c. Mirena
 - d. Nexplanon
 - e. Exjade
120. If Responder or its subsidiary/contracted agent is approved to distribute limited-distribution specialty pharmaceutical products, provide a list of such products.
121. With the exception of manufacturer-restricted limited distribution networks, how does Responder determine which products will be delivered through specialty distribution and which will be delivered through its standard distribution channels? List categories of products that Responder only delivers through specialty distribution channels (e.g., albumin, immune globulins, coagulation factors, etc.).

All fee information must be included on the Cost Proposal submission. DO NOT list any fee information in this section.

10D. Delivery of Bulky Items.

MMCAP defines bulky items as those products that may be exceptionally cumbersome to deliver. Examples of these products may include cases of nutritional products, IV fluids, etc. Service fee discounts are to be applied to orders for bulky items for which MMCAP has a contract. Handling fees for non-MMCAP contract bulky items are to be reported as a separate line item on an MMCAP Members' invoices.

122. Identify and define any and all products that the Responder considers to be bulky items. Large categories of products should be broken out so that MMCAP and MMCAP Members can easily identify which products are considered bulky items. In addition, confirm if there will be additional fees for the delivery of the bulky items as defined and how the Responder will meet the order confirmation and invoicing requirements identified.

All fees must be included on the Cost Proposal worksheet. DO NOT list any fee information in this section.

SECTION 11: PEDIGREE

Responder is expected to comply with state pedigree requirements and the U.S. Drug Quality and Security Act (H.R. 3204) that establishes a national system for tracing pharmaceutical products through the supply chain and sets national licensing standards for wholesaler distribution.

- 123. Describe what systems and support the Responder has in place and proposes to MMCAP in order to implement the U. S. Drug Quality and Security Act (H.R. 3204). In addition, address and explain how the Responder will comply with state specific pedigree law requirements that may continue to be in place as the new Federal law is transitioned.
- 124. Describe how Responder will provide necessary training to MMCAP Members to help them comply with the Drug Quality and Security Act.

SECTION 12: CONTRACT COMPLIANCE

12A. On-Contract Purchasing.

Responder will be expected to identify ways to eliminate barriers that prevent MMCAP Members from purchasing MMCAP Contract Products. One such way is clearly identifying those MMCAP Contract Products in its order entry system and maintaining adequate stock, therefore the Responder’s ordering system is expected to clearly identify MMCAP Contract Products and inventory status for all products. On-demand contract compliance reporting is to be available for each MMCAP Member. Responder must commit to supporting MMCAP Contract Product purchasing.

- 125. Describe the methods that the Responder can deploy to help MMCAP Members maximize contract compliance (provide a minimum of three concrete, practical, and actionable methods that could be deployed).

12B. Compliance Calculations.

- 126. Describe Responder’s capabilities to report MMCAP Members’ contract compliance by utilizing the calculations identified below:

Raw Contract Compliance:

$$\frac{\text{MMCAP Contract Sales}^a}{\text{Total Sales}^b}$$

- a. MMCAP Contract Sales: Products for which MMCAP has negotiated a contract
- b. Total Sales consist of MMCAP Contract Sales, Alternate Contract Sales, Responder’s Generic Drug Programs, and non-contract sales.

Adjusted Contract Compliance:

$$\frac{\text{MMCAP Contract Sales}^a + \text{Alternate Contract Sales}^b}{\text{Total Sales}^c}$$

- a. MMCAP Contract Sales: Products for which MMCAP has negotiated a contract
- b. Alternate Contract Sales consist of products purchased under the 340B Program, Products purchased from contract individually negotiated by MMCAP Members, or Product purchased from the Responder’s Generic Drug Programs.
- c. Total Sales consist of MMCAP Contract Sales, Alternate Contract Sales, and non-contract sales.
- d. In the event that an MMCAP Member has a 340B account, that portion of the MMCAP Member will be assigned a separate account number and Contract Compliance is to be calculated in the same manner for that account.

12C. Reporting Tools

Responder is expected to provide real-time, online electronic access to all purchasing data related to the products that are purchased by each MMCAP Member to MMCAP, MMCAP State Contacts, and MMCAP Members. Users of the Responder's online reporting tools expect to be able to manipulate data to build reports based on each MMCAP Member's individual needs directly through the system or through the ability to transfer data into spreadsheets in Microsoft Excel compatible format. **MMCAP State Contacts and MMCAP Members expect access to reporting tools at no additional cost.**

127. Describe Responder's online reporting tools that will be available to each MMCAP Member. Provide examples (electronic or website) of common pre-defined reports (e.g., 80/20, contract compliance with alternates, etc.) and formats available (e.g., Microsoft Excel, etc.). Provide specificity regarding standard reporting, as well as any enhanced reporting options that may be available.

All fee information specific to enhanced reporting options must be included on the Cost Proposal. DO NOT list any fee information in this section.

128. For reports that are rolled up, describe how an MMCAP Member can drill down into additional detail. Describe Responder's ability to allow one user (e.g., super-user) to run reports for several MMCAP Members' accounts at one time. Is a super-user feature available as part of the standard reporting package or as an enhanced reporting option? If report roll-ups and drill down capabilities are not currently present within the Responder's online reporting tools, when would the Responder have the needed reporting tools available?
129. What will be the procedure and timing associated with adding new MMCAP Members to group reporting features and will this procedure be facilitated at the user level, or be the Responder's responsibility?
130. Describe Responder's online reporting tools that will be available to MMCAP. Will MMCAP have access to individual account data and reports? Provide examples of online electronic pre-defined reports (e.g., 80/20, etc.) and formats (e.g., Microsoft Excel, etc.) available to MMCAP.
131. Will MMCAP have access to data and reports rolled up as a group (e.g., all MMCAP accounts, a state, etc.)? Describe how groups can be built (e.g., MMCAP builds groups, Responder builds groups, etc.) and how groups can be customized. What will be the procedure and timing associated with adding new MMCAP Members to group reporting features and will this procedure be facilitated by MMCAP or will it be the Responder's responsibility?

SECTION 13: INVOICING

13A. Order Invoice.

Responder is expected to submit an invoice with each order. Invoices are expected to be issued only for the amount of product delivered, not the amount of product ordered.

Responder is expected to have invoicing procedures that follow standard rounding methodology. This standard invoicing methodology will round down if the third digit after the decimal is 4 or less and round up if the third digit after the decimal is 5 or more.

132. Complete **Attachment I** INVOICE DETAIL and SAMPE INVOICE. In addition, provide an example of a current invoice for a Responder's large customer, one that is similar in size and scope to a large MMCAP Member.
133. Describe Responder's process for customizing invoices at the request of an MMCAP Member. Are service fee discounts identified by line item on the invoice?

134. Describe Responder's policy for charging for non-contract products (e.g., explain whether MMCAP Members will be invoiced at WAC or something lower/higher for non-contract products). Does this differ for brand, generic, or OTC products that are not on contract?

13B. Credits.

When credits are issued, the Responder is expected to issue credits to MMCAP Members that have no expiration date. Furthermore, in the event of a facility closure or other event where an MMCAP Member will not be making another purchase through Responder, it is expected that the MMCAP Member will be given the option to cash out its unused credits. It is expected that the MMCAP Member, at its direction, can have unused credits transferred from one account to another account.

135. Confirm that Responder will comply with the requirement of issuing credits that have no expiration date.
136. Are credits issued for all dollar amounts, if not identify the minimum credit amount?
137. Does Responder issue credits daily? How many business days after resolution of an invoice dispute is a credit memo issued?
138. Describe the following:
- a. the use options available to an MMCAP Member for credits issued
 - b. the notification process that credit is available
 - c. the availability of a report showing credits that were paid and any existing credits still available
 - d. reporting on aged credits
 - e. online options to print out a hard copy of credit memos
 - f. hard copy credit memo with next delivery
139. Are credit memos clearly identified as credit memos? Provide a printed example. Do credit menus contain the following information:
- a. Original purchase order number;
 - b. Original Responder invoice number;
 - c. Original order date;
 - d. Itemized listing of the product(s) affected;
 - e. Any rebill associated with the credit;
 - f. The reason (s) for the credit (e.g., supplier credit, merchandise return, etc.);
 - g. Net credit amount available to an MMCAP Member.
140. Describe how Responder will ensure the availability of credits in coordination with an MMCAP Member's fiscal year needs.

13C. Rebills.

141. Are rebills clearly identified as rebills? Provide a printed example. Do rebills contain the following information:
- a. Original purchase order number;
 - b. Original Responder invoice number;
 - c. Original order date;
 - d. Itemized listing of the product(s) affected;
 - e. Any credit memo associated with the rebill;
 - f. The reason (s) for the rebill (e.g., supplier chargeback denial, pricing errors, etc.);
 - g. Net amount due/available to the MMCAP Member.

142. Identify and describe Responder's policy for credits/rebills. Address in this description remedies to limit or negate after-order product price increases impacting an MMCAP Member. If there is a significant credit/rebill that is not in the MMCAP Member's favor, how is the MMCAP Member notified?
143. How far back does Responder allow credits/rebills to be processed for errors initiated by:
- Manufacturer/Supplier;
 - MMCAP Member;
 - Third-Party, e.g., invoice auditing service?

13D. Chargeback Denials.

MMCAP needs prompt, electronic notification when MMCAP Members receive chargeback denials from contracted Suppliers. Preferred notification is via an automated report or e-mail.

144. Describe how Responder will meet the chargeback denial notification need as described above. Include in this description coordination of responsibilities and a timeframe for sending notifications after a chargeback has been denied. How will the Responder work with MMCAP to resolve MMCAP-contracted Supplier chargeback notifications?
145. Does the Responder have a process for notifying an MMCAP Member of a class of trade (COT) issue that affects the price of Contract Products?

13E. Invoice Disputes.

Responder is to be notified of any known dispute with an invoice within 30 calendar days of the receipt of the invoice by an MMCAP Member; and Responder is expected to ensure that any outstanding amount does not impair the service fee calculation for an MMCAP Member. If an MMCAP Member pays a portion of or all of a disputed invoice and the disputed invoice is found to be in error, it is required that Responder process credits/rebills. It is expected that Responder will make a good faith effort to resolve known disputes related to contract pricing within 30 calendar days of the notice of dispute. Where a disputed invoice is determined not to have been in error, the MMCAP Member will not be liable for interest and penalties related to the disputed amount.

146. Describe Responder's invoice dispute resolution process. In addition, identify how Responder will ensure that the timing of the payment associated with a disputed invoice will not impair the service fee calculation for the MMCAP Member.

13F. Goods Returned to Responder.

Responder is expected to maintain a return policy for accepting returns from MMCAP Members in accordance with applicable laws, regulations, and normal business practices. It is also expected that there will be no associated fees charged to MMCAP Members for the following returns:

- Products returned due to Responder error (e.g., incorrect item or quantity).
- Products received through Responder with visible or concealed damages.
- Products received through Responder but without appropriate temperature-controlled packaging.
- Recalled products, regardless of level of recall.
- Products received through Responder that have less than six (6) months shelf life dating at the time of receipt from Responder, unless otherwise authorized by the MMCAP Member.

147. Detail the specific criteria for accepting returns, including a timeline for the completed return cycle process, from notification to credit. In addition, for returns that are not included in the list above, identify if there will be a restocking fee and the invoice timing of the restocking fee. Include any required process, e.g., cold chain, etc., that must be followed in order to obtain credit.

All fees related to products returned must be included on the Cost Proposal. DO NOT list any fee information in this section.

148. Provide Responder’s return policy for products in saleable/merchantable condition, for which the return is not included in the list above and complete the table with the parameters of the policy:

Returns Made Within:	Credit Amount:
1 - ___ Calendar Days from Invoice Date	Credit at ___ % of Invoice Amount
___ - ___ Calendar Days from Invoice Date	Credit at ___ % of Invoice Amount
___ - ___ Calendar Days from Invoice Date	Credit at ___ % of Invoice Amount
___ - ___ Calendar Days from Invoice Date	Credit at ___ % of Invoice Amount
___ - ___ Calendar Days from Invoice Date	Credit at ___ % of Invoice Amount
Returns Greater than ___ Calendar Days from Invoice Date	Not Accepted

149. What steps does Responder take to ensure the integrity of the supply chain as it processes products for return?

13G. Recalls.

150. Describe the process(es) and method(s) for alerting MMCAP and MMCAP Members in the event of a recall. Would notices go to each ship-to location for which Responder has a sales history within the affected recall timeframe? Include in this process how long Responder will commit to sending out recall notices, and the associated time frame to send recall notices after contract expiration.
151. Provide Responder’s source(s) of data for recalls.
152. How do Responder’s actions differ based on the class of the recall?
153. Provide an example of Responder’s recall notification that will be sent to MMCAP and MMCAP Members. Can an MMCAP Member opt out of electronic recall notices, either at account set-up or after the account has been set up and used for a period of time?

SECTION 14: PAYMENT

14A. Payments by MMCAP Member.

Each MMCAP Member will be responsible for payment of goods and services provided by Responder. MMCAP will have no liability for an unpaid invoice of any MMCAP Member. Responder will accept purchase orders and invoice the MMCAP Member for all products shipped and services provided.

154. Describe Responder's available payment modalities for payment of invoices issued for goods and services provided. Include in this description how Responder facilitates initial selection of and changes in payment modalities with MMCAP Members, and if there are credit requirements that impact the payment modality selection availability.
155. For some MMCAP Members, the use of a government purchasing card, P-Card, is a potential procurement payment tool. Does Responder accept P-Cards as a form of payment? If, yes, under what circumstances and conditions?

Any changes to the service fee discount in using P-Cards as a form of payment must be included on the Cost Proposal. DO NOT list this information in this section.

14B. Late Payment.

156. Describe Responder's late payment policy and how it applies to public sector business.
157. In the event an MMCAP Member is delinquent, describe how Responder will engage collection activities.

SECTION 15: VALUE-ADDED SERVICES

15A. Business Development.

To strengthen current relationships and develop new ones, MMCAP has Field Services representatives to provide front-line support to prospective and current MMCAP Members.

158. Describe how Responder will support business development opportunities, utilizing joint engagement strategies with MMCAP Field Services representatives and the appropriate state specific contact(s), to increase the use of MMCAP Contracts.

15B. Business Partnership Opportunities.

159. When there is a "mutual" interest in a business opportunity, what process does Responder have in place for proactive engagement, with MMCAP, for responding jointly to competitive solicitations?

15C. Pharmacy Interfaces.

Responder's pharmacy interfaces with software and dispensing systems will be developed and implemented as a service inclusion, with training and technical support included.

160. Describe how Responder will develop and implement its pharmacy interfaces with software and dispensing systems. What training and technical support will be provided to MMCAP Members? List costs for pharmacy interfaces, if any, in the Cost Proposal.

All fees must be included on the Cost Proposal. DO NOT list any fee information in this section.

15D. Supplementary Services.

Responder may make supplementary services and products that are available to its general customers, not specifically mentioned within the resulting contract with MMCAP. However, any services and products that compete with a service or product contract that MMCAP already makes available to MMCAP Members will not be considered. Supplementary services and products offered by Responder, if approved by MMCAP, will be managed through an amendment to the contract resulting from this RFP. Any proposed supplementary services or products are required to be clearly marked as "Supplementary Services," **and their associated cost must be clearly stated in the sealed "Cost Proposal."** These products and services should be carefully separated in Responder's proposal in the "Cost Proposal" section so that they can be accepted through this RFP process and evaluated individually.

15E. Responder's Generic Drug Program.

Outside of this wholesaler distribution services RFP, MMCAP also solicits bids for generic pharmaceuticals to ensure that MMCAP Members have the best-priced pharmaceuticals on contract. Many MMCAP Members have state procurement mandates requiring the purchase of the lowest cost product. Adherence to the requirement to stock MMCAP Contract Products is in place to support the procurement mandates of MMCAP Members.

However, MMCAP recognizes the likelihood that Responder may have developed competitively priced Generic Drug Programs of its own. Again, with the goal of having the best-priced pharmaceuticals available to MMCAP Members for purchase, Responder will be permitted to load its best-priced tier Generic Drug Program under the following conditions:

- a. The applicable MMCAP State Contact decides if Responder's Generic Drug Program will be available to MMCAP Members in that state.
- b. Responder must not use MMCAP's contract pricing to calculate its Generic Drug Program Pricing.
- c. For consistency of communication, if Responder receives requests for information regarding Responder's Generic Drug Program, Responder will direct all inquiries to MMCAP.
- d. Responder's Generic Drug Program products may be ranked before MMCAP Contract Products only if an MMCAP Member has set its ordering system to rank by price and the price is lower than the MMCAP Contract Product. If an MMCAP Member ranks by contract, then the MMCAP Contract Product must appear first.
- e. Responder will clearly label any products on its Generic Drug Program as such in its ordering system.
- f. Responder will be required to identify Responder's Generic Drug Program products as such when Responder reports sales data to MMCAP.
- g. Responder will be required to pay a monthly administrative fee of 3% to MMCAP on all sales of Responder's Generic Drug Program products sold to MMCAP Members, in addition to any distributor administrative fee payments.
- h. Service fee discounts extended to MMCAP Members will be applied to all Generic Drug Program sales.
- i. A complete list of products and pricing under the Generic Drug Program will be available for viewing in Responder's ordering systems by MMCAP and MMCAP Members.
- j. Products in Responder's Generic Drug Program available to MMCAP Members will be generic pharmaceuticals (including vitamins and over the counter products) and will not contain medical supplies or health and beauty products, unless approved by MMCAP.
- k. Responder will notify MMCAP and MMCAP Members in advance of its bid roll timing for its Generic Drug Program. Additionally, Responder will notify MMCAP and MMCAP Members prior to switches in products covered under the Generic Drug Program.
- l. Responder is expected to only institute automatic substitution upon specific request of an MMCAP Member and upon written notification by the Responder to MMCAP.
- m. If the same NDC is the same price on both an MMCAP contract and on Responder's Generic Drug Program, the sale will be applied to MMCAP.
- n. Responder agrees to minimum stocking levels (three units/month) for all MMCAP Contract Products.
- o. Failure to Supply (FTS) MMCAP Contracted Pharmaceuticals:
 1. If Responder fails to maintain sufficient inventory of MMCAP Contract Products to meet the anticipated needs of MMCAP Members, an MMCAP Member may purchase an alternate equivalent generic product for the period in which Responder is unable to provide the Product. Responder will be liable for any excess cost over the MMCAP Contract Price.
 2. Responder will use the price of the MMCAP Contract Products and the invoice price of the alternate generic product to determine the amount of reimbursement for failure to supply claims.

3. An MMCAP Member will submit the following information to Responder for each product that reimbursement is expected:
 - MMCAP Member Name, Address, City, State, Zip
 - MMCAP Member DEA or HIN
 - MMCAP Member point of contact for reimbursement (including telephone number and e-mail address)
 - Product description
 - Generic Source price
 - MMCAP Member's purchase price
 - Alternate NDC
 - Alternate NDC manufacturer
 - Alternate NDC purchase price
 - Alternate NDC quantity purchased
 - Alternate NDC date purchased
 - Amount due
 - Reason (e.g., brief description, proof of failed order)
 - A copy of the invoice showing the purchase of an equivalent generic product from the alternate source
4. Responder must pay claims directly to the MMCAP Member via credit memo within 30 days of receipt of a claim.
5. Responder will be responsible for payment of Failure to Supply claims for 180 calendar days, unless Responder has provided MMCAP with at least 180 calendar days' advanced written notice of the intent to remove the product from the Generic Drug Program. Responder will remain responsible for all Failure to Supply claims during the 180-day notice period.
6. Responder's address for FTS reimbursement:
Electronic filing address: _____
- p. Responder will provide training to MMCAP Members using Responder's Generic Drug Program to include:
 1. Ordering training to all MMCAP Members desiring training, to include ordering of non-stocked MMCAP Contract Products to be stocked as inventory in Responder's distribution center and available for prompt delivery.
 2. Ranking for both MMCAP and Responder's Generic Drug Program contracts by contract and by price.
 3. Filtering and sorting products to find the lowest priced item by purchased size or unit of measure.
- q. Responder will send to MMCAP's contracted invoice auditing vendor a weekly pricing file that will include all the data necessary for the invoice auditing vendor to be able to audit the pricing invoiced to MMCAP Members.
- r. Responder will accept an MMCAP Member's zero order as a request to stock an MMCAP Contract Product.

161. Given that Responder's Generic Drug Program will be evaluated by MMCAP Members as a wholesaler selection tool, Responder will need to provide its Generic Drug Program pricing for a specified market basket. This market basket can be found in the Cost Proposal worksheet.

Be advised that the pricing Responder provides will not be utilized for any other purpose than to evaluate each Responder's Generic Drug Program for best value. MMCAP will calculate a total market basket valuation, so that MMCAP State Contacts can use this comparative information as a selection tool.

162. Describe how Responder will develop process flows and provide validation of the conditions outlined for Responder's Generic Drug Program.

SECTION 16. MMCAP SERVICE CONTRACTS

MMCAP has vendor contracts for the products and services listed in this section, 16A through 16C. MMCAP has evaluated these products and services separately through a competitive RFP process. As part of the RFP process for these services, MMCAP determines whether these product and service vendors are in good standing with MMCAP's contracted pharmaceutical wholesalers prior to contract award. Responder will be expected to establish relationships with the existing MMCAP-contracted vendors providing these other service elections and to work with these vendors for the specified products and services. Furthermore, Responder will be expected to establish relationships with future MMCAP-contracted vendors as new service programs come online for MMCAP Members. All exceptions must be approved in writing by MMCAP.

Responder is prohibited from directly offering the products or services described in Section 16 to MMCAP Members during the term of any contract resulting from this RFP, except in cases where Responder is awarded a contract through a solicitation process, where Responder is a current contract holder, or in those instances where the MMCAP Member has made the request to both MMCAP and Responder for these specific services.

16A. Contract Price Auditing.

Responder is expected to have the capability to provide 810 EDI invoices to any entities designated by MMCAP. MMCAP currently has a contractual relationship with eAudit Solutions Inc.

163. Describe any requirements that would need to be completed prior to MMCAP's contracted invoice auditing vendor receiving the Responder's 810s. Include any forms or authorizations and processing instructions.
164. Describe Responder's process for resolving discrepancies identified by MMCAP's contracted invoice auditing vendor.
165. Provide all forms that an MMCAP Member would be required to complete to use this service.

16B. Reverse Distribution Processor.

Responder will not withhold or delay application of a credit from a returned goods processor to an MMCAP Member's account for any reason, including if the credit is from a supplier that is in arrears with Responder.

166. Describe Responder's process for managing credit returned to MMCAP Members from the MMCAP-contracted returned goods processor. Include in this description whether or not Responder will charge a fee for processing reverse distribution credit, and the timing associated with the process.

All fees must be included on the Cost Proposal. DO NOT list any fee information in this section.

167. Provide all forms that an MMCAP Member would be required to complete to use this service.

16C. Repackaging Services.

Responder is expected to integrate service requirements to work with MMCAP's Repackaging Services vendors. MMCAP currently has contractual relationships with both SafeCor Health and RemedyRepack.

168. Describe how Responder will integrate service requirements to work with these repackaging vendors, identifying any Responder requirements of both MMCAP and MMCAP Members to operationalize this service component. Operationalizing detail should include: account naming conventions; how MMCAP Members will be attached to the contracts to minimize Supplier contract price denials; impact on free shipping allocations, pass-through billing services; or other service inclusions available through Responder related to working with the repackaging vendors.

All fees, specific to shipping/delivery charges to the repackaging vendors, or additional services, like invoice consolidation, must be included on the Cost Proposal. DO NOT list any fee information in this section.

169. Provide all forms that an MMCAP Member would be required to complete to use this service.

16D. Influenza Vaccine/Medical Supplies.

Both influenza vaccine distribution and medical supplies distribution are independent, separate service offerings. It is expected that reasonable efforts will be made by Responder to direct MMCAP Members to MMCAP for guidance on these service offerings. Unless Responder is also awarded one or both of these other service offerings through a separate RFP processes, it is expected that Responder will not solicit MMCAP Members for influenza vaccine distribution and medical supplies distribution service offerings.

170. Confirm Responder's agreement with the expectations identified for influenza vaccine and medical supplies.

SECTION 17: IMPLEMENTATION PERIOD

17A. Selection of Wholesaler by MMCAP Member States.

Once the contract is finalized between the selected Responder(s) and MMCAP, Responder is expected to respond to invitations from MMCAP Member States for interviews; not all Responders may receive an invitation to interview. All costs incurred for interview meetings are at Responder's expense. Responders are encouraged to use in-person meetings as the vehicle for these interviews. MMCAP Member States will identify their choice of pharmaceutical wholesaler and will advise MMCAP of that selection.

171. Describe what resources Responder will make available to meet with MMCAP Member States to allow interviews to occur. Include in this description how Responder intends to engage MMCAP Member States in the selection interview dialog.

17B. Implementation.

Upon notification that an MMCAP Member State has chosen one of the selected Responders to serve as its pharmaceutical wholesaler, Responder will establish an implementation plan. This plan will detail the phase-in of Responder's operations at MMCAP Members with a 100% operating level at the end of the implementation period.

Satisfaction of a 100% operating level will include:

- a. Initial contact and introduction with the MMCAP State Contacts for approval of planning and implementation processes, **prior to** any action by Responder to move forward;
- b. Installation and testing of all electronic ordering equipment;
- c. Training of all employees identified by the MMCAP Members;
- d. Bar coding and shelf labeling;
- e. Price loading of all MMCAP Contract Products into Responder's system;
- f. Responder's internal inventory preparation and distribution system, based on current MMCAP Members' sales and usage data, with GCN level data groupings;
- g. Responder's plan to ensure that stocking and chargeback agreements are in place with all MMCAP-contracted Suppliers.

172. Describe the resources Responder proposes to make available in order to meet implementation satisfaction requirement of a 100% operating level for those MMCAP Members the Responder will service. Include in this description an implementation timeline, tasks to be completed, training availability criteria for MMCAP Members, and how Responder will provide an inventory of MMCAP Contract Products sufficient to meet the needs of MMCAP Members from the beginning of the MMCAP contracting period.

173. How soon will the transition for MMCAP Members not previously served by Responder be completed? Transition means that the new facility will be ready to begin placing and receiving orders even though the contract is not yet reached the effective date. What would be the expected timing for completion to be at 100% operating level?

SECTION 18: BUSINESS INTERRUPTION PLAN

Responder must have a deployable emergency preparedness and business continuity plan. During implementation, Responder will be expected to develop a pre-selected list of products to be shipped in the event of a national or regional emergency with each MMCAP Member that desires to do so. Responder's detailed Disaster Recovery Plan is to be available upon request from MMCAP.

As part of the Business Continuity Plan, it is expected that Responder will provide:

- a. Up to three backup locations for each distribution center
- b. Emergency customer support and centralized command and control centers
- c. Procedures for contacting employees
- d. Strong relationships with suppliers to maintain fuel supply in the event of a shortage
- e. Working relationships with government agencies and industry trade associations

174. Describe Responder's ability to develop and ship pre-selected orders, in the event of a national or regional emergency to MMCAP Members. Include in this description, measures Responder would deploy to ensure that MMCAP Members continue to receive medications during a disaster or other unforeseen malfunction in pharmaceutical distribution. In addition, provide Responder's experience in responding to natural, technological, or man-made disasters, in terms of successes and lessons learned through experience.

SECTION 19: SHAREBACK CREDITS

Responder will manage the MMCAP shareback credit process.

The shareback credit process is expected to be managed in accordance with the schedule below:

- a. MMCAP will provide Responder a list of MMCAP Members receiving a credit, the credit amount for each facility, account number, and a check for the total amount of all credits to be provided.
- b. Responder must apply the credit to all listed MMCAP Members within fifteen (15) business days of the receipt of the funds.
- c. Within 30 business days of the receipt of the funds, Responder must provide MMCAP with an Excel spreadsheet detailing the credit memo or check warrant information. This spreadsheet must include the following fields: distribution center, account number, Member name, Member address, Member city, Member state, DEA, HIN, date of credit memo, credit memo number, and credit memo amount.
- d. Responder will work with MMCAP to identify all MMCAP Members in an effort to issue all credits before refunding dollars back to MMCAP. Prior to any funds returned to MMCAP, written approval must be received from MMCAP.
- e. Within 15 business days of written approval for funds to be returned, Responder will issue a refund to MMCAP of the remaining dollars for which it was unable to issue credit.
- f. Upon initiating the refund to MMCAP, Responder will provide a copy of the original shareback credit spreadsheet detailing the credit information (received from MMCAP), the reason for non-application of funds, and the dollar amount of the funds returned to MMCAP.

175. Describe Responder's capabilities to effectively and efficiently manage and facilitate the MMCAP shareback credit process, on either an annual or a quarterly basis. Include in this description how Responder will meet the process timelines and identify performance metrics to be associated with key timing requirements of the MMCAP shareback credit process.

SECTION 20: FEES

- a. Proposals submitted in responses to this section must be in a separately sealed envelope labeled "Cost Proposal" and must follow the instructions set forth in the Instructions section of this RFP.

- b. All of Responder's RFP pricing and fee information must be inserted in the Cost Proposal worksheet which will be sent upon request. To request access to supporting data and Cost Proposal worksheet, submit an email to Jennifer Faricy, Contracts and Procurement Officer.

Email: MMCAP.RFP@state.mn.us

Email Subject: Pharmaceutical Wholesaler RFP Usage Data

If you do not receive the information within one business day, please resend your request.

- c. Responder should be aware that payments to lock boxes create problems for some MMCAP Members. Also, many MMCAP Members are establishing or have established electronic fund transfer (EFT) payment requirements. The EFT payment process, once established, is considered the determinate of timeliness – if the EFT transaction reached Responder's EFT account on time, the payment was on time.
- d. Responders should take all account variations under consideration when proposing fee schedules and payment requirements. There will be no variation permitted within Responder's corporation – if the contract indicates "30 days from receipt," then that is the requirement for each of Responder's distribution centers.
- e. Responder will pay to MMCAP a monthly distribution services administrative fee for the management of the wholesaler contract based on the amount of aggregate MMCAP Member product purchases (net of returns and allowances). Such amount will be payable within fifteen (15) days of the close of the month in which the fees were earned. Together with such payments, Responder will provide a detailed report in a mutually acceptable format substantiating payment.
- f. Service Fee Matrix. Responder's Service Fee Discounts are expected to apply to **all** purchases. Describe Responder's policy for the Service Fee Discounts outlined in the Service Fee Matrix found in the Cost Proposal worksheet. Include the following details, if applicable:
1. List the complete proposed Service Fee Discount structure. Include within this fee structure, any discounts proposed for promptness of payment and for large volume purchases. Also include all other fees or charges proposed to MMCAP Members as indicated. Only fees and charges listed in Responder's Cost Proposal will be allowed in any final contract unless specifically negotiated at a later date.
 2. All changes to the Service Fee Matrix will be communicated to MMCAP in writing within a minimum of five (5) business days' prior to the effective date of the change.
 3. Responder's Service Fee Discounts may only change on a quarterly or less frequent basis.
 4. Responder's Service Fee Discounts must be provided to MMCAP on a quarterly basis in an Excel spreadsheet, delivered electronically to mn.mmcap@state.mn.us. The Service Fee Discount Report file layout can be located in the data file layouts worksheet.
- g. Volume Incentive. Propose a Total MMCAP Volume Incentive on the Cost Proposal worksheet, which is based on the annualized aggregated purchases of MMCAP Members utilizing Responder as their wholesaler.

SECTION 21: REPORTS

21A. MMCAP Reports

Responder will need to review and affirm its capabilities to provide the following report requirements for evaluation purposes. Responder will be expected to comply with specified formats, timing, and provision of the reports listed in this Section. Any inability to comply with these requirements must be identified in Responder's proposal. All electronic files supplied to MMCAP must be in a row and column format so they can be integrated into MMCAP's software systems. The data file layouts worksheet will be provided by MMCAP when the RFP Data is requested by the Responder.

- A. **Sales Data Report.** Responder must be able to supply to MMCAP accurate monthly sales data on or before the 10th day of the second subsequent month (e.g., June's data will be due July 10).

- B. **Monthly Payment Report.** Responder must be able to supply to MMCAP accurate monthly payment data on or before the 10th day of the second subsequent month (e.g., June's data will be due July 10th).
- C. **Kill/Fill Report.** Responder must be able to supply to MMCAP accurate kill/fill data on or before the 10th day of the second subsequent month (e.g., June's data will be due July 10th).
- D. **Contract Change Report.** Responder must be able to supply to MMCAP accurate Contract Change data on the first day of each week.
- E. **Contract File Audit Report.** Responder must be able to supply to MMCAP its version of the MMCAP contract file on the first day of each week.
- F. **Off-contract with Alternative On-contract Report.** Responder must be able to supply to MMCAP accurate off-contract with Alternative Item on-contract report on or before the 10th day of the subsequent month (e.g., June's data will be due on or before July 10th). These data must include every transaction where an MMCAP Contract Product was available when an off-contract purchase was made.
- G. **Raw and Adjusted Fill Rate Report.** Responder must be able to supply to MMCAP a Raw and Adjusted Fill Rate Report. The Raw and Adjusted Fill Rate report must be received on or before the 10th day of the subsequent month (e.g., June's data will be due on or before July 10th).
- H. **Wholesaler Member Listing.** Responder must supply a listing to MMCAP of MMCAP Members attached to the MMCAP Contract on or before the 10th day of the subsequent month (e.g., June's data will be due on or before July 10th).
- I. **Manufacturer Backorders (MBO).** Responder will supply to MMCAP, at a minimum, a biweekly, accurate listing of all MMCAP Contract Products backordered due to manufacturers' inability to supply the product(s). The report must be delivered electronically to MMCAP and any other sources MMCAP designates (e.g., current vendor hosting MMCAP's website).
- J. **Discontinued Product Report.** Responder will supply a monthly, or more frequent, report detailing MMCAP Products which Responder deems to be discontinued. This report must identify reason for discontinuation (e.g. manufacturer discontinued, wholesaler discontinued, etc.).
- K. **Service Level Penalty Report.** Responder will supply a monthly report detailing service level penalties incurred, including MMCAP Member information, date of credit, and credit memo number.
- L. **Service Fee Discount Report.** Responder will supply a report detailing applicable Service Fee Discounts for each MMCAP Member based on payment terms and purchase volume.

21B. MMCAP Member Reporting

The following reports, are expected to be within the reporting capacity of the Responder, and are to be made available online in printable copy and electronic/exportable formats (e.g., Excel) at no additional cost.

If applicable, reports must be sortable by generic or label name, units, date range, or dollars. Additionally, units reported must correspond to the packaging associated with the NDC. Identify which of the listed reports (1-13) will be available to MMCAP Members, on an ad hoc basis, for frequency intervals as defined by the MMCAP Member (e.g., daily, monthly, quarterly, annually, etc.). Responder is expected provide MMCAP Members with accurate standard, aggregated, and enhanced reports including but not limited to the following:

1. Reports detailing total purchases (payment amount and units) by individual item (e.g., NDC, SKU, supplier, generic name, and/or label name);
2. Cost savings reports associated with the use of either MMCAP Contract Products or other alternative contracts (should be compared to relevant retail pricing);

3. Reports displaying purchases of controlled substances and the associated invoice and/or purchase order numbers along with MMCAP Member name, account number, NDC number, invoice number, invoice line number, label name, date shipped, amount paid, date payment credited, FDA schedule category, and DEA number;
4. Velocity (80/20) report (fastest moving and highest dollar) containing forecasted velocity codes with order points and order quantities; contains cumulative percentages;
5. Price change report, indicating products with price changes; includes percentage change in price;
6. Physical inventory reports sorted by American Hospital Formulary Service (AHFS) pharmaceutical category. These reports must show the label name, NDC, quantity, cost per unit and the extended cost of the product units on hand;
7. Drug usage (amount paid and units) reports by AHFS category. Percentages for each category must be provided. MMCAP Members must be able to select all AHFS categories as well as select specific AHFS categories;
8. A report detailing all items that were ordered, but that will not be delivered, provided to the MMCAP Member the same day the order is generated by the same method that the order was transmitted;
9. Manufacturer backorder reports, identifying where products were not available due to manufacturers' inability to supply that captures all product alternatives purchased in its place;
10. Product category breakdown reports, which display total procurement dollar volume for categories such as brand, generic, OTC, 340B, contract, non-contract, etc.;
11. Invoice reports, selected by invoice number, account number, purchase order number, or at billing statement intervals;
12. On- and off- contract reports that display total dollars spent on and off contract; MMCAP Members should be able to drill down into item purchases;
13. Off-contract purchases with contract alternatives report; and
14. Any other reports required by law.

If the Responder has additional reporting capacity that would be advantageous to MMCAP Members that is not specifically identified in the reports listed above, please provide an example of the report(s), detailing the value represented by the additional reporting.

SECTION 22: RISK ASSESSMENT

Responder is to list and prioritize major risk items that are unique to this contract, as well as Responder's proposed mitigation strategies. This includes areas that may cause the service to not be delivered in accordance with the scope of work and conditions described in the RFP. The risks may include both internal and external factors. The risks should be non-technical, but should also contain enough information to describe to an evaluator why the risk is valid. Explain, also in non-technical terms, how best to mitigate or avoid the risks, highlighting your unique methods or approaches.

The Risk Assessment Plan is broken down into two subparts: Controllable Risks and Non-Controllable Risks.

- **Controllable Risk Assessment:** This includes risks, activities, or tasks that are controllable by Responder, or by entities/individuals that are contracted to by Responder. This includes things that are part of the technical scope of what Responder is being hired to do.
- **Non-Controllable Risk Assessment:** This includes risks, activities, or tasks that are not controllable by Responder. This may include risks that are controlled by MMCAP, MMCAP Members' representatives, or completely uncontrollable. Although these risks may not be controlled by Responder, Responder must identify a strategy that can be followed or used to mitigate these risks.

176. Provide Controllable Risk Assessment.

177. Provide Non-Controllable Risk Assessment.

ATTACHMENT A

TRANSMITTAL CERTIFICATION

This **Transmittal Certification** must be signed by an individual authorized and delegated to legally bind the Responder. The Certification must be included with the Technical Proposal. By signing this **Transmittal Certification**, the Responder certifies that:

1. Responder is a corporation or other legal entity authorized to provide the services set forth in this proposal;
2. Responder has 5 years of experience as a wholesaler of prescription pharmaceutical products;
3. Responder has \$1 billion or more in annual revenue from distribution services;
4. Responders has accreditation as a Verified-Accredited Wholesale Distributor (VAWD);
5. Responders is able to serve and meet each state’s regulatory requirements for at least four whole (not partial) MMCAP member states;
6. there are no known conflicts of interest, unless otherwise specifically disclosed herein;
7. no personnel currently employed by the State of Minnesota or other government units participated, either directly or indirectly, in any activities related to the preparation of its proposal;
8. Responder will be responsible for the satisfactory performance of any employee or subcontractor it uses to provide services to MMCAP and its members;
9. Responder acknowledges that by taking exception to any terms and conditions contained in this RFP and its attachments, the Responder’s proposal may be disqualified from further review and evaluation;
10. this proposal’s contents will be valid throughout the selection process and until the contract is executed for the services requested in this RFP;
11. this proposal’s contents will be considered to be a representation of the services offered and will be considered as part of the awarded contract, if said representation is silent in the contract;
12. if awarded a contract, and prior to contract award, the responder will purchase the minimum insurance coverage identified in this RFP or a State-approved equivalent;
13. the minimum insurance coverage identified in this RFP, or a State-approved equivalent, will be maintained throughout the contract term and is a condition of remaining a Vendor; and
14. Responder will provide the key resources that meet or exceed the minimum expectations as required in this RFP.

Legal Name of Entity

Name and Title

By: _____
Signature

Date: _____

ATTACHMENT B

EXCEPTIONS TO CONTRACT TERMS AND CONDITIONS

Instructions: If you take exception to any of the terms, conditions or language in the Contract Terms and Conditions, you must indicate those exceptions in your response to the RFP; certain exceptions may result in your proposal being disqualified from further review and evaluation. Only those exceptions indicated in your response to the RFP will be available for discussion or negotiation. Responder must provide an unlocked and editable Microsoft Word document containing exceptions to the terms and conditions, if any. A sample contract is attached on the following page.



Pharmaceutical Prime Wholesaler Services Contract

Minnesota Multistate Contracting Alliance for Pharmacy

SWIFT Contract No.:

This Contract is between the State of Minnesota, acting through its Minnesota Multistate Contracting Alliance for Pharmacy ("State" or "MMCAP") and *[Give the full name of the Wholesaler]* whose designated business address is *[insert business address]* ("WHOLESALER").

Recitals

1. Under Minn. Stat. § 16C.03 and § 471.59, the Commissioner of Administration, on behalf of MMCAP, is empowered to engage such assistance as deemed necessary.
2. MMCAP, a group purchasing organization as defined in 42 U.S.C. § 1320a-7b(b)(3)(c), is in need of pharmaceutical wholesaler to distribute pharmaceuticals, OTCs, nutritionals, vaccines (other than influenza vaccines), and other products to its members.
3. The WHOLESALER represents that it is duly qualified and agrees to perform all services described in this Contract to the satisfaction of MMCAP.

Contract

1. Term of Contract and Exhibits

- 1.1 **Effective date:** November 1, 2014, or the date MMCAP obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later. **The WHOLESALER must not begin work under this contract until this contract is fully executed and the WHOLESALER has been notified by MMCAP's Authorized Representative to begin the work.**
- 1.2 **Expiration date:** October 31, 2016, or until all obligations have been satisfactorily fulfilled, whichever occurs first. The Contract may be extended for up to an additional three (3) years, at increments determined by MMCAP, on written acceptance by both parties, for a total term not to exceed five (5) years.
- 1.3 **Survival of terms.** The following clauses survive the expiration or cancellation of this Contract: 2. Definitions; 5. Fees and Payment; 6. Conditions of Payment; 8. Notices; 10. Indemnification; 11. Audits; 12. Government data practices; 13. Intellectual Property and Data Rights; 17. Publicity and endorsement; 18. Governing law, jurisdiction, and venue; 19. Data disclosure; 30. Severability; and 36. State Terms and Participation.
- 1.4 **Exhibits.** The following exhibits are attached and incorporated into this contract, and are set forth in their order of precedence:

[List of Exhibits and Attachments]

2. Definitions

To the extent that they do not diminish, derogate, or otherwise modify the express language set forth in this Contract, the definitions set forth in any exhibits or attachments, as attached and incorporated herein, shall apply to the Contract document.

3. Time

The WHOLESALER must comply with all the time requirements described in this Contract. In the performance of this Contract, time is of the essence.

4. Wholesaler's duties

The WHOLESALER, who is not a State employee, will perform the duties specified in *[Exhibits or Attachments]* which are attached and incorporated into this Contract.

5. Fees and Payment

- 5.1 **Fees.** Subject to *[Exhibit or Attachment]*, as attached and incorporated herein, all changes to the MMCAP Service Fee Matrix will be communicated to MMCAP in writing with a minimum of five (5) business days' notice prior to the effective date of the changes. WHOLESALER service fees may only change on a quarterly or less frequent basis.
- 5.2 **Additional Fees.** Subject to *[Exhibit or Attachment]*, no fee, percentage, or other cost may be added to the products purchased under the MMCAP contract unless the fee, percentage, or cost is defined and approved in writing by MMCAP and a formal amendment is executed.
- 5.3 **Federal funds.** Payments under this contract may be made from federal funds. The WHOLESALER is responsible for compliance with all federal requirements imposed on these funds and accepts full financial responsibility for any requirements imposed by the WHOLESALER's failure to comply with federal requirements.

6. Conditions of payment

All services provided by the WHOLESALER under this contract must be performed to the satisfaction of MMCAP and the MMCAP Member, and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The WHOLESALER will not receive payment for work found by MMCAP (as directed by the MMCAP Member) to be unsatisfactory or performed in violation of federal, state, or local law.

7. Authorized Representative

MMCAP's Authorized Representative is Ms. Debra López-Burandt, MMCAP Wholesaler Coordinator, 112 Administration Building, 50 Sherburne Avenue, St. Paul, MN 55155, 651-201-3053, debra.lopez-burandt@state.mn.us or her successor or designee, and has the responsibility to monitor the WHOLESALER's performance and the authority to accept the services provided under this Contract. If the services are satisfactory, MMCAP's Authorized Representative will certify acceptance on each invoice submitted for payment.

The WHOLESALER's Authorized Representative is *[name, title]* at the following business address and telephone number: *[insert business address, telephone number, and email address]*, or his/her successor. If the WHOLESALER's Authorized Representative changes at any time during this Contract, the WHOLESALER must immediately notify MMCAP.

8. Notices

If one party is required to provide legal notice or notice under the terms of the contract to the other, such notice will be in writing and will be effective upon dispatch. Delivery shall be by certified United States mail, or by email or facsimile transmission provided the receipt of the transmission is confirmed by the receiving party. Either party must notify the other of a change in address for notification purposes. All notices should be addressed as follows:

MMCAP Wholesaler Coordinator
Minnesota Multistate Contracting Alliance for Pharmacy
112 Administration Building
50 Sherburne Avenue
St. Paul, MN 55155
Fax: 651-201-3053

[Wholesaler contact]

9. Assignment, amendments, waiver, and contract complete

9.1 **Assignment.** The WHOLESALER may neither assign nor transfer any rights or obligations under this Contract without the prior consent of MMCAP and a fully executed assignment agreement, executed and approved by the same parties who executed and approved this Contract, or their successors in office. MMCAP may not assign or transfer any rights or obligations under this contract to any entity outside the State of Minnesota executive branch, without the prior consent of WHOLESALER and a fully executed assignment agreement, executed and approved by the same parties who executed and approved this Contract, or their successors in office.

9.2 **Amendments.** Any amendment to this Contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Contract, or their successors in office.

9.3 **Extraneous Agreements.** The WHOLESALER shall not enter into any additional agreement, with any MMCAP Member, arising from this agreement for similar services, or amend this agreement in any way, without the written authorization of MMCAP's managing director.

9.4 **Waiver.** If either party fails to enforce any provision of this Contract, that failure does not waive the provision or its right to enforce it.

9.5 **Contract complete.** This Contract contains all negotiations and agreements between MMCAP and the WHOLESALER. No other understanding regarding this Contract, whether written or oral, may be used to bind either party.

10. Indemnification

The WHOLESALER must indemnify, save, and hold MMCAP and MMCAP Member, including their agents, and employees harmless from any claims or causes of action, including attorneys' fees incurred by MMCAP or its MMCAP Member, arising out of the performance of this Contract by the WHOLESALER or the WHOLESALER's agents or employees. This clause will not be construed to bar any legal remedies the WHOLESALER may have for MMCAP's or the MMCAP Member's failure to fulfill its obligations under this Contract. Pursuant to the Minnesota Constitution Article XI, Section 1, MMCAP is not permitted to indemnify the WHOLESALER.

11. Audits

11.1 **State Audit.** Under Minn. Stat. § 16C.05, subd. 5, the WHOLESALER's books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by the State, MMCAP, and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six (6) years from the end of this Contract.

11.2 **Invoice and Pricing Audit.** MMCAP and MMCAP Members served by this Contract may periodically audit WHOLESALER to determine the validity of invoice pricing. Such audits may be conducted only during ordinary business hours and upon reasonable notice.

11.3 **Costs.** WHOLESALER, MMCAP, and MMCAP Members shall each be responsible for its own costs associated with any audit, including costs related to the production of records and/or other documents requested by the other party.

12. Government data practices

12.1 **Data Practices Act.** The WHOLESALER and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. ch. 13, as it applies to all data provided by the State under this Contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the WHOLESALER under this Contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data governed by the Minnesota Government Practices Act, Minn. Stat. ch. 13, by either the WHOLESALER or the State.

12.2 **Notification.** If the WHOLESALER receives a request to release the data referred to in this clause, the WHOLESALER must immediately notify and consult with MMCAP's Authorized Representative as to how the WHOLESALER should respond to the request. The WHOLESALER's response to the request shall comply with applicable law.

12.3 **Release of MMCAP data.** Except as may be required by Minnesota Data Practices Act, Minn. Stat. Ch. 13, or as provided in Section 13, WHOLESALER shall not release to any third party any MMCAP customer data, sales transaction data, DEA/HIN information, contract pricing, EDI transaction data, reverse distribution data, or payment data.

13. Intellectual Property and Data Rights.

13.1 **MMCAP Ownership.** MMCAP owns all rights, title, and interest in MMCAP customer data, sales transaction data, DEA/HIN information (subject to third-party rights), contract pricing, EDI transaction data, reverse distribution data, and payment data, including copyrights and trade secrets contained therein. MMCAP grants to WHOLESALER an unlimited, non-revocable, nontransferable, fully paid license, for the term of this contract, to (i) release state specific data to an MMCAP Member's State primary contact; (ii) release any of the above data to product manufacturers, when necessary for the performance of this contract or as required by

WHOLESALER's agreements with such product manufacturers; (iii) to release any of the above data to other MMCAP-approved third parties, when necessary for the performance of this contract; (iv) to provide MMCAP Member purchase data to aggregators, including IMS Health and NDC Health, subject to WHOLESALER's reasonable efforts to require such data aggregators to protect any identifiable data from discovery by another third party; and (v) to provide MMCAP Member purchase data to other group purchasing organizations of which the MMCAP Member is also a member, provided such data will not include MMCAP-identifiable data. Any MMCAP identifiable data provided hereunder to a third party must identify the data as MMCAP data and subject to Minn. Stat. Ch. 13. WHOLESALER hereby agrees that in the event that an MMCAP Member or MMCAP Member requests in writing that its purchase data be kept confidential, such data will not be provided to third party aggregators.

- 13.2 **WHOLESALER Ownership.** WHOLESALER owns all rights, title, and interest to any aggregated data not identifiable as arising from this contract and any other intellectual property created for or presented to MMCAP. WHOLESALER grants to MMCAP an unlimited, non-revocable, non-transferable, fully paid, perpetual license, to use all intellectual property created for or presented to MMCAP under this contract.
- 13.3 **Pre-Existing Intellectual Property.** MMCAP and WHOLESALER shall each retain ownership of, and all right and, title and interest in and to, their respective pre-existing intellectual property. WHOLESALER grants to State an unlimited, royalty-free, paid up, perpetual, non-exclusive, irrevocable, non-transferable license to use and modify any pre-existing WHOLESALER intellectual property, including marketing materials and materials contained in solicitation responses provided by WHOLESALER to MMCAP or an MMCAP Member. The aforementioned license is solely for use by MMCAP and MMCAP Members, and their agents related to an internal business or governmental purposes.
- 13.4 **Intellectual Property Warranty and Indemnification.** Except as otherwise set forth below, WHOLESALER warrants that any materials, software or products produced by WHOLESALER will not infringe upon or violate any patent, copyright, trade secret, or any other proprietary right of any third party. In the event of any such claim by any third party against MMCAP, MMCAP will promptly notify WHOLESALER. WHOLESALER, at its own expense, will indemnify; defend to the extent permitted by the Minnesota Attorney General's Office, and hold harmless MMCAP against any loss, cost, expense, or liability (including reasonable legal fees) arising out of such a claim, whether or not such claim is successful against MMCAP.
- 13.4.1 If such a claim has occurred, or in the WHOLESALER's opinion is likely to occur, the WHOLESALER will either procure for MMCAP the right to continue using the materials or products or replacement or modified materials or products. If an option satisfactory to MMCAP is not reasonably available, MMCAP will return the materials or products to the WHOLESALER, upon written request of the WHOLESALER and at the WHOLESALER's expense. This remedy is in addition to any other remedy provided by law.
- 13.4.2 In the event of a third party claim of infringement by any material, software or product provided by WHOLESALER or utilized by WHOLESALER in the performance of this contract, but produced by a third party, WHOLESALER's indemnification obligations set forth in Section 13.4 shall apply to the extent that the third party's indemnification obligation to the WHOLESALER is available to MMCAP or WHOLESALER will assist MMCAP in tender of such claim directly to the manufacturer of such material, software or product.

14. Insurance Requirements

[MMCAP reserves the right to accept alternate insurance terms, should MMCAP determine it is in its best interest. In proposing alternative terms, please be specific. MMCAP preferred insurance language is contained herein and MMCAP strongly encourages Responder to accept this language to the greatest extent possible.]

- A. Contractor shall not commence work under the contract until they have obtained all the insurance described below and MMCAP has approved such insurance. Contractor shall maintain such insurance in force and effect throughout the term of the contract.
- B. Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:
1. **Workers' Compensation Insurance:** Except as provided below, Contractor must provide Workers' Compensation insurance for all its employees and, in case any work is subcontracted, Contractor will require the subcontractor to provide Workers' Compensation insurance in accordance with the statutory requirements

of the State of Minnesota, including Coverage B, Employer's Liability. Insurance **minimum** limits are as follows:

- \$100,000 – Bodily Injury by Disease per employee
- \$500,000 – Bodily Injury by Disease aggregate
- \$100,000 – Bodily Injury by Accident

If Minnesota Statute 176.041 exempts Contractor from Workers' Compensation insurance or if the Contractor has no employees in the State of Minnesota, Contractor must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes Contractor from the Minnesota Workers' Compensation requirements.

If during the course of the contract the Contractor becomes eligible for Workers' Compensation, the Contractor must comply with the Workers' Compensation Insurance requirements herein and provide MMCAP with a certificate of insurance.

2. **Commercial General Liability Insurance:** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury, including sickness or disease, death, and for care and loss of services as well as from claims for property damage, including loss of use which may arise from operations under the Contract whether the operations are by the Contractor or by a subcontractor or by anyone directly or indirectly employed by the Contractor under the contract. Insurance **minimum** limits are as follows:

- \$5,000,000 – per occurrence
- \$5,000,000 – annual aggregate
- \$5,000,000 – annual aggregate – Products/Completed Operations

The following coverages shall be included:

Premises and Operations Bodily Injury and Property Damage
Personal and Advertising Injury
Blanket Contractual Liability
Products and Completed Operations Liability
Other; if applicable, please list _____
State of Minnesota named as an Additional Insured, to the extent permitted by law

3. **Commercial Automobile Liability Insurance:** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury as well as from claims for property damage resulting from the ownership, operation, maintenance or use of all owned, hired, and non-owned autos which may arise from operations under this contract, and in case any work is subcontracted the contractor will require the subcontractor to maintain Commercial Automobile Liability insurance. Insurance **minimum** limits are as follows:

\$2,000,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

In addition, the following coverages should be included:

Owned, Hired, and Non-owned Automobile

C. Additional Insurance Conditions:

- Any deductible will be the sole responsibility of the Contractor and may not exceed \$50,000 without the written approval of MMCAP. If the Contractor desires authority from MMCAP to have a deductible in a higher amount, the Contractor shall so request in writing, specifying the amount of the desired deductible and providing financial documentation by submitting the most current audited financial statements so that MMCAP can ascertain the ability of the Contractor to cover the deductible from its own resources.
- Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to MMCAP with respect to any claim arising out of Contractor's performance under this contract;
- If Contractor receives a cancellation notice from an insurance carrier affording coverage herein, Contractor agrees to notify MMCAP within five (5) business days with a copy of the cancellation notice,

unless Contractor's policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least thirty (30) days advance written notice to MMCAP;

- Contractor is responsible for payment of Contract related insurance premiums and deductibles;
- If Contractor is self-insured, a Certificate of Self-Insurance must be attached;
- Contractor's policy(ies) shall include legal defense fees in addition to its liability policy limits, with the exception of B.4 above;
- Contractor shall obtain insurance policy(ies) from insurance company(ies) having an "AM BEST" rating of A- (minus); Financial Size Category (FSC) VII or better, and authorized to do business in the State of Minnesota; and
- An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.

D. MMCAP reserves the right to immediately terminate the contract if the contractor is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against the contractor. All insurance policies must be open to inspection by the State, and copies of policies must be submitted to MMCAP's authorized representative upon written request.

E. The successful responder is required to submit Certificates of Insurance acceptable to MMCAP as evidence of insurance coverage requirements prior to commencing work under the contract.

15. Debarment by State, its departments, commissions, agencies, or political subdivisions

WHOLESALE certifies that neither it nor its principals is presently debarred or suspended by the State, or any of its departments, commissions, agencies, or political subdivisions. WHOLESALE's certification is a material representation upon which the Contract award was based. WHOLESALE shall provide immediate written notice to MMCAP's Authorized Representative if at any time it learns that this certification was erroneous when submitted or becomes erroneous by reason of changed circumstances.

16. Certification regarding debarment, suspension, ineligibility, and voluntary exclusion

Federal money will be used or may potentially be used to pay for all or part of the work under the Contract, therefore WHOLESALE certifies that it is in compliance with federal requirements on debarment, suspension, ineligibility and voluntary exclusion specified in the solicitation document implementing Executive Order 12549. WHOLESALE's certification is a material representation upon which the Contract award was based.

17. Publicity and endorsement

17.1 **Publicity.** Any publicity regarding the subject matter of this Contract must identify MMCAP as the sponsoring agency and must not be released without prior written approval from MMCAP's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the WHOLESALE individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

17.2 **Endorsement.** The WHOLESALE must not claim that MMCAP, the State of Minnesota, or any Member State endorses its products or services, nor may MMCAP claim that the WHOLESALE endorses its products or services.

18. Governing law, jurisdiction, and venue

Minnesota law, without regard to its choice-of-law provisions, governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state court with competent jurisdiction in Ramsey County, Minnesota. Except to the extent that the provisions of this Contract are clearly inconsistent therewith, this Contract will be governed by the Minn. Stat. § 336, the Uniform Commercial Code (UCC) as adopted by the State of Minnesota. Parties acknowledge that the predominant purpose of this Contract is for the provision of goods.

19. Data disclosure

Under Minn. Stat. § 270C.65, subd. 3 and other applicable law, the WHOLESALE consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already

provided to the State, to federal and state agencies, and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state laws which could result in action requiring the WHOLESALER to file state tax returns, pay delinquent state tax liabilities, if any, or pay other state liabilities.

20. Payment to subcontractors

To the extent applicable, pursuant to Minn. Stat. § 16A.1245, the prime WHOLESALER must pay all subcontractors, less any retainage, within 10 calendar days of the prime WHOLESALER's receipt of payment from the State for undisputed services provided by the subcontractor(s) and must pay interest at the rate of one and one-half percent per month or any part of a month to the subcontractor(s) on any undisputed amount not paid on time to the subcontractor(s).

21. Termination

21.1 Termination by the State without cause. The Commissioner of the Minnesota Department of Administration may cancel this Contract at any time, without cause, upon 30 days' written notice to the WHOLESALER. Upon termination, the WHOLESALER will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

21.2 Termination for cause. Either party may cancel this contract at any time, for cause, upon no less than ninety (90) days' written notice to the other party. Upon notice of termination, the noticed party shall have sixty (60) days to cure any defects.

21.3 Termination for insufficient funding. MMCAP may immediately terminate this Contract if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the WHOLESALER. MMCAP is not obligated to pay for any services that are provided after notice and effective date of termination. However, the WHOLESALER will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the Contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. MMCAP must provide the WHOLESALER notice of the lack of funding within a reasonable time of MMCAP receiving that notice.

22. Non-discrimination (In accordance with Minn. Stat. § 181.59)

The WHOLESALER will comply with the provisions of Minn. Stat. § 181.59 which require:

Every contract for or on behalf of the state of Minnesota, or any county, city, town, township, school, school district, or any other district in the state, for materials, supplies, or construction shall contain provisions by which the contractor agrees: (1) that, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no contractor, material supplier, or WHOLESALER, shall, by reason of race, creed, or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates; (2) that no contractor, material supplier, or WHOLESALER, shall, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause (1) of this section, or on being hired, prevent, or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed, or color; (3) that a violation of this section is a misdemeanor; and (4) that this contract may be canceled or terminated by the state, county, city, town, school board, or any other person authorized to grant the contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this contract.

23. Affirmative action requirements for contracts in excess of \$100,000 and if the WHOLESALER has more than 40 full-time employees in Minnesota or its principal place of business

The State intends to carry out its responsibility for requiring affirmative action by its contractors.

23.1 Covered contracts and contractors. If the Contract exceeds \$100,000 and the WHOLESALER employed more than 40 full-time employees on a single working day during the previous 12 months in Minnesota or in the state where it has its principle place of business, then the WHOLESALER must comply with the requirements of Minn. Stat. § 363A.36 and Minn. R. 5000.3400-5000.3600. A contractor covered by Minn. Stat. § 363A.36 because it employed more than 40 full-time employees in another state and does not have a certificate of compliance, must certify that it is in compliance with federal affirmative action requirements.

23.2 **Minn. Stat. § 363A.36.** Minn. Stat. § 363A.36 requires the WHOLESALER to have an affirmative action plan for the employment of minority persons, women, and qualified disabled individuals approved by the Minnesota Commissioner of Human Rights (“Commissioner”) as indicated by a certificate of compliance. The law addresses suspension or revocation of a certificate of compliance and contract consequences in that event. A contract awarded without a certificate of compliance may be voided.

23.3 **Minn. R. 5000.3400-5000.3600.**

(A) *General.* Minn. R. 5000.3400-5000.3600 implements Minn. Stat. § 363A.36. These rules include, but are not limited to, criteria for contents, approval, and implementation of affirmative action plans; procedures for issuing certificates of compliance and criteria for determining a contractor’s compliance status; procedures for addressing deficiencies, sanctions, and notice and hearing; annual compliance reports; procedures for compliance review; and contract consequences for non-compliance. The specific criteria for approval or rejection of an affirmative action plan are contained in various provisions of Minn. R. 5000.3400-5000.3600 including, but not limited to, Minn. R. 5000.3420-5000.3500 and 5000.3552-5000.3559.

(B) *Disabled Workers.* The WHOLESALER must comply with the following affirmative action requirements for disabled workers.

(1) The WHOLESALER must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The WHOLESALER agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

(2) The WHOLESALER agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

(3) In the event of the WHOLESALER’s noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with Minn. Stat. § 363A.36, and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

(4) The WHOLESALER agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Commissioner. Such notices must state the WHOLESALER’s obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment, and the rights of applicants and employees.

(5) The WHOLESALER must notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Wholesaler is bound by the terms of Minn. Stat. § 363A.36, of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled persons.

(C) *Consequences.* The consequences for the WHOLESALER’s failure to implement its affirmative action plan or make a good faith effort to do so include, but are not limited to, suspension or revocation of a certificate of compliance by the Commissioner, refusal by the Commissioner to approve subsequent plans, and termination of all or part of this Contract by the Commissioner or the State.

(D) *Certification.* The WHOLESALER hereby certifies that it is in compliance with the requirements of Minn. Stat. § 363A.36 and Minn. R. 5000.3400-5000.3600 and is aware of the consequences for noncompliance.

24. E-Verify certification (In accordance with Minn. Stat. § 16C.075)

For services valued in excess of \$50,000, WHOLESALER certifies that as of the date of services performed on behalf of the State, WHOLESALER and all its subcontractors will have implemented or be in the process of implementing the federal E-Verify Program for all newly hired employees in the United States who will perform work on behalf of the State. WHOLESALER is responsible for collecting all subcontractor certifications and may do so utilizing the *E-Verify Subcontractor Certification Form* available at <http://www.mmd.admin.state.mn.us/doc/EVerifySubCertForm.doc>. All subcontractor certifications must be kept on file with WHOLESALER and made available to the State upon request.

25.GPO Representation. MMCAP represents and warrants that it is a “group purchasing organization” as that term is defined under 42 C.F.R. Section 1001.952(j) and that it shall comply with all applicable federal and state laws, rules and regulations, including, but not limited to, the provisions set forth in 42 U.S.C. Section 1320a-7b and the “safe harbor regulations” set forth in 42 C.F.R. Section 1001.952.

- 26. Contingency Fees Prohibited.** Pursuant to Minnesota Statutes § 10A.06, no person may act as or employ a lobbyist for compensation that is dependent upon the result or outcome of any legislation or administrative action.
- 27. Risk of Loss, Damage, and Shipping Terms.** Shipments under this contract shall be FOB Destination, freight prepaid and allowed, to the MMCAP Member's receiving dock or pharmacy, unless otherwise agreed to by the parties in writing. Title to and risk of loss of the products transfers to the MMCAP Member upon delivery to the MMCAP Member, as set forth above.
- 28. Force Majeure.** Neither party hereto will be considered in default in the performance of its obligations hereunder to the extent that performance of any such obligations is prevented or delayed by acts of God, war, riot or other catastrophes beyond the reasonable control of the party. Force majeure will not apply to the extent that the act or occurrence could have been reasonably foreseen and reasonable action could have been taken to prevent the delay or failure to perform. A party claiming excuse of performance under this provision must provide the other party prompt written notice of the failure to perform, take commercially reasonable efforts to mitigate the damages caused to all parties, and take all necessary steps to bring about performance as soon as practicable.
- 29. Default.**
- 29.1 General.** An MMCAP Member's purchase order constitutes a binding Contract. All commodities furnished will be subject to inspection and acceptance by the ordering entity after delivery. No substitutions or cancellations are permitted without written approval of the MMCAP Member. Back orders, failure to meet delivery requirements, or failures to meet specifications in the purchase order and/or the Contract authorizes the ordering entity to cancel the Contract or purchase order, or any portion of it, purchase elsewhere, and charge the full increase in cost and administrative handling to the WHOLESALER. In the event of default, MMCAP and the MMCAP Member reserve the right to pursue any other remedy available by law. WHOLESALER may be removed from the WHOLESALER's list, suspended or debarred from receiving a Contract for failure to comply with terms and conditions of the Contract.
- 29.2 Failure to Perform.** Upon failure to perform the following services in the time and manner as set forth herein, the following fees shall be paid by WHOLESALER:
- 29.2.1 Bid Roll.** Upon manufacturer bid roll, all contracted products shall be loaded, stocked, and viewable by all MMCAP Members, or WHOLESALER shall pay the following fee to MMCAP: \$ ____/day, until resolved.
- 29.2.2 Reports.** In the event that any report and/or data provided by the WHOLESALER, pursuant to the terms of this agreement, is not received according to schedule, contains incorrect data, incomplete data, or no data, and is more than a minor defect or causes harm to MMCAP's ability to conduct business or its governmental purpose, or WHOLESALER shall pay the following fee to MMCAP: \$ ____/day, until resolved.
- 29.2.3 Inventory Management and Management of MMCAP Contract Products.** If a contracted NDC (National Drug Code) product is not loaded, stocked, and viewable by all MMCAP Members, as required pursuant to this agreement and within the timelines set forth herein, WHOLESALER shall credit to the MMCAP Member submitting the request an amount equal to two and one-half percent (2.5%) of previous month's GCN (generic code number) volume class for that Member. WHOLESALER shall credit to the Member within thirty (30) calendar days of the MMCAP Member's original request to stock the product.
- 29.2.4 Delivery Delays.** Deliveries shall be made by the WHOLESALER in accordance with the time schedules specified *[Exhibit of Attachment]* or as otherwise agreed upon by the WHOLESALER and MMCAP Member. Where delivery is delayed, WHOLESALER shall credit to the Member a fee of forty five dollars (\$45.00) per order not delivered within 60 minutes of the delivery time scheduled, and for each day the delivery is not received, payable as a credit to the Member within fourteen (14) calendar days of the original delivery date. WHOLESALER shall not be responsible for paying the aforementioned fee for delays outside of its control.
- 29.2.5 Invoices.** Where WHOLESALER submits subsequent invoices for any fees not related directly to product cost, WHOLESALER shall reference the original invoice number or purchase order number. WHOLESALER shall credit to the Member the amount of forty five dollars (\$45.00) for each

subsequent invoice for fees not related directly to product cost submitted that fails to meet the above requirement.

29.2.6 Application of Fees. The application of fees herein shall not excuse WHOLESALER's performance obligations as set forth in this agreement, nor shall it waive any rights of MMCAP or MMCAP Members to seek any and all available legal and equitable remedies.

29.2.7 Acknowledgement. WHOLESALER acknowledges that the fees set forth above are not penalties, but rather seek to make MMCAP and MMCAP Members whole for any failure of performance by the WHOLESALER, as based upon good faith estimates as agreed to by the parties.

30. Severability. If any provision of the Contract, including items incorporated by reference, is found to be illegal, unenforceable, or void, then both MMCAP and the WHOLESALER will be relieved of all obligations arising under such provisions. If the remainder of the Contract is capable of performance, it will not be affected by such declaration or finding, and will be fully performed.

31. Dispute Resolution. WHOLESALER and MMCAP Members will handle dispute resolution for unresolved issues using the following procedure.

31.1 Notification. Parties shall promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time.

31.2 Documentation. Both the MMCAP Member and the WHOLESALER will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties. The briefing document must be sent by the WHOLESALER to MMCAP, the MMCAP Member, and the WHOLESALER's MMCAP Primary Account Representative.

31.3 Escalation. If parties are unable to resolve the issue in a timely manner, as specified above, either the MMCAP Member or WHOLESALER may escalate the resolution of the issue to a higher level of management. Where escalation of the issue proves ineffective, either party may contact MMCAP and/or the WHOLESALER's MMCAP Representative for further resolution. When escalated to MMCAP, a teleconference will be scheduled with MMCAP and the WHOLESALER's MMCAP Primary Account Representative to review the briefing document and develop a proposed resolution and plan of action. The plan and timeline must be agreed to by all parties – MMCAP, the MMCAP Member, and WHOLESALER.

31.4 Performance while Dispute is Pending. Notwithstanding the existence of a dispute the WHOLESALER must continue without delay to carry out all of their responsibilities under the contract that are not affected by the dispute. If the WHOLESALER fails to continue without delay to perform its responsibilities under the contract, in the accomplishment of all undisputed work, any additional costs incurred by MMCAP and/or MMCAP members as a result of such failure to proceed shall be borne by the WHOLESALER.

31.5 Member Rights. In the event an MMCAP Member cannot resolve a dispute with the WHOLESALER, and the MMCAP Member has worked with MMCAP to resolve the dispute, the MMCAP Member(s) may change its prime Wholesaler even if the rest of the MMCAP Member state does not wish to change its wholesaler.

31.6 No Waiver. This clause shall in no way limit or waive either party's right to seek available legal or equitable remedies.

32. Adding New Members. If new states are added as MMCAP Members and opt to participate in this contract, the new MMCAP Member state will select a wholesaler to service the MMCAP Members. In the event one or more of said facilities are currently using another MMCAP-contracted wholesaler, said facility will be allowed to choose if it will transition to WHOLESALER.

33. Required Licenses, Permits, and Registration. WHOLESALER shall have in place prior to the start of the contract, and must maintain for the life of the contract, all current licenses, permits and registrations required by state, local and federal agencies. WHOLESALERS must make such documentation available upon request by MMCAP.

34. DEA License/HIN. WHOLESALER shall not require an MMCAP Member to have a DEA number in order to obtain products unless making orders for controlled substances. MMCAP Member facilities will have HIN numbers assigned by MMCAP.

35. Personnel Changes. WHOLESALER shall notify MMCAP of changes in the Wholesaler's key personnel, in advance and in writing. Any employee of Wholesaler, who, in the opinion of MMCAP, is unacceptable, will be removed from the project upon written notice to the Wholesaler. In the event that an employee is removed pursuant to a written request from MMCAP's authorized representative, the Wholesaler will have ten (10) working days in which to fill the role with an acceptable employee.

36. State Terms and Participation.

36.1 WHOLESALER may be required to prepare an MMCAP "Participating Agreement" to amend this Contract to provide for laws specific to a state or local jurisdiction. If these circumstances exist, the WHOLESALER must work with the MMCAP Member to prepare a Participating Agreement to set forth the additional or altered terms and conditions. A Participating Agreement must clearly apply only to the requesting location and will not affect the rights of the other MMCAP Members, nor will it modify, derogate, or otherwise diminish the rights and obligations set forth herein, except in regard to the applicable named MMCAP Member. When the specific terms are agreeable to the WHOLESALER and the MMCAP Member, the amendment will be presented to MMCAP to be included as an amendment to this contract. No verbal or written instructions from MMCAP Members, or any of their staff or officials to change any provision of the resulting contract, will be accepted by WHOLESALER without the prior written approval of MMCAP. WHOLESALER will immediately report any such requests to the MMCAP Manager who will issue approval or denial in writing.

36.2 WHOLESALER shall comply with all local, state, and federal laws, as applicable to each Member State, in the performance of this contract

37. Contract Transition. Pursuant to the transition checklist, as set forth in *[Exhibit or Attachment]*:

37.1 If the MMCAP Member is currently contracting with the WHOLESALER for the services, or substantially similar services, as set forth in *[Exhibit or Attachment]*, WHOLESALER shall transition each MMCAP Member from the existing contract (and existing contract terms) to this contract (and its terms) on the 1st day of the month following execution of this contract and in no event later than 30 days from contract execution.

37.2 If the MMCAP Member is not currently contracting with the WHOLESALER for the or substantially similar services, as set forth in *[Exhibit or Attachment]*, WHOLESALER shall transition each MMCAP Member from the existing contract (and existing contract terms) to this contract (and its terms) on the 1st day of the third month following execution of this contract and in no event later than ___ days from contract execution.

37.3 Transition from an existing contract to this contract must occur on the 1st day of a month, and no other day.

37.4 In completing this transition, WHOLESALER shall work with MMCAP Staff and MMCAP Members to determine the appropriate steps and schedule, subject to the above, for the transition. WHOLESALER acknowledges that the transition may be dependent upon the terms of the existing contracts and subject to the notice provisions contained therein.

ATTACHMENT C

CLIENT SHEET
PHARMACEUTICAL WHOLESALER DISTRIBUTION SERVICES

Instructions: Complete three (3) to five (5) Customer Sheets, for Responders top clients, determined by a combination of volume and sales, for whom similar services, as detailed in this RFP, have been provided during the past three (3) years.

Responder's Name: _____

Client Name: _____
(Full name of private, non-profit or public sector client)

Client Contact Information:

Contact Name: _____
Contact Title: _____
Direct Telephone Number: _____
Direct Fax Number: _____
Direct E-mail Address: _____

Engagement Date(s): _____

Briefly describe services provided in sufficient detail to identify size, complexity, your company's contribution to the success of your client, and how this experience is relevant to this RFP.

ATTACHMENT D

**CLIENT TERMINATION SHEET
PHARMACEUTICAL WHOLESALER DISTRIBUTION SERVICES**

Instructions: Provide a CLIENT TERMINATION SHEET of any services that have been terminated by any client(s) in the past three 3 years and the reason(s) for termination.

Responder's Name: _____

Client Name: _____
(Full name of private, non-profit or public sector client)

Client Contact Information:

Contact Name: _____
Contact Title: _____
Direct Telephone Number: _____
Direct Fax Number: _____
Direct E-mail Address: _____

Engagement Date(s): _____

Provide in sufficient detail to the explanation for the client initiated termination.

ATTACHMENT E

REFERENCE SHEET

Instructions: Complete three (3) Reference Sheets for Customers similar in size and scope to MMCAP, for which services similar in size and scope to those in this RFP were performed in the past three (3) years.

Responder's Name: _____

Customer Reference Name: _____
(Full name of private, non-profit or public sector client)

Customer Reference Information:

Contact Name: _____
Contact Title: _____
Mailing Address: _____
Direct Telephone Number: _____
Direct Fax Number: _____
Direct E-mail Address: _____

Engagement Date(s): _____

Describe services similar in size and scope provided in sufficient detail to identify size, complexity, your company's contribution to the success of your customer, and how those results are relevant to this RFP. Include any implementation delays, contracting issues/resolution, and/or any closing relationship issues with the customer. Please be advised that these references will likely be called to validate what is disclosed.

ATTACHMENT F

PROPOSED DISTRIBUTION CENTERS

Instructions: For the proposed service area(s), include the primary distribution center(s) that will provide service to that MMCAP Member State (the primary distribution center identified must meet all regulatory requirements to service that MMCAP Member State).

In addition to the table below, Responder can provide a visual in the form of a U.S. map, identifying the distribution center and the states serviced by the distribution center.

	Yes	No	Proposed Distribution Center(s)	Current Facility Size	# and Type of Other customers serviced (GPO, Retail, Other)	Number of states serviced by the Proposed Distribution Center
1. National Distribution						
2. Regional Distribution						
Alabama						
Alaska						
Arizona						
Arkansas						
California						
Colorado						
Connecticut						
Delaware						
Florida						
Georgia						
Hawaii						
Idaho						
Illinois						
Indiana						
Iowa						
Kansas						
Kentucky						
Louisiana						
Maine						
Maryland						
Massachusetts						
Michigan						
Minnesota						

	Yes	No	Proposed Distribution Center(s)	Current Facility Size	# and Type of Other customers serviced (GPO, Retail, xxx)	Number of states serviced by the Proposed Distribution Center
Mississippi						
Missouri						
Montana						
Nebraska						
Nevada						
New Hampshire						
New Jersey						
New Mexico						
New York						
North Carolina						
North Dakota						
Ohio						
Oklahoma						
Oregon						
Pennsylvania						
Rhode Island						
South Carolina						
South Dakota						
Tennessee						
Texas						
Utah						
Vermont						
Virginia						
Washington						
West Virginia						
Wisconsin						
Wyoming						

ATTACHMENT G

MMCAP-CONTRACTED SUPPLIERS

1. Indicate on the table below with which of the current MMCAP-contracted Suppliers your company has current agreements. Note: MMCAP’s generic pharmaceutical contracts will be subject to change in the next contract cycle effective July 1, 2015.
2. If Responder does not currently have an agreement with an MMCAP-contracted Suppliers, identify a date when an agreement is proposed to be made available to MMCAP, and/or why Responder does not have a current agreement with the specified Supplier.
3. MMCAP reserves the right to request a status update of the MMCAP- contracted Suppliers.

MMCAP-contracted Suppliers	Yes	No	If no, when by date. If no date being proposed, why?
SafeCor Health (Repackaging Vendor)			
RemedyRepack (Repackaging Vendor)			
eAudit Solutions (Invoice Auditing Vendor)			
Guaranteed Returns (Returned Goods Vendor)			
Berry Plastics Corp.			
Rexam Prescription Products, Inc.			
MHC Medical Products, LLC.			
UltiMed Inc.			
Abbott Diabetes Care			
Abbott Nutrition			
AbbVie			
Accord Healthcare			
Actavis (Watson, Warner Chilcott)			
Afaxys, Inc.			
AgaMatrix			
Akorn, Inc.			
Akrimax Pharmaceuticals, Inc.			
Alkermes, Inc.			
Almatica Pharma Inc.			
Alvogen Inc.			
American Health Packaging			
American Regent			
Amneal Pharmaceuticals			
Amphastar Pharmaceuticals			
ANI Pharmaceuticals			
Apotex Corp			
Apothecus Pharm			

MMCAP-contracted Suppliers	Yes	No	If no, when by date. If no date being proposed, why?
Applied Nutrition Corporation			
Aptalis Pharma US, Inc.			
Ascend Laboratories, Inc.			
AstraZeneca Pharmaceuticals			
Auromedics Pharma LLC			
AvKARE, Inc			
B. Braun Medical Inc.			
Banner Pharmacaps, Inc.			
Baxter Healthcare Medication Delivery			
Bedford Labs			
Beutlich Pharmaceuticals, LLC			
Bi-Coastal Pharma International, LLC			
Birchwood Labs			
Blu Pharmaceuticals, LLC			
Boca Pharmacal			
Boehringer Ingelheim			
Braintree Laboratories			
Breckenridge Pharm			
Bristol-Myers Squibb			
Camber Pharmaceuticals, Inc.			
Caraco Pharmaceutical Labs			
Carlsbad Technology, Inc.			
Carolina Medical Products			
County Line Pharmaceuticals			
Covis Pharmaceuticals			
Crucell Vaccines			
DAVA Pharm			
DermaRite Industries			
Dey Pharma			
Dr. Reddys Labs			
Eclat Pharmaceuticals			
Eisai, Inc.			
Eli Lilly & Co			
Ferndale Pharm			
Forest Pharmaceuticals (Inwood Labs)			
Fresenius Kabi USA			
G & W Laboratories			
Gavis Pharmaceuticals			

MMCAP-contracted Suppliers	Yes	No	If no, when by date. If no date being proposed, why?
Genetech USA			
Geri-Care Pharm			
Geritrex Corp.			
GlaxoSmithKline Consumer Healthcare			
Glenmark Pharm			
Golden State Medical Supply, Inc. (GSMS)			
Greenstone Limited			
Grifols Therapeutics			
GSK (Glaxo Smith Kline)			
Harris Pharmaceuticals			
Heritage Pharmaceuticals			
Hi-Tech Pharmcal			
Hospira Worldwide			
HR Pharmaceutical			
i-Health Inc.			
Jazz Pharm			
JHP Pharmaceuticals			
Johnson & Johnson HCS			
Jubilant Cadista Pharm			
Kendrion Biopharma			
Konsyl Pharmaceuticals			
KVK-Tech			
Lannett			
Libertas Pharma			
Lineage Therapeutics			
Major Pharmaceuticals and Rugby Labs			
Mallinckrodt Inc.			
Marlex Pharmaceuticals			
McKesson Packaging Services (Sky)			
Mead Johnson			
Meda Pharmaceuticals			
Medique Products			
Merck Sharp & Dohme Corp. (Merck & Co.)			
Merck Sharp & Dohme Corp (Merck Vaccine Div)			
Mutual Pharm			
Mylan Institutional Inc.			
Mylan Pharmaceuticals Inc.			
Mylan Specialty LP			
Nephron Pharm			
Nestle HealthCare Nutrition			

MMCAP-contracted Suppliers	Yes	No	If no, when by date. If no date being proposed, why?
Nestle Infant Nutrition			
Nipro Diagnostics			
Nostrum Laboratories			
Novartis Consumer Health			
Novartis Pharmaceuticals Corp			
Novartis Vaccines & Diagnostics			
Novo Nordisk			
ONY, Inc.			
Otsuka America Pharm			
Pack Pharmaceuticals LLC			
Paddock Labs			
Par Pharm			
Patrin Pharma			
Perrigo Pharm.			
Pfizer U.S.			
Pfizer Injectables			
Pharmaceutical Associates, Inc.			
PharmaCline			
Piramal Critical Care			
Plus Pharma			
Prasco LLC			
Precision Dose			
Procter & Gamble			
Purdue Pharma, LP			
PureTek Corporation			
Qualitest Pharmaceuticals, Inc.			
Ranbaxy Pharmaceuticals Inc.			
Reckitt Benckiser Pharmaceuticals			
Rhodes Pharmaceuticals			
Richmond Pharm			
Rising Pharm			
Ritedose Pharm LLC			
Roche Diagnostics			
Roxane Labs Inc.			
Sagent Pharmaceuticals			
Sandoz Pharmaceuticals			
Sanofi Aventis			
Sanofi Pasteur			
Schering Corp			

MMCAP-contracted Suppliers	Yes	No	If no, when by date. If no date being proposed, why?
Sebela Pharamceuticals, Inc.			
Seton Pharmaceuticals			
Sigmapharm Laboratories			
Silarx Pharm			
Silvergate Pharmaceuticals, Inc.			
Solace Nutrition			
Stratus Pharm			
Sunovion Pharmaceuticals			
TAGI Pharma			
Takeda Pharmaceuticals			
Taro Pharmaceuticals			
TEVA Pharm USA (generic)			
TEVA Specialty (brand)			
Torrent Pharma			
Trigen Laboratories			
UCB Pharma, Inc.			
Unichem Pharmaceuticals			
Upsher Smith Labs			
Upstate Pharma			
Valeant Pharmaceuticals			
Validus Pharmaceuticals			
VersaPharm Inc.			
Vertex Pharmaceuticals			
Virtus Pharmaceuticals			
VistaPharm			
Warner Chilcott			
Watson Pharma			
West-Ward Pharmaceuticals			
Wockhardt USA			
X-Gen Pharm			
Zydus Pharm USA Inc.			

ATTACHMENT H

ORDERING SYSTEM DATA FIELDS

Indicate which data fields Responder’s ordering system contains. If Responder’s ordering system does not have the field available, provide written affirmation that: a) Responder is willing to add the field to its invoice and b) identify when such ordering system modifications are proposed by Responder to be completed to accommodate the requirements. Provide a temporary access link to Responder’s ordering system for use by the MMCAP RFP Evaluators for review and validation of functionality in comparison to MMCAP RFP requirements.

Data Field	Yes	No	If No, when?
MMCAP Member’s name			
Wholesaler assigned account number			
Product Name			
Wholesaler’s Product Number			
Generic Name			
Product Description			
• Strength			
• Packaging			
• Manufacturer			
• Unit dose indicator			
• Form (e.g, tablet, capsule, etc.)			
National Drug Code (NDC) for applicable Products			
Wholesale Acquisition Cost			
Average Wholesale Cost			
Orange Book Rating			
Universal Product Number (UPN), where applicable			
Universal Product Code (UPC), where applicable			
Product Control Schedule (e.g., CII)			
DEA number (where applicable)			
HIN number (where applicable)			
Type of contract – contract identification or code that identifies product as an MMCAP Contract Product, Non-Contract, 340B Drug Pricing Program contract, or alternate contract product			
Contract price (specific to the pricing and contract eligibility of MMCAP Member).			
Product denoted as available as a Drop Shipment			
Product inventory status (e.g., stocked, unavailable due to MBO, Wholesaler Out of Stock, or allocation situations)			
Real-time product inventory quantity available (Product in stock minus those allocated to orders)			
Alternate product search option			
Product inquiry search option			
Automatic substitution information option			
Other: (Specify)			
Other: (Specify)			

ATTACHMENT I

INVOICE DETAIL and SAMPLE INVOICE

Indicate which data fields Responder’s invoicing will provide. If Responder’s invoicing system does not have the field available, provide written affirmation that Responder is willing to add the field to its invoice and identify when such invoice modifications are proposed by Responder to be completed. In addition, provide an example of a current invoice to a Responder’s large customer that is similar in size and scope to an MMCAP large customer.

Invoice Data Fields	Yes	No	If No, when are invoice modifications proposed to be completed?
MMCAP Member’s name			
Responder-assigned account number			
Invoice number			
Invoice line number			
MMCAP Member’s purchase order number			
Invoice date			
Wholesaler’s SKU item number			
National Drug Code (NDC), 11 digits			
Controlled substance classification			
Product Name/Description			
Packaging			
Unit price			
Quantity ordered			
Quantity shipped			
Extension (unit price multiplied by the quantity shipped)			
Total invoice price			
Type of transaction (MMCAP –contracted purchase, other contract purchase (e.g., 340B, off-contract purchase))			
Service fee per line item			
Bill to address			
Ship to address			
Applicable omit codes (e.g., manufacturer backorder, wholesaler temporarily out, manufacturer discontinued, etc.)			