

NOTICE TO INTERESTED PARTIES

This solicitation is provided to you for information purposes. If interested in responding to this solicitation, you may choose to submit your offer on the downloaded document **provided** you register your company by fax or e-mail for this specific solicitation. If you do not register your company, you will not receive addenda, if any, and your offer will be automatically rejected and not considered for award.

Registration or Request for Copy of Solicitation

Submit FAX or E-MAIL to: FAX No.: (808) 587-1244
E-mail Address: marc.s.yamamoto@hawaii.gov

Provide the following information:

- Name of Company - Mailing Address - Name of Contact Person
- Telephone Number - Facsimile Number - E-Mail Address
- Solicitation Number - FedEx (or equivalent) account number (document will be sent
by U.S. Postal Service first class mail if this is not provided)

STATE OF HAWAII
DEPARTMENT OF PUBLIC SAFETY
HONOLULU, HAWAII

Procurement Notice Date: March 18, 2019
REQUEST FOR PROPOSALS
NO. PSD 19-HCD-23

SEALED PROPOSALS
FOR
FURNISHING

PHARMACEUTICAL SERVICES
FOR HEALTH CARE DIVISION

will be received up to and opened at 2:00 p.m. (HST)

on

APRIL 18, 2019

in the Administrative Services Office – Purchasing and Contracts Section, Department of Public Safety, 919 Ala Moana Boulevard, Room 413, Honolulu, Hawaii 96814.

Questions relating to this solicitation shall be directed in writing to Mr. Marc Yamamoto fax (808) 587-1244 or email at marc.s.yamamoto@hawaii.gov.

Nolan P. Espinda, Director
Department of Public Safety

WAGE CERTIFICATE
(For Service Contracts)

Subject: IFB/RFP No.: PSD 19-HCD-23

Title of IFB/RFP: PHARMACEUTICAL SERVICES FOR HEALTH CARE DIVISION

(To be completed by Offeror)

Pursuant to Section 103-55, Hawaii Revised Statutes (HRS), I certify that if awarded the contract in excess of \$25,000, the services to be performed will be performed under the following conditions:

1. The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work; and
2. All applicable laws of the federal and state governments relating to workers' compensation, unemployment compensation, payment of wages, and safety will be fully complied with.

I understand that failure to comply with the above conditions during the period of the contract shall result in cancellation of the contract, unless such noncompliance is corrected within a reasonable period as determined by the procurement officer. Payment in the final settlement of the contract or the release of bonds, if applicable, or both shall not be made unless the procurement officer has determined that the noncompliance has been corrected; and

I further understand that all payments required by Federal and State laws to be made by employers for the benefit of their employees are to be paid in addition to the base wage required by Section 103-55, HRS.

Offeror _____

Signature _____

Title _____

Date _____

PHARMACEUTICAL SERVICES
FOR HEALTH CARE DIVISION
PSD 19-HCD-23

Procurement Officer
Department of Public Safety
State of Hawaii
Honolulu, Hawaii 96814

Dear Sir:

The undersigned has carefully read and understands the terms and conditions specified in the Specifications and Special Provisions attached hereto, and in the General Conditions Form AG-008 , as revised, by reference made a part hereof and available upon request; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof. The undersigned further understands and agrees that by submitting this offer, 1) he/she is declaring his/her offer is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited State contracts, and 2) he/she is certifying that the price(s) submitted was (were) independently arrived at without collusion.

The undersigned represents: **(Check √ one only)**

- ☐ A **Hawaii business** incorporated or organized under the laws of the State of Hawaii; **OR**
☐ A **Compliant Non-Hawaii business** not incorporated or organized under the laws of the State of Hawaii, but registered at the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division to do business in the State of Hawaii.

State of incorporation: _____

Offeror is:

- ☐ Sole Proprietor ☐ Partnership ☐ Corporation ☐ Joint Venture
☐ Other .

Federal I.D. No.: _____

Hawaii General Excise Tax License I.D. No.: _____

Payment address (other than street address below): _____

City, State, Zip Code: _____

Business address (street address): _____

City, State, Zip Code: _____

Respectfully submitted:

(x) _____
Authorized (Original) Signature

Date: _____

Telephone No.: _____

Name and Title (Please Type or Print)

Fax No.: _____

* _____
Exact Legal Name of Company (Offeror)

E-mail Address _____

*If Offeror is a "dba" or a "division" of a corporation,
furnish the exact legal name of the corporation
under which the awarded contract will be executed:

The following offer is hereby submitted for PSD 19-HCD-23, Furnishing Pharmaceutical Services for Health Care Division, as specified herein:

Provide an all-inclusive verifiable pricing methodology that will result in the lowest pharmacy cost to the State.

Offeror shall provide the following information:

Sample pricing based on the identified Top 50/100 Drug list as provided by the HCD, refer to Offer Form pages OF- 4 through OF- 10.

Detailed methodology to provide urgently needed oral, parenteral or intravenous medication during off hours, weekends or holidays to include the delivery of said medication to the requesting facility. Please provide a "back-up" Pharmacy listing by island.

If awarded this contract, do you require system set-up time for this contract prior to processing of prescriptions? ____Yes ____No

If yes, please specify the maximum number of days, not exceeding thirty (30) calendar days: ____ days

Insurance Coverage

1. Commercial General Liability: _____
Underwriter
2. Medical Professional Liability: _____
Underwriter

Name of Agent: _____

Telephone: _____

Recent References (minimum of two)

	<u>Correctional Institution</u>	<u>Contact Person</u>	<u>Telephone no.</u>
Name:	_____	_____	_____
Name:	_____	_____	_____

Offeror: _____
COMPANY NAME

Subcontractor(s)

Will any part of the services specified herein be subcontracted? ____Yes ____No

If yes, list below all subcontractors to be used and what portion of the services the subcontractor(s) will be providing (use additional sheets of paper, if necessary):

1. Name of subcontractor: _____

Portion of services to be provided by subcontractor: _____

2. Name of subcontractor: _____

Portion of services to be provided by subcontractor: _____

Offeror: _____

COMPANY NAME

OTC Drug Utilization
PSD Top 50

Pricing per 30 each based on your pricing formula,
unless dispensed by each. Please breakout and label
all pricing components (i.e., disp. fees, etc.).

- 1 IBUPROFEN 200MG TAB
- 2 ACETAMINOPHEN 325MG TAB
- 3 FIBER-LAX 625MG TAB
- 4 CHEWABLE ANTACID 500MG TAB
- 5 CHLORPHENIRAMINE 4MG TAB
- 6 ACETAMINOPHEN ES 500MG CAPL
- 7 ASPIRIN LO-DOSE 81MG TAB
- 8 LORATADINE 10MG TAB
- 9 SENNA TAB
- 10 ASPIRIN LO-DOSE EC 81MG TAB
- 11 DSS 100MG CAP
- 12 DIPHENHYDRAMINE 25MG CAP
- 13 DIPHENHYDRAMINE 50MG CAP
- 14 BISACODYL EC 5MG TAB
- 15 CALCIUM ANTACID 500MG TAB
- 16 FERROUS SULFATE 325MG TAB
- 17 CALCIUM CARB W/VIT.D 500MG/200IU TAB
- 18 SODIUM BICARBONATE 650MG TAB
- 19 ASPIRIN EC 325MG TAB
- 20 VITAMIN D 400IU TAB
- 21 MULTIVITAMINS TAB
- 22 CALCIUM W/VITAMIN D 600MG/400MG TAB
- 23 OYSTER CALCIUM W/VIT D 500MG/200IU TAB
- 24 OYSTER CALCIUM 500MG TAB
- 25 SIMETHICONE 80MG TAB
- 26 BISACODYL 5MG TAB
- 27 VITAMIN B-1 100MG TAB
- 28 MECLIZINE 12.5MG TAB
- 29 PSEUDOEPHEDRINE 30MG TAB
- 30 APAP/ASA/CAFFEINE 250/250/65MG TAB
- 31 ASPIRIN 325MG TAB
- 32 HYDROCORTISONE (30GM) 0.5% CRM
- 33 PSEUDOEPHEDRINE 60MG TAB
- 34 PINK BISMUTH 262MG TAB
- 35 CALCIUM CARB 600MG TAB
- 36 HEMORRHOIDAL (12) SUP.

Offeror: _____

COMPANY NAME

OFFER FORM

OF-4

PSD 19-HCD-23

OTC Drug Utilization

- 37 SODIUM CHLORIDE 1GM TAB
- 38 SODIUM BICARB 325MG TAB
- 39 VITAMIN D-3 1000IU GCAP
- 40 MAGNESIUM OXIDE 400MG TAB
- 41 ALUM/MAG/SIMETH (355ML) 200/200/20MG SUSP
- 42 PINK BISMUTH (237ML) 262MG/15ML SUSP
- 43 VITAMIN B COMP W/VIT C TABS
- 44 VITAMIN B-12 100MCG TAB
- 45 CETIRIZINE 10MG TAB
- 46 BISACODYL 10MG SUP.
- 47 MULTIVITES/MINERALS TAB
- 48 TOLNAFTATE (15GM) 1% CRM
- 49 MYTAB FOR GAS 80MG TAB
- 50 DIPHENHYDRAMINE (25X1ML) 50MG/ML VIAL

Offeror: _____

COMPANY NAME

OFFER FORM

OF-5
OTC Drug Utilization

PSD 19-HCD-23

Generic Drug Utilization
PSD Top 100

Pricing per 30 each based on your pricing formula,
unless dispensed by each. Please breakout and label
all pricing components (i.e., disp. fees, etc.).

- 1 IBUPROFEN 800MG TAB
- 2 OMEPRAZOLE 20MG CAP
- 3 IBUPROFEN 600MG TAB
- 4 METFORMIN HCL 850MG TAB
- 5 SIMVASTATIN 20MG TAB
- 6 HYDROXYZINE PAM 50MG CAP
- 7 METFORMIN HCL 500MG TAB
- 8 RANITIDINE 150MG TAB
- 9 DIVALPROEX SODIUM ER 500MG TAB
- 10 NAPROXEN 500MG TAB
- 11 LISINOPRIL 20MG TAB
- 12 BUPROPION HCL 75MG TAB
- 13 LISINOPRIL 10MG TAB
- 14 TRAZODONE 100MG TAB
- 15 BENZTROPINE 1MG TAB
- 16 RISPERIDONE 2MG TAB
- 17 IBUPROFEN 400MG TAB
- 18 DIVALPROEX SODIUM 500MG TAB
- 19 SERTRALINE 100MG TAB
- 20 HCTZ 25MG TAB
- 21 METFORMIN HCL 1000MG TAB
- 22 GABAPENTIN 600MG TAB
- 23 INDOMETHACIN 50MG CAP
- 24 GABAPENTIN 300MG CAP
- 25 CITALOPRAM HBR 20MG TAB
- 26 PHENYTOIN SOD EXT 100MG CAPS
- 27 FLUOXETINE 20MG CAP
- 28 SIMVASTATIN 40MG TAB
- 29 TRAZODONE 50MG TAB
- 30 AMOXICILLIN 500MG CAP
- 31 SMZ-TMP DS 800/160MG TAB
- 32 LISINOPRIL 40MG TAB
- 33 RISPERIDONE 3MG TAB
- 34 LITHIUM CARB 300MG CAP
- 35 HALOPERIDOL 5MG TAB
- 36 OLANZAPINE 5MG TAB

Offeror: _____

COMPANY NAME

37 INH 300MG TAB
38 BUPROPION HCL 100MG TAB
39 CARVEDILOL 25MG TAB
40 METOPROLOL 50MG TAB
41 ALLOPURINOL 300MG TAB
42 CITALOPRAM HBR 40MG TAB
43 AMLODIPINE 10MG TAB
44 LISINOPRIL 5MG TAB
45 GABAPENTIN 800MG TAB
46 CYCLOBENZAPRINE 10MG TAB
47 SIMVASTATIN 10MG TAB
48 CLINDAMYCIN 150MG CAP
49 GABAPENTIN 400MG CAP
50 RISPERIDONE 1MG TAB
51 AMLODIPINE 5MG TAB
52 GEMFIBROZIL 600MG TAB
53 ATORVASTATIN 80MG TAB
54 FUROSEMIDE 20MG TAB
55 GLYBURIDE 5MG TAB
56 MIRTAZAPINE 15MG TAB
57 DIVALPROEX SODIUM 250MG TAB
58 PEN VK 500MG TAB
59 AMITRIPTYLINE 100MG TAB
60 DOXYCYCLINE 100MG CAP
61 CEPHALEXIN 500MG CAP
62 TAMSULOSIN 0.4MG CAP
63 OLANZAPINE 10MG TAB
64 LISINOPRIL 2.5MG TAB
65 ENALAPRIL 20MG TAB
66 BENZTROPINE 2MG TAB
67 AMITRIPTYLINE 50MG TAB
68 RISPERIDONE 4MG TAB
69 FLUOXETINE 10MG CAP
70 BUSPIRONE HCL 15MG TAB
71 HYDROXYZINE PAM 25MG CAP
72 CARVEDILOL 6.25MG TAB
73 OLANZAPINE 15MG TAB
74 BELLADONNA/PHENOBARBITAL TAB
75 PROPRANOLOL 20MG TAB
76 ATENOLOL 25MG TAB
77 AMITRIPTYLINE 150MG TAB
78 FUROSEMIDE 40MG TAB
79 PROPRANOLOL 10MG TAB

Offeror: _____

COMPANY NAME

OFFER FORM

OF-7

PSD 19-HCD-23

Generic Drug Utilization

- 80 OXYBUTYNIN 5MG TAB
- 81 VENLAFAXINE 75MG TAB
- 82 AMITRIPTYLINE 75MG TAB
- 83 BUSPIRONE HCL 10MG TAB
- 84 CITALOPRAM HBR 10MG TAB
- 85 LEVETIRACETAM 500MG TAB
- 86 DOXAZOSIN MESYLATE 2MG TAB
- 87 HYDRALAZINE 50MG TAB
- 88 OLANZAPINE 20MG TAB
- 89 ALLOPURINOL 100MG TAB
- 90 LOSARTAN 50MG TAB
- 91 NAPROXEN 250MG TAB
- 92 INDOMETHACIN 25MG CAP
- 93 LAMOTRIGINE 100MG TAB
- 94 METHOCARBAMOL 750MG TAB
- 95 CIPROFLOXACIN 500MG TAB
- 96 CARVEDILOL 3.125MG TAB
- 97 LOSARTAN 25MG TAB
- 98 CARVEDILOL 12.5MG TAB
- 99 ATENOLOL 50MG TAB
- 100 HYDROCODONE/APAP 5MG/500MG TAB

Offeror: _____

COMPANY NAME

OFFER FORM

OF-8

PSD 19-HCD-23

Generic Drug Utilization

Brand Drug Utilization
PSD Top 50

Pricing per 30 each based on your pricing formula,
unless dispensed by each. Please breakout and label
all pricing components, (i.e., disp. fees, etc.).

- 1 ABILIFY 20MG TAB
- 2 PLAVIX 75MG TAB
- 3 ASACOL 400MG TAB
- 4 KALETRA 200MG/50MG TAB
- 5 ACTOS 30MG TAB
- 6 COLCRYS 0.6MG TAB
- 7 GEODON 80MG CAP
- 8 ZENPEP 5000U CAP
- 9 RENVELA 800MG TAB
- 10 ABILIFY 30MG TAB
- 11 ACTOS 45MG TAB
- 12 ACTOS 15MG TAB
- 13 ABILIFY 10MG TAB
- 14 ABILIFY 2MG TAB
- 15 ATRIPLA 600/200/300 TAB
- 16 GEODON 40MG CAP
- 17 CRIXIVAN 400MG CAP
- 18 CELEBREX 200MG CAP
- 19 INTELENCE 100MG TAB
- 20 VENTOLIN HFA (18GM) 90MCG INH
- 21 TRUVADA 200MG/300MG TAB
- 22 TARGRETIN 75MG CAP
- 23 VIRACEPT 625MG TAB
- 24 SEROQUEL 300MG TAB
- 25 EPZICOM TAB
- 26 KEPPRA XR 500MG TAB
- 27 NORVIR 100MG TAB
- 28 REYATAZ 300MG CAP
- 29 SINGULAIR 10MG TAB
- 30 SEROQUEL 400MG TAB
- 31 ENGERIX-B (10X1ML) 20MCG/ML VIAL
- 32 SUSTIVA 600MG TAB
- 33 EFFIENT 10MG TAB
- 34 LYRICA 50MG CAP
- 35 RENAGEL 800MG TAB
- 36 SALSALATE 500MG TAB

Offeror: _____

COMPANY NAME

OFFER FORM

OF-9

PSD 19-HCD-23

Brand Drug Utilization

- 37 LANTUS INSULIN U-100 INJ
- 38 AVELOX 400MG TAB
- 39 GEODON 20MG CAP
- 40 LATUDA 80MG TAB
- 41 VIMPAT 150MG TAB
- 42 VIREAD 300MG TAB
- 43 QVAR (8.7GM) 80MCG INH
- 44 ACARBOSE 50MG TAB
- 45 NEPHRON FA TAB
- 46 VIMPAT 100MG TAB
- 47 ZIAGEN 300MG TAB
- 48 AVODART 0.5MG CAP
- 49 CALCITRIOL 0.5MCG CAP
- 50 OXSORALEN ULT. 10MG CAP

Offeror: _____

COMPANY NAME

OFFER FORM

OF-10

PSD 19-HCD-23

Brand Drug Utilization

SECTION ONE SIGNIFICANT DATES

1.01 RFP SCHEDULE AND SIGNIFICANT DATES

The schedule set out herein represents the State's best estimate of the schedule that will be followed. All times indicated is Hawaii Standard Time (HST). If a component of this schedule, such as "Proposal Due" date is delayed, the rest of the schedule will likely be shifted by the same number of days. The approximate schedule is as follows:

TENTATIVE TIMELINE (Dates are subject to change)

Advertising of Request for Proposals	March 18, 2019
RFP Pre-proposal Meeting	March 21, 2019
Deadline to Submit Written Questions	March 27, 2019
State's Response to Written Questions	April 5, 2019
Proposals Due and Opened	April 18, 2019
Proposal Evaluations	April 19, 2019 TO April 30, 2019
Discussion with Priority Listed Contractors, if applicable	April 24, 2019
Best and Final Offer, if applicable	April 26, 2019
Estimated Contract Award	May 1, 2019
Contract Start Date	July 1 , 2019

A non-mandatory orientation meeting will be held on [March 21, 2019](#) at:

Department of Public Safety
919 Ala Moana Boulevard, Room 413
Honolulu, Hawaii 96814

from 9:30 am, HST to 10:30 am, HST.

A telephone conference call will be held at the same date and time.
Conference Dial-in Number: 1 (515) 739-1015
Participant Access Code, enter 271-724-223#

1.02 CANCELLATION

The RFP may be cancelled and any or all proposals rejected in whole or in part, without liability, when it is determined to be in the best interest of the State of Hawaii.

SECTION TWO SPECIFICATIONS

2.01 SCOPE

The Contractor shall provide pharmaceutical services for inmates under the care of the Department of Public Safety (Department), Health Care Division, on the islands of Oahu, Hawaii, Maui, and Kauai.

The following facilities are included under this contract:

<u>Facility</u>	<u>Contact Person</u>	<u>Approximate No. of Inmates</u>
Oahu Community Correctional Center (OCCC) 2199 Kamehameha Highway Honolulu, Hawaii 96819	Keith Wakabayashi Phone: (808) 832-1682	1263
Hawaii Community Correctional Center (HCCC) 60 Punahale Street Hilo, Hawaii 96720	Kim Rosehill Phone: (808) 933-0428	410
Kauai Community Correctional Center (KCCC) 5350 Kuhio Highway Lihue, Hawaii 96766	Landon Labrador Phone: (808) 241-3062	175
Maui Community Correctional Center (MCCC) 600 Waiale Drive Wailuku, Hawaii 96793	Jennifer Lopez Phone: (808) 243-5864	406
Women's Community Correctional Center (WCCC) 42-477 Kalaniana'ole Highway Kailua, Hawaii 96734	Maureen Camacho Phone: (808) 266-9696	329
Halawa Correctional Facility (HCF) 99-902 Moanalua Road Aiea, Hawaii 96701	Mahina Assily Phone: (808) 485-5178	1,325
Waiawa Correctional Facility (WCF) P.O. Box 1839 Pearl City, Hawaii 96782	Irene Revilla Phone: (808) 455-6160	295

All other future Department of Corrections Institutions in the State of Hawaii.

2.02 CONTRACTOR'S RESPONSIBILITIES

Contractor shall be responsible for:

1. Providing, maintaining, and updating as necessary all equipment necessary to provide pharmaceutical services to inmates at all correctional facilities on all islands in the State of Hawaii. This includes medication carts, blister pack sorting and storage devices, and facsimile, computer, printers, and/or other communication equipment necessary to transmit prescriptions to the Contractor.
2. Maintaining and providing to the Department's Health Care Division, copies of current license(s) to provide pharmaceutical services in the State of Hawaii. If Offeror is an out-of-state pharmacy, Offeror shall have a miscellaneous permit to conduct business by mail order in the State of Hawaii.
3. Maintaining all pharmaceutical standards and conforming to all applicable State and Federal laws governing pharmaceutical operations.
4. Providing inmate pharmacy coverage for all facilities, eight (8) hours a day, from 7:45 a.m. to 4:30 p.m., Hawaii Standard Time (HST), seven (7) days a week; including same day drug access for urgent pharmacy coverage, twenty-four (24) hours per day, seven (7) days per week on an on-call basis.
5. Prescriptions that shall be prepared off-site and shipped to the facility within twenty-four (24) hours of ordering. Contractor shall deliver medications ordered by express mail / courier (i.e. Federal Express) or in person. All deliveries shall arrive at the ordering facility destination, Monday through Saturday only, between the hours of 7:45 a.m. and 4:30 p.m. for non-24-hour facilities, and between the hours of 6:00 a.m. and 10:00 p.m. for 24-hour health care facilities. Contractor shall not have any deliveries arrive on Sundays or State Holidays.
6. Packaging medications in unit-dose blister cards containing two-part, peel-off, reorder labels unless specifically designated otherwise by the Department.
7. The return to pharmacists of pharmacy medications that are unadulterated, pursuant to Section 461-11, Hawaii Revised Statutes (HRS), for repackaging and re-dispensing or redistribution back to the Department of Public Safety. The Department of Public Safety shall be charged only for the repackaging and re-dispensing of returned unadulterated medications, and not for the medications themselves.
8. The proper disposal of unused or outdated medications. The Department of Public Safety shall not be charged a fee for the return for disposal of any unused or outdated medications.
9. Having information systems that are able to electronically exchange prescription information or accept electronic prescriptions interactively on a real-time basis.
10. Having a quality assurance tool to monitor and measure accuracy of the ordering and delivery of medications process.
11. Providing in-service training and consultation to Department's health care personnel on the following topics:

- a. Proper disposition of unused substances as required by law.
 - b. Proper administration of medication.
 - c. Monitoring and documentation of drug administration and drug utilization in the correctional setting.
 - d. Procedures for management of controlled drugs, according to the law.
 - e. Specified topics such as drug actions / interactions and common medication administration errors.
12. Monitoring, reviewing, and upgrading drug prescription practices and recommending formulary changes (additions / deletions) as applicable. Provide an electronic formulary that is sent to each facility and the administration office whenever the formulary is revised or updated at a minimum on an annual basis.
 13. Develop a system for dispensing prescriptions or for administering daily units of drugs to patients, which is compatible to the needs of the institution, including daily pick-up and delivery services as needed.
 14. Assisting the Department's health care personnel with the procurement, storage, and inventory of routinely dispensed drugs and other related medical supplies.
 15. Providing provisions for an emergency drug box, starter packs, and stock medications.
 16. Provide a method of obtaining over-the-counter and urgent intravenous and non-formulary medications.
 17. Providing special packaging services (e.g., blister packs, childproof bottles) for inmates on medication being released on furlough or temporary leave status.
 18. Providing community prescriptions for up to thirty (30) days for inmates covering both planned and unplanned releases from the care of the Department.
 19. Providing a computerized inmate prescription storage and retrieval system. All reports, including expiring prescription reports well as all other daily functions of the pharmaceutical services shall be fully computerized.
 20. Providing, but not limiting to, the following:
 - a. Quarterly health clinic pharmacy operations and medication management inspections for each facility assuring compliance with State & Federal pharmacy laws and compliance with the National Commission on Correctional Health Care accreditation standards;
 - b. Active participation on the Pharmacy and Therapeutics Committee presenting and reviewing utilization data, offering recommendations for improved prescribing practices, drug substitutions, information on new drugs coming to market and going generic, observations from on-site audits and recommendations regarding formulary management.
 - c. Monitoring of the drug formulary;
 - d. Quarterly on-site, in-service education for nursing staff on pre-selected topics;

- e. Drug reference books on an annual basis, as updated by the publishers, to include 10 editions of each of the following:
 - "Physician Desk Reference" (PDR)
 - "2019 Nursing Drug Handbooks" or other similarly priced drug reference as specified by the Clinical Section Branch Administrator
21. Maintaining a complete patient drug profile (monitoring drug interactions / reactions and allergic reactions) for each patient in the correctional health care system including a notification system for potential drug interactions/reactions.
22. Providing the ability to print a monthly Medication Administration Record (MAR) for each facility in the Department.
23. Providing a timely patient specific feedback mechanism to the ordering facility specifying the reason when requested medications cannot be dispensed such as request is too early, no refills remain, etc.
24. Providing a methodology to directly order new or refill prescriptions from a back up pharmacy when the drug(s) are not immediately available for distribution with the next pharmacy delivery. .
25. Providing a methodology for each facility to obtain urgently needed oral, parenteral or intravenous medication during off hours, weekends or holidays to include the delivery of said medication to the requesting facility.
26. Providing the following information utilizing a computerized storage and retrieval system:
 - a. Individual medication history;
 - b. Immediate cross-reference checks for drug interactions;
 - c. Inmate's medication record for the duration of inmate's incarceration and for up to six (6) months after discharge or release.
27. Providing of third-party billing in accordance with Section 346-29, HRS.

(Section 346-29, HRS, Applications for Public Assistance; Manner, Form, Conditions, provides that "any inmate of a public institution who is otherwise eligible for medical assistance and who has been determined by the medical director of the institution as having a major illness or medical condition requiring the provision of medical care outside of the institution may receive assistance under this chapter."
28. Designating a specific pharmacist representative to serve as the Department's point of contact. This person shall attend and serve as the pharmacy representative on the Department's quarterly Pharmacy and Therapeutics (P&T) Committee assisting the Department in establishing policies and procedures for medication management, drug procurement, distribution, utilization and the maintenance of a drug formulary. This representative shall attend the P & T meeting in person at a minimum of two times per year on a schedule specified by the Department. The remaining two meeting may be and attended by way of video/telephone conferencing

29. Participating in the Department's health services quality assurance activities through the reporting of drug regimen reviews of note at the P&T Committee meetings, monitoring and assisting with corrections of medication errors, and having complete non-formulary drug requests when drugs are prescribed.
30. Furnishing quarterly management reports, analyzing the pharmacy operation, to the Department's Health Care Division Administrator and Medical Director. These reports shall be submitted no later than thirty (30) days from the end of each month. The required reports include: 1. statistical information report, by facility, of all drugs by class dispensed for the month and the corresponding associated costs and a corresponding summary level report. Contractor may be asked to include additional information in this report. 2. provider specific report listing all dispensed controlled substances by patient. 3. report listing all non-formulary medications ordered by provider and corresponding cost. 4. report listing all medication dispensing errors including the patient name, error type, error description, drug ordered, drug dispensed, and facility and a summary year to date medication error type frequency report. Contractor shall provide additional management reports upon request by the Department.
31. Providing pharmaceutical utilization cost management services. Develop and suggest the implementation of cost containment strategies to the Department.
32. Contractor must have a computerized prescription order entry system, providing the State's correctional healthcare clinics with an electronic medication administration record (MAR) and accommodate new and refill prescriptions orders. The contractor is responsible for all hardware and communications costs.
33. Will work with State's electronic medical record contractor to develop a bi-directional pharmacy interface, allowing prescriptions to be ordered through emr to be sent directly to the pharmacy vendor for dispensing and updating from the pharmacy vendor to the medication record any changes in drug formulation as related to the order. For example, if drug ordered is 40 mg Lasix, po, daily. If there is a cost savings to the State by dispensing 2 tablets of 20 mg Lasix instead. The pharmacy vendor will make that change and transmit the change back to emr for placement on the Medication Administration. The order will be changed on the MAR to show Lasix 20mg take 2 tablets, daily. This interface must be functional within 6 months of contract award and at not charge to the State.
34. In the event the State is able to negotiate favorable medication purchase rates directly with the manufacturers, where the cost to the State will be decreased, the contractor will assist the State in the receipt and distribution of these medications.

SECTION THREE PROPOSAL FORMAT AND CONTENT

3.01 INTRODUCTION

One of the objectives of this RFP is to make proposals preparation easy and efficient, while giving Contractors ample opportunity to highlight their proposals. The evaluation process must also be manageable and effective. When a Contractor submits a proposal, it shall be considered a complete plan for accomplishing the tasks described in this RFP and any supplemental tasks the Contractor has identified as necessary to successfully complete the obligations outlined in this RFP.

The proposal shall describe in detail the Contractor's ability and availability of services to meet the goals and objectives of this RFP as stated in **Section 2.02 SCOPE OF WORK**.

Proposals must:

1. Include a transmittal letter to confirm that the Contractor shall comply with the requirements, provisions, terms, and conditions specified in this RFP.
2. Include signed Offer Form OF-1 with the complete name and address of Contractor's firm and the name, mailing address, telephone number, and fax number of the person the State should contact regarding the Contractor's proposal.
3. If subcontractor(s) will be used, append a statement to the transmittal letter from each subcontractor, signed by an individual authorized to legally bind the subcontractor and stating:
 - a. The general scope of work to be performed by the subcontractor;
 - b. The subcontractor's willingness to perform for the indicated.
4. Provide all of the information requested in this RFP in the order specified.
5. Be organized into sections, following the exact format using all titles, subtitles, and numbering, with tabs separating each section described below. Each section must be addressed individually and pages must be numbered.
 - a. Transmittal Letter
Offer Form OF-1.
 - b. Experience and Capabilities
 - 1) Client listing
 - 2) Number of years in business
 - 3) Listing of key personnel and associated resumes for those who will be dedicated to this contract
 - 4) Listing of references
 - 5) Summary listing of judgments or pending lawsuits or legal actions
 - 6) Samples of projects similar to those described in this RFP
 - c. Proposal including an overall strategy, timeline and plan

- d. Pricing
See Section Six, Attachment 2, Offer Form OF-2.
- e. Exceptions

3.02 EXPERIENCE AND CAPABILITIES

Contractor shall:

1. Be registered to do business in the State of Hawaii.
2. Demonstrate evidence of its experience and capability of delivering pharmaceutical services in a correctional setting.
3. Demonstrate the ability to produce required reports.
4. Demonstrate that it has the necessary skills, abilities, and knowledge relating to the delivery of the proposed services. The contractor shall provide a description of projects/contracts pertinent to the proposed services. The contractor shall describe its own plans for quality assurance and evaluation for the proposed services, including methodology.
5. Describe its ability to train and provide administrative direction relative to the delivery of the proposed services.
6. Provide an organization chart that reflects the position of each staff and line of responsibility/supervision (Include position title, name, and full-time equivalency). Both the "Organization-wide" and "Program" organization charts shall be attached to the Proposed Application. Refer to Section 2 for further required experience and capabilities.

3.03 PROPOSAL, STRATEGY AND PROJECTED TIMETABLE

Contractor shall submit a proposal that includes an overall strategy, timeline and plan for the work proposed as well as expected results and possible shortfalls.

3.04 PRICING

Contractor shall submit a cost proposal utilizing the pricing structure designated by the state-purchasing agency. Completed Offer Form, pages OF-1 through OF-10 are required.

3.05 EXCEPTIONS

Contractor shall list any exceptions taken to the terms, conditions, specifications, or other requirements listed herein. Contractor shall reference the RFP section where exception is taken, a description of the exception taken, and the proposed alternative, if any.

SECTION FOUR PROPOSAL EVALUATION

4.01 Introduction

The evaluation of proposals received in response to the RFP will be conducted comprehensively, fairly and impartially. Structural, quantitative scoring techniques will be utilized to maximize the objectivity of the evaluation.

4.02 Evaluation Process

The procurement officer or an evaluation committee of designated reviewers selected by the head of the state purchasing agency or procurement officer shall review and evaluate proposals. When an evaluation committee is utilized, the committee will be comprised of individuals with experience in, knowledge of, and program responsibility for program service and financing.

The evaluation will be conducted in three phases as follows:

- Phase 1 - Evaluation of Proposal Requirements
- Phase 2 - Evaluation of Proposal Application
- Phase 3 - Recommendation for Award

Evaluation Categories and Thresholds

<u>Evaluation Categories</u>		<u>Possible Points</u>
<i>Administrative Requirements</i>		
<i>Proposal Application</i>		100 Points
Program Overview	Not Applicable	
Experience and Capability	30 Points	
Project Organization and Staffing	Pass/No Pass	
Service Delivery	20 Points	
Financial	50 Points	
TOTAL POSSIBLE POINTS		100 Points

4.03 Evaluation Criteria

A. Phase 1 - Evaluation of Proposal Requirements

1. Administrative Requirements
2. Proposal Application Requirements
 - Table of Contents
 - Program Overview

- Experience and Capability
- Project Organization and Staffing
- Service Delivery
- Financial (All required forms and documents)
- Program Specific Requirements (as applicable)

**B. Phase 2 - Evaluation of Proposal Application
(100 Points)**

Program Overview: No points are assigned to Program Overview. The intent is to give the applicant an opportunity to orient evaluators as to the service(s) being proposed.

1. Experience and Capability (30 Points)

The State will evaluate the applicant's experience and capability relevant to the proposal contract, which shall include:

- | | |
|---|-----------|
| A. Necessary Skills | <u>10</u> |
| <ul style="list-style-type: none"> • Demonstrated skills, abilities, and knowledge relating to the delivery of the proposed services. | |
| B. Experience | <u>10</u> |
| C. Quality Assurance and Evaluation | <u>5</u> |
| <ul style="list-style-type: none"> • Sufficiency of quality assurance and evaluation plans for the proposed services, including methodology. | |
| D. Coordination of Services | <u>5</u> |
| <ul style="list-style-type: none"> • Demonstrated capability to coordinate services with other agencies and resources in the community. | |
| E. Facilities | |
| <ul style="list-style-type: none"> • Adequacy of facilities relative to the proposed services. | |

2. *Project Organization and Staffing (Pass / No Pass)*

The State will evaluate the applicant's overall staffing approach to the service that shall include:

A. Staffing

- Proposed Staffing: That the proposed staffing pattern, client/staff ratio, and proposed caseload capacity is reasonable to insure viability of the services. _____
- Staff Qualifications: Minimum qualifications (including experience) for staff assigned to the program. _____

B. Project Organization

- Supervision and Training: Demonstrated ability to direction to staff relative to the delivery of supervise, train and provide administrative the proposed services. _____
- Organization Chart: Approach and rationale for the structure, functions, and staffing of the proposed organization for the overall service activity and tasks. _____

3. *Service Delivery (20 points)*

Evaluation criteria for this section will assess the applicant's approach to the service activities and management requirements outlined in the Proposal Application.

4. *Financial (50 Points)*

Pricing structure based on providing the State the lowest cost per the proposed pricing methodology on Offer Form, pages F-2.

C. Phase 3 - Recommendation for Award

Each notice of award shall contain a statement of findings and decision for the award or non-award of the contract to each applicant.

SECTION FIVE SPECIAL PROVISIONS

5.01 SCOPE

The furnishing of Pharmaceutical Services to the Department of Public Safety's Health Care Division, on the islands of Oahu, Hawaii, Kauai, and Maui shall be in accordance with these Special Provisions, the Specifications, and the General Conditions, Form AG-008 (4/15/2009) by reference made a part hereof. Copies of the General Conditions are available at the Administrative Services Office – Purchasing and Contracts Section, 919 Ala Moana Boulevard, Suite 413, Honolulu, Hawaii 96814 and on the internet at <http://hawaii.gov/forms/department-of-attorney-general>.

5.02 TERM OF CONTRACT

Contractor shall enter into a contract for furnishing pharmaceutical services for the thirty-six month period commencing on the date indicated on the Notice to Proceed or July 1, 2019, whichever is later.

If Contractor requires set-up time prior to processing of prescriptions, Contractor shall have up to thirty (30) calendar days after the start date indicated on the Notice to Proceed to establish their system. The maximum number of days required for set-up time shall be indicated on the appropriate Offer Form. The thirty (30) days set-up time shall be considered part of the twelve-month contract period.

Unless terminated, the contract may be extended for not more than two (2) additional twelve-month periods or part thereof without rebidding, upon mutual agreement in writing at least ninety (90) days prior to expiration, provided the contract rate remains the same or lower than the initial contract percentage rate.

Upon extension of the contract, Contractor shall be required to execute a Supplemental Agreement to the contract.

5.03 CONTRACT ADMINISTRATOR

The Contract Administrator, acting either directly or through his authorized representative for this agreement, is Dr. Gavin Takenaka, Acting Health Care Division Administrator; telephone (808) 587-1250.

5.04 OFFEROR'S AUTHORITY TO SUBMIT AN OFFER

The State will not participate in determinations regarding an Offeror's authority to provide the services specified herein. If there is a question or doubt regarding an Offeror's right or ability to provide the service, the Offeror should resolve the questions prior to submitting an offer. If an Offeror offers services that meets specifications and is acceptable, and who has received the highest evaluation point total, the award will be made to the Offeror.

5.05 OFFEROR QUALIFICATION

In addition to meeting the legal and other requirements specified herein, Offeror shall meet the following qualifications to be considered for award:

Each Offeror shall have a licensed pharmacist on staff and must submit a copy of the pharmacist's license with the offer submittal. Offer shall also submit any other required licenses / certifications required to provide medications required for this contract.

Offeror's pharmacy shall be licensed to dispense medication in Hawaii, or if Offeror is an out-of-state pharmacy, shall have a miscellaneous permit to conduct business in the State of Hawaii by mail order. Offeror must submit a copy of the pharmacy license or permit with the offer submittal or prior to award of the contract.

Failure to submit a copy of both licenses may be grounds for rejection of the offer.

5.06 GENERAL REQUIREMENTS

Contractor shall comply with all Federal and State laws relating to pharmacies.

Contractor shall be subject to the policies and procedures of the Health Care Division.

All services required shall be performed by the Contractor or its employees under its supervision, and all personnel assigned under this contract shall be fully qualified and shall be authorized under Federal, State, and local laws to perform such services.

Contractor shall comply with all the applicable laws of the Federal and State governments relating to workers' compensation, unemployment compensation, payment of wages, and safety.

Experience in providing pharmaceutical services in a corrections institutional setting, and experience in providing corrections pharmaceutical utilization cost management services, is required.

5.07 RESPONSIBILITY OF OFFERORS

Offeror is advised that if awarded a contract under this solicitation, Offeror shall, upon award of the contract, furnish proof of compliance with the requirements of Section 3-122-112, Hawaii Administrative Rules (HAR).

1. Chapter 237, tax clearance;
2. Chapter 383, unemployment insurance;
3. Chapter 386, workers' compensation;
4. Chapter 392, temporary disability insurance;
5. Chapter 393, prepaid health care; and
6. One of the following:
 - a. Be registered and incorporated or organized under the laws of the State (hereinafter referred to as a "Hawaii business"); **or**

- b. Be registered to do business in the State (hereinafter referred to as a "compliant non-Hawaii business").

5.08 OVERVIEW OF THE RFP PROCESS

- a. The RFP is issued pursuant to Subchapter 6 of HAR Chapter 3-122, implementing HRS Section 103D-303.
- b. The procurement process begins with the issuance of the RFP and the formal response to any written questions or inquiries regarding the RFP. Changes to the RFP will be made only by Addendum.
- c. Proposals shall not be opened publicly, but shall be opened in the presence of two (2) or more procurement officials. The register of proposals and Contractors' proposals shall be open to public inspection after posting of the award.

All proposals and other material submitted by Contractors become the property of the State and may be returned only at the State's option.

- d. The Procurement Officer, or an evaluation committee selected by the Procurement Officer, shall evaluate the proposals in accordance with the evaluation criteria in Section Four. The proposals shall be classified initially as acceptable, potentially acceptable, or unacceptable.
- e. Proposals may be accepted on evaluation without discussion. However, if deemed necessary, prior to entering into discussions, a "priority list" of responsible Contractors submitting acceptable and potentially acceptable proposals shall be generated. The priority list may be limited to a minimum of three responsible Contractors who submitted the highest-ranked proposals. The objective of these discussions is to clarify issues regarding the Contractor's proposal before the BAFO is tendered.
- f. If during discussions there is a need for any substantial clarification or change in the RFP, the RFP shall be amended by an addendum to incorporate such clarification or change. Addenda to the RFP shall be distributed only to priority listed Contractors who submit acceptable or potentially acceptable proposals.
- g. Following any discussions, Priority Listed Contractors will be invited to submit their BAFO, if required. The Procurement Officer or an evaluation committee reserves the right to have additional rounds of discussions with the top three (3) Priority Listed Contractors prior to the submission of the BAFO.
- h. The date and time for Contractors to submit their BAFO, if any, is indicated in Section 1.04, RFP Schedule and Significant Dates. If Contractor does not submit a notice of withdrawal or a BAFO, the Contractor's immediate previous offer shall be construed as its BAFO.
- i. After receipt and evaluation of the BAFOs in accordance with the evaluation criteria in Section Four, the Procurement Officer or an evaluation committee will make its recommendation. The Procurement Officer will award the contract to the Contractor

whose proposal is determined to be the most advantageous to the State taking into consideration price and the evaluation factors set forth in Section Four.

- j. The contents of any proposal shall not be disclosed during the review, evaluation, discussion, or negotiation process. Once award notice is posted, all proposals, successful and unsuccessful, become available for public inspection. Those sections that the Contractor and the State agree are confidential and/or proprietary should be identified by the Contractors and shall be excluded from access.
- k. The Procurement Officer or an evaluation committee reserves the right to determine what is in the best interest of the State for purposes of reviewing and evaluating proposals submitted in response to the RFP. The Procurement Officer or an evaluation committee will conduct a comprehensive, fair and impartial evaluation of proposals received in response to the RFP.
- l. The RFP, any addenda issued, and the successful Contractor's proposal shall become a part of the contract. All proposals shall become the property of the State of Hawaii.

5.09 CONFIDENTIAL INFORMATION

If a person believes that any portion of a proposal, offer, specification, protest, or correspondence contains information that should be withheld as confidential, then the Procurement Officer named on the cover of this RFP should be so advised in writing and provided with justification to support confidentiality claim. Price is not considered confidential and will not be withheld.

An Contractor shall request in writing nondisclosure of designated trade secrets or other proprietary data considered confidential. Such data shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal in order to facilitate eventual public inspection of the non-confidential portion of the proposal.

Pursuant to HAR Section 3-122-58, the head of the purchasing agency or designee shall consult with the Attorney General and make a written determination in accordance with HRS Chapter 92F. If the request for confidentiality is denied, such information shall be disclosed as public information, unless the person appeals the denial to the Office of Information Practices in accordance with HRS Section 92F-42(12).

5.10 REQUIRED REVIEW

Contractor shall carefully review this solicitation for defects and questionable or objectionable matter. Comments concerning defects and questionable or objectionable matter must be made in writing and should be received by the PSD-ASO/PC prior to the deadline for written questions as stated in the RFP Schedule and Significant Dates, page 3. This will allow issuance of any necessary corrections and/or amendments to the RFP. It will help prevent the opening of a defective solicitation and exposure of Contractor's proposal upon which award could not be made. Any exceptions taken to the terms, conditions, specifications, or other requirements listed herein, must be listed in the *Exceptions* section of the Contractor's proposal, if the exception is unresolved by the Proposal Due date.

5.11 QUESTIONS PRIOR TO OPENING OF PROPOSALS

All questions must be submitted in writing and directed to the PSD-ASO/PC, via mail, facsimile (808) 587-1244 or e-mail at marc.s.yamamoto@hawaii.gov. The State will respond to written questions by the date indicated in Section One, 1.04 RFP Schedule and Significant Dates, or as amended.

5.12 CANCELLATION OF RFP AND PROPOSAL REJECTION

The State reserves the right to cancel this RFP and to reject any and all proposals in whole or in part when it is determined to be in the best interest of the State, pursuant to HAR Section 3-122-96 through 3-122-97.

5.13 OFFER PREPARATION

Offer Form, Page OF-1. Offeror is requested to submit its offer using Offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable; and to indicate exact legal name in the appropriate space on Offer Form, page OF-1. Failure to do so may delay proper execution of the contract.

Offeror's authorized signature shall be an original signature in ink. If Offer Form, page OF-1, is unsigned or the affixed signature is a facsimile or a photocopy, the offer shall be automatically rejected unless accompanied by other material which contains an original signature indicating the Offeror's intent to be bound.

Offer Guaranty or Bid Bond. An offer guaranty is not required for this solicitation.

Multiple or Alternate Offers. Multiple or Alternate Offers shall not be accepted. An Offeror may submit only one offer in response to a solicitation. If an Offeror submits more than one offer in response to a solicitation, then all such offers shall be rejected. Similarly, an Offeror may submit only one offer for each line item (if any) of a solicitation. If an Offeror submits more than one offer per line item, then all Offeror's offer for that line item shall be rejected.

Bid Price. Offeror shall list the rate in which the identified cost of the pharmaceuticals will be the all-inclusive cost to the State as no other charges will be honored. The rate shall include all applicable taxes and any other costs incurred.

Hawaii business. A business entity referred to as a "Hawaii business", is registered and incorporated or organized under the laws of the State of Hawaii.

Compliant non-Hawaii business. A business entity referred to as a "compliant non-Hawaii business," is not incorporated or organized under the laws of the State of Hawaii but is registered to do business in the State.

Tax Liability. Work to be performed under this solicitation is a business activity taxable under Chapter 237, HRS, and if applicable, taxable under Chapter 238, HRS. Vendors are advised that they are liable for the Hawaii GET at the current 4% rate for all islands except Oahu, and 4.5%

for the island of Oahu only, which includes the .5% assessment for the County Surcharge Tax (CST); and also liable for the applicable Use tax at the current at the rate of .5%. If, however, an Offeror is a person exempt by the HRS from paying the GET and therefore not liable for the taxes on this solicitation, Offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

Taxpayer Preference. For evaluation purposes, pursuant to Section 103-53.5, HRS, as amended, the price offer submitted by an Offeror not liable for the GET under this solicitation, shall be increased by the current rate of the GET. Under no circumstance shall the dollar amount of the award include the aforementioned adjustments.

Insurance. Offeror shall provide insurance information as requested on Offer Form, page OF-2.

References. Offeror shall provide references on Offer Form, page OF-2, of at least two correctional systems, hospitals and/or established clinical institutions in the State of Hawaii or elsewhere to whom pharmaceutical services, similar to the services specified herein, have recently been provided. The State reserves the right to contact the references to inquire about Offeror's current or past service performance.

Subcontractors. Offeror shall list on the Offer Form, page OF-2, all subcontractors to be used to perform any of the services specified herein. The Department reserves the right to request additional information about any subcontractor listed. Such information shall be provided to the Department within five (5) days from the Department's request.

Wage Certificate. Offeror shall complete the attached wage certification by which Offeror certifies that the services required shall be performed pursuant to Section 103-55, HRS. Only Item No. 2 pertains to this contract.

5.14 OFFER SUBMITTAL

Contractor must submit the offer in a sealed envelope identified with the following information:

- Offeror's name, address, and telephone number;
- The words, "REQUEST FOR PROPOSALS";
- The Invitation for Bids number and title;
- The date and time of the bid opening;
- The words, "Attention ASO – Purchasing and Contracts".

Offers will be received up to the time and date fixed in the public notice for opening of bids, or as amended. Offers failing to meet the bid-opening deadline shall not be considered for award.

5.15 FAXED DOCUMENTS

With prior approval from the Purchasing and Contracts Staff, fax documents shall be allowed prior to opening. The State shall not be liable for faxes not received by the Purchasing and Contracts Staff. Originals shall be mailed or delivered and received no later than two (2) working days from the date and time of Bid Opening.

5.16 OFFER INSPECTION

After the Notice of Award, proposals submitted shall be subject to public inspection with the exceptions of portions of the proposal clearly indicated as confidential. Pricing is NOT subject to confidentiality claims.

5.17 METHOD OF AWARD

Award(s) if any, will be made based on the highest point score as determined by the Proposal Evaluation.

The solicitation may be canceled or the offers may be rejected, in whole or in part, when it is in the best interest of the Department of Public Safety, as provided in Sections 3-122-95 through 3-122-97, Hawaii Administrative Rules (HAR).

REQUIREMENT FOR AWARD:

Responsibility of Lowest Responsive Bidder. Reference Chapter 103D-310 (c), HRS and Reference §3-122-112, HAR, Responsibility of Offerors. If compliance documents have not been submitted to the ASO-PC prior to award, the lowest responsive offeror shall produce documents to the procurement officer to demonstrate compliance with this section.

Effective October 31, 2013, pursuant to Procurement Circular No. 2011-02, Amendment 1, for all other offerors, registering on the Hawaii Compliance Express (HCE) is recommended but not mandatory. Valid hardcopies of their tax clearance certificate (Form A-6), "Form LIR#27 Application for Certificate of Compliance with Section 3-122-112, HAR", and a "Certificate of Good Standing" are acceptable. However, if the offeror is currently participating in HCE, offeror shall be required to maintain compliance through HCE.

To facilitate award, it is recommended that Offerors register with the Hawaii Compliance Express prior to their bid submittal.

Hawaii Compliance Express. The Hawaii Compliance Express (HCE), allows businesses to register online through a simple wizard interface at <http://vendors.ehawaii.gov> to acquire a "Certificate of Vendor Compliance." The HCE provides current compliance status as of the issuance date. The "Certificate of Vendor Compliance" indicating that vendor's status is compliant with the requirements of Chapter 103D-310(c), HRS, shall be accepted for both contracting purposes and final payment. Vendors that elect to use the new HCE services will be required to pay an annual fee of \$12.00 to the Hawaii Information Consortium, LLC (HIC).

Alternatively, for Offerors who elect not to register on Hawaii Compliance Express (HCE), verification of compliance shall be submitted by separately applying to paper certificates at the various state agencies as follows:

HRS Chapter 237 tax clearance requirement for award. Instructions are as follows:

Pursuant to §103D-328, HRS, all awarded Offerors shall be required to submit a tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS). The certificate shall have an original green certified copy stamp and

shall be valid for six (6) months from the most recent approval stamp date on the certificate. It must be valid on the date it is received by the PSD-ASO.

The tax clearance certificate shall be obtained on the State of Hawaii, DOTAX *TAX CLEARANCE APPLICATION* Form A-6 (Rev. 2012) which is available at the DOTAX and IRS offices in the State of Hawaii or the DOTAX website, and by mail or fax:

DOTAX Website (Forms & Information): http://www.hawaii.gov/tax/a1_1alphalist.htm

DOTAX Forms by Fax/Mail: (808) 587-4242
..... 1 (800) 222-3229
IRS: (808) 566-2748

Completed tax clearance applications may be mailed, faxed, or submitted in person to the Department of Taxation, Taxpayer Services Branch, to the address listed on the application. Facsimile numbers are:

DOTAX: (808) 587-1488
IRS: (808) 524-5950

The application for the clearance is the responsibility of the Offeror, and must be submitted directly to the DOTAX or IRS and not to the PSD-ASO. However, the tax clearance certificate shall be submitted to the PSD-ASO.

HRS Chapters 383 (Unemployment Insurance), 386 (Workers' Compensation), 392 (Temporary Disability Insurance), and 393 (Prepaid Health Care) requirements for award.

Pursuant to §103D-31 O(c), HRS, all awarded Offerors shall be required to submit a certificate of compliance issued by the Hawaii State Department of Labor and Industrial Relations (DLIR). The certificate is valid for six (6) months from the date of issue and must be valid on the date it is received by the PSD-ASO. A photocopy of the certificate is acceptable to the PSD-ASO.

The certificate of compliance shall be obtained on the State of Hawaii, DLIR *APPLICATION FOR CERTIFICATE OF COMPLIANCE WITH SECTION 3-122-112, HAR*, Form LIR#27 which is available at <http://hawaii.gov/labor/formsall.shtml> or at the neighbor island DLIR District Offices. The DLIR will return the form to the Offeror who in turn shall submit it to the PSD-ASO.

The application for the certificate is the responsibility of the Offeror, and must be submitted directly to the DLIR and not to the PSD-ASO. However, the certificate shall be submitted to the PSD-ASO.

Compliance with Section 1030-310(c), HRS, for an entity doing business in the State.

All awarded Offerors shall be required to submit a *CERTIFICATE OF GOOD STANDING* (Certificate) issued by the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division (BREG). The Certificate is valid for six months from date of issue

and must be valid on the date it is received by the PSD-ASO. A photocopy of the certificate is acceptable to the PSD-ASO.

To obtain the Certificate, the Offeror must first be registered with the BREG. A sole proprietorship, however, is not required to register with the BREG, and therefore not required to submit the certificate.

On-line business registration and the Certificate are available at www.BusinessRegistrations.com. To register or to obtain the Certificate by phone, call (808) 586-2727 (M-F 7:45 to 4:30 HST). Offerors are advised that there are costs associated with registering and obtaining the Certificate.

Final Payment Requirements. Contractors registered on the HCE are required to submit a valid "Certificate of Vendor Compliance" for final payment of the contract.

Contractors not electing to register on HCE, are required to submit a valid tax clearance and an original "Certification of Compliance for Final Payment" (SPO Form-22), attached, will be required for final payment. A copy of the Form is also available at www.hawaii.gov/spo. Select "Forms for Vendors/Contractors" from the Procurement of Goods, Services, & Construction - Chapter 103D, HRS, menu.

Timely Submission of all Certificates. The above certificates should be applied for and submitted to the PSD-ASO as soon as possible. If a valid certificate is not submitted on a timely basis as required by the Procurement Officer for award of a contract, an offer otherwise responsive and responsible may not receive the award.

5.18 DISQUALIFICATION OF OFFERORS

An Offeror shall be disqualified and his offer automatically rejected for any one or more of the following reasons: proof of collusion, in which case, all offers involved in the collusive action will be rejected and any participant to such collusion shall be barred from future solicitations until reinstated; Offeror's lack of responsibility and cooperation as shown by past work or services; Offeror's being in arrears on existing contracts with the State or having defaulted on previous contracts; Offeror's lack of proper equipment and/or sufficient experience to perform the work contemplated; Offeror does not possess proper license to cover the type of work contemplated; if required; Offeror's delivery of the offer after the deadline specified in the public notice calling for offers, or as amended, except as allowed in Section 3-122-29(1), HAR; or Offeror's failure to pay, or satisfactorily settle, all bills overdue for labor and material on former State contracts at the time of issuance of the solicitation.

5.19 OFFER ACCEPTANCE

The State's acceptance of an offer, if any, will be made within sixty (60) calendar days after the opening of offers, and the prices quoted by the Offeror shall remain firm for the sixty (60) day period.

5.20 EXECUTION OF CONTRACT

Successful Offeror shall be required to enter into a formal written contract.

Liability insurance shall be required of the Contractor and if applicable, to all Contractor's subcontractors.

No work is to be undertaken by the Contractor prior the contract commencement date. The State of Hawaii is not liable for any work, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to the official starting date.

Any agreement arising out of this solicitation is subject to the approval of the Department of the Attorney General as to form, and to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order, or other directive.

No performance or payment bonds are required for this contract.

If the option to extend for each twelve-month period is mutually agreed upon, the Contractor shall be required to execute a Supplemental Agreement to the contract for each extended period.

5.21 SUBCONTRACTING

Contractor shall not delegate any duties covered under this contract to any subcontractor other than the subcontractor(s) listed on Offer Form, page OF-2, unless written approval is given by the Department. The Department reserves the right to approve all subcontractors and to require Contractor to replace any subcontractor found to be unacceptable. The Contractor shall be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract, and shall be responsible for all contract services, whether or not the Contractor performs them.

5.22 LIABILITY INSURANCE

The Contractor shall maintain in full force and effect during the life of this contract, liability and property damage insurance to protect the Contractor and his subcontractor's, if any, from claims for damages for personal injury, accidental death and property damage which may arise from operations under this contract, whether such operations be by himself or by a subcontractor or anyone directly or indirectly employed by either of them. If any subcontractor is involved in the performance of the contract, the insurance policy or policies shall name the subcontractor as additional insured.

As an alternative to the Contractor providing insurance to cover operations performed by a subcontractor and naming the subcontractor as additional insured, Contractor may require subcontractor to provide its own insurance, which meets the requirements herein. It is understood that a subcontractor's insurance policy or policies are in addition to the Contractor's own policy or policies.

The following minimum insurance coverage(s) and limit(s) shall be provided by the Contractor, including its subcontractor(s) where appropriate:

<u>Coverage</u>	<u>Limits</u>
Commercial General Liability (occurrence form)	\$5,000,000 combined single limit per occurrence for bodily injury and property damage
Medical Professional Liability	\$5,000,000 minimum limit per occurrence
Cyber Liability*	\$50,000,000 minimum limit per occurrence \$50,000,000 aggregate

- * Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by the scope of work within this contract and shall include, but not limited to, claims involving **infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress**, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall also provide coverage for breach response costs and regulatory fines and penalties and credit monitoring expenses.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the State require and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the State.

Each insurance policy required by this contract, including a subcontractor's policy, shall contain the following clauses:

1. "The State of Hawaii is added as an additional insured as respects to operations performed for the State of Hawaii."
2. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

The Contractor shall ensure that the insurance shall not be canceled, limited in scope of coverage or non-renewed until after 30 days written notice has been given to the State of Hawaii, Department of Public Safety, ASO – PC, 919 Ala Moana Blvd., Room 413, Honolulu, Hawaii 96814.

Each insurance policy shall be written by insurance companies licensed to do business in the State of Hawaii or meet Section 431:8-301, HRS, if utilizing an insurance company not licensed by the State of Hawaii.

Upon Contractor's execution of the contract, the Contractor agrees to deposit with the State of Hawaii, certificate(s) of insurance necessary to satisfy the State that the insurance provisions of this contract have been complied with and to keep such insurance in effect and the certificate(s) therefore on deposit with the State during the entire term of this contract, including those of its

subcontractor(s), where appropriate. Upon request by the State, Contractor shall be responsible for furnishing a copy of the policy or policies.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default under this contract, entitling the State to exercise any or all of the remedies provided in this contract for default of the Contractor.

The procuring of such required insurance shall not construed to limit the Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, Contractor shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this contract.

5.23 ORDERING AND DELIVERY

During the term of the contract, the various facilities will fax prescriptions to the Contractor, as the medication(s) are needed. The Contractor shall honor all orders received during the contract period and deliver according to the contract terms and within the delivery time.

Within one (1) year of the contract period, the various facilities will utilize a computerized prescription ordering system as described in item 32 of the Contractor's Responsibilities.

All medications ordered shall be shipped within twenty-four hours from receipt of the ordering facility's faxed order. Contractor shall deliver medications ordered either by mail/express courier (i.e. Federal Express) or in person. Medication shall arrive at the delivery location in the state and at the temperature the medication requires.

All deliveries shall arrive at the ordering facility destination Monday through Saturday only between the hours of 7:45 a.m. and 4:30 p.m. for non-24-hour facilities, and between the hours of 6:00 a.m. and 10:00 p.m. for 24-hour health care facilities. Contractor shall not have any deliveries arrive on Sundays or State holidays.

5.24 INVOICING AND PAYMENT

The Contractor shall send an original and three (3) copies of the invoice, on a monthly basis, to the appropriate correctional facility as listed on Specifications, page S-1. Invoices shall detail the names of clients, medications and quantities dispensed. The State shall be invoiced at the Medicaid rates less the decreases calculated by applying the contracted percentage (%) rate, or at the accepted alternative pricing methodology.

All invoices shall reference the contract number assigned to the contract and the purchase order number. Applicable Hawaii General Excise Tax shall be shown separately and added to the calculated price extension total on the invoice.

Section 103-10, HRS, provides that the State shall have thirty (30) calendar days after satisfactory performance and receipt of invoice to make payment. For this reason, the State will reject any offer submitted with a condition requiring payment within a shorter period. Further, the State

will reject any offer submitted with a condition requiring interest payments greater than that allowed by Section 103-10, HRS, as amended.

The State will not recognize any requirement established by the Contractor and communicated to the State after award of the contract, which requires payment within a shorter period or interest payment not in conformance with statute.

No payment, whether partial or final, shall be construed to be an acceptance of a defective or unacceptable product or service.

5.25 RECORDS RETENTION

The Contractor and any subcontractors shall maintain the books and records that relate to the agreement and any cost or pricing data for three (3) years from the date of final payment under the agreement.

5.26 LIQUIDATED DAMAGES

Liquidated damages is fixed at the sum of FIFTY DOLLARS (\$50.00) per day for each and every time the Contractor fails to perform in whole or in part any of its obligations hereunder. Liquidated damages may be deducted from any payments due or become due to the Contractor.

5.27 RIGHTS AND REMEDIES FOR DEFAULT

In the event the Contractor fails, refuses, or neglects to perform the services in accordance with the requirements of these Special Provisions, the Specifications, and General Conditions herein, in addition to the recourse stated in the General Conditions, the State reserves the right to purchase in the open market, a corresponding quantity of the services specified herein and to deduct from any moneys due or that may thereafter become due the Contractor, the difference between the price named in the contract and the actual cost thereof to the State. In case any money due the Contractor is insufficient for said purpose, the Contractor shall pay the difference upon demand by the State. The State may also utilize all other remedies provided by law.

5.28 REMOVAL OF CONTRACTOR'S EMPLOYEES

Contractor agrees to remove any of its employees from services rendered and to be rendered to the State, upon request in writing by the Contract Administrator.

5.29 PERSONNEL

The Contractor and/or subcontractor(s) shall notify each of its employees who provide services to any person committed to the custody of the Department of Public Safety for imprisonment pursuant to Chapter 706, HRS, including a probationer serving a term of imprisonment pursuant to Section 706-634(2)a, HRS, and a misdemeanor or petty misdemeanor sentenced pursuant to Section 706-663, HRS, about Section 707-731, HRS, relating to sexual assault in the second degree and Section 707-732, HRS, relating to sexual assault in the third degree. In addition, the Contractor and any subcontractor shall maintain in each of the aforementioned employees and

employees of any subcontractor's file, written documentation that the employee has received notice of the statutes.

The Contractor and/or subcontractor(s) shall employ staff that is suitable to deal with these offenders. The Contractor and/or subcontractor(s) shall not use persons currently serving a criminal sentence, including any on furlough from a correctional facility, on probation, on parole, or under the terms of a DAG / DANC plea. Any employee with a criminal history shall be subject to review and approval by the Department. The Department of Public Safety will review and, if approved, agree to the employment of the Contractor's staff and subcontractor(s) in writing. Upon request, the Contractor and/or subcontractor(s) shall submit any information necessary to determine whether approval will, at the discretion of the Department, be granted. Any changes to staff and/or subcontractor(s) shall be subject to the prior written approval of the Department.

5.30 PROTEST

A protest shall be submitted in writing within five (5) working days after the aggrieved person knows or should have known of the facts giving rise thereto; provided that a protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offers. Further provided that a protest of an award or proposed award shall be submitted within five (5) working days after the posting of award of the contract.

The notice of award(s), if any, resulting from this solicitation shall be posted on the DAGS website at <http://hawaii.gov/spo2/source/>. Click on the link to "Invitation for Bids (IFB)".

Any protest pursuant to §103D-701, HRS, and Section 3-126-3, HAR, shall be submitted in writing to the Director, Department of Public Safety, 919 Ala Moana Boulevard, 4th Floor, Honolulu, Hawaii 96814.