



Request for Information

#YH17-0107 Reimbursement Payment Methodologies for Specialty Pharmacy Services for Anti-Hemophilic Factor and Other Blood Disorder Medications

Procurement Officer:

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ISSUE DATE:

July 3, 2017

OFFICE ADDRESS: AHCCCS

Procurement Office
701 E. Jefferson, MD 5700
Phoenix, AZ 85034

RFI NAME:

**Reimbursement Payment Methodologies for Specialty
Pharmacy Services for Anti-Hemophilic Factor and Other
Blood Disorder Medications**

RESPONSE DUE DATE: Monday, July 31, 2017 no later than 3:00 pm AZ time

QUESTIONS CONCERNING THIS RFI SHALL BE SUBMITTED TO THE PROCUREMENT OFFICER VIA E-MAIL BY **Thursday, July 13, 2017, 5:00 PM ARIZONA** TIME ON THE Q & A FORM PROVIDED WITH THIS RFI. ANSWERS TO QUESTIONS WILL BE POSTED ON THE AHCCCS WEBSITE FOR THE BENEFIT OF ALL POTENTIAL RESPONDENTS.

Responses to this RFI must be in the actual possession of AHCCCS on or prior to the time and date indicated above.

This is a Request for Information ("RFI") only and as such will NOT result in any award of contract.

AHCCCS is in the information gathering stage and no decisions have been made concerning the agency's intent to issue a formal Request for Proposal. Responding to this RFI is appreciated and will NOT prohibit the respondents from responding to any future procurements.

Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the appropriate Procurement Agency. Requests should be made as early as possible to allow time to arrange the accommodation. A person requiring special accommodations may contact the person responsible for this request as identified below.

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1. **DEFINITIONS**

- 1.1 "340B entity" means a covered entity, eligible to participate in the 340B Drug Pricing Program, as defined by the Health Resources and Human Services Administration.
- 1.2 "340B Drug Pricing Program" means the discount drug-purchasing program described in Section 256b of Title 42 of the United States Code.
- 1.3 "AAC" means Actual Acquisition Cost "Actual Acquisition Cost (AAC)" means the purchase price of a drug paid by a pharmacy net of discounts, rebates, chargebacks and other adjustments to the price of the drug. The AAC excludes dispensing fees
- 1.4 "AMP" means Average Manufacturer Price as reported by the manufacturer to the Centers for Medicare and Medicaid.
- 1.5 "AWP" means Average Wholesale Price and is a calculated value on a drug reference source for example MediSpan.
- 1.6 "WAC" means Wholesale Acquisition Cost and is the list price paid by a wholesaler, distributor and other direct accounts for drugs purchased from the wholesaler's supplier
- 1.7 "Dispensing Fee/Professional Fee" means the amount paid for the professional services provided by the pharmacist for dispensing a prescription. The Dispensing Fee does not include any payment for the drugs being dispensed.

2. **AHCCCS OVERVIEW**

AHCCCS is the single state Medicaid agency for the State of Arizona. In that capacity it is responsible for operating the Title XIX and Title XXI programs through the State's 1115 Research and Demonstration Waiver, which was granted by the Centers for Medicare and Medicaid Services (CMS), U.S. Department of Health and Human Services. As of June 1, 2017, AHCCCS provides coverage to approximately 1.9 million members in Arizona.

Over 86.7% of the AHCCCS program's expenditures in SFY 2016 were through managed care programs. AHCCCS contracts with Managed Care Organizations (MCO's) that are responsible for providing Acute, Long Term Care, and Behavioral Health Services. A list of contracted plans can be found here: <https://azahcccs.gov/Members/ProgramsAndCoveredServices/availablehealthplans.html>

The program has a total fund budget for FY 2018 of approximately \$13.5 Billion. AHCCCS has over 70,000 active providers in Arizona such as individual medical and behavioral health practitioners, therapy disciplines, institutions, durable medical equipment companies and transportation entities. Additional information may be found on the AHCCCS website reporting page: <https://azahcccs.gov/Resources/Reports/federal.html>.

3. **INTRODUCTION / PURPOSE of RFI (and/or Background)**

The purpose of this Request for Information (RFI) is to gather information regarding reimbursement methodologies for Specialty Pharmacy Services provided to Medicaid members living with bleeding/blood disorders.

AHCCCS intends to publish an RFP for services that include the provision of anti-hemophilic and/or other blood disorder medications, supplies, the disposal of medications, and the coordination and delivery of these products and services. With this RFI, AHCCCS seeks information on how to best develop a reimbursement methodology for that RFP. AHCCCS has previously published RFP's for this service that were that were not able to be awarded and thus seeks feedback from vendors about various payment methodologies that will interest the marketplace while meeting CMS Medicaid approval for reimbursement of hemophilia factor and blood disorder products for this population. AHCCCS recognizes that Medicare allows a furnishing fee, however CMS Medicaid has communicated to all States that they will not approve a reimbursement methodology that reimburses hemophilia factor with an add on per unit fee.

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The reimbursement methodology for the future RFP will be written to include all products and services for hemophilia and other blood disorders under the reimbursement methodology. For this RFI, respondents are requested to submit information that will assist AHCCCS in developing a pricing methodology that takes this into consideration.

4. INFORMATION REQUESTED:

Given the explanation and limitations listed in the above section, AHCCCS seeks the following information from vendors:

- 4.1 What is your proposed reimbursement methodology (i.e. AWP, WAC, AMP, 340B, other discounts/rebates) for current factor products and Ceprotin? Please list each product and the reimbursement rate.
- 4.2 What is your proposed Professional Fee/Dispensing Fee? Please detail out the individual items included in the Professional Fee/Dispensing Fee.
- 4.3 Does your entity have a formalized Hemophilia Treatment Program or are you affiliated with a Hemophilia Treatment Center? Please provide a 2-page narrative about your experience with dispensing hemophilia factor.
- 4.4 Please provide any other pertinent information as it relates to the reimbursement methodology for this population and/or CMS Medicaid approval success with such methodologies.

5. CONTENTS OF YOUR RESPONSE

If you are interested in responding to any or all of the areas identified above, AHCCCS is requesting the following

- 5.1 **Detailed Written Response** to any/all areas listed above.
- 5.2 **Presentations/ Demonstrations:** Respondents may have the opportunity, if desired, to schedule a 60-minute presentation with select AHCCCS management. Please indicate your willingness to schedule an in-person presentation. Should this opportunity become available, AHCCCS will contact you with dates and times that are convenient for both parties. AHCCCS reserves the right to decide if presentations will be scheduled for some or any of the respondents.
- 5.3 **A completed Attachment A,** Respondent's Information, which includes contact information, including name, title, mailing address, email address, authorized signature, and phone number of the contact person for questions relating to the RFI.

6. HOW TO RESPOND

- 6.1 Submit one (1) electronic copy of the RFI response via
 - 6.1.1 CD; or
 - 6.1.2 Email attachment.
- 6.2 Submit your response no later than the time indicated on the front page of this RFI. Please take into consideration the Arizona time zone.
- 6.3 Submit your response electronically (or by mail/physically) to the procurement officer listed on the front page of this RFI.

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7. CONFIDENTIAL/PROPRIETARY INFORMATION:

- 7.1 To the extent allowed by law, information contained in a response to a request for information shall be considered confidential until a formal procurement process is concluded or for two (2) years, whichever occurs first. This RFI and responses to the RFI are subject to the Arizona Public Records law and as such, are open to public inspection after this time.
- 7.2 Detailed Legal Analysis: If a Respondent believes that a specific portion of its response contains information that should be withheld from public inspection due to confidentiality, the Respondent shall submit to the Procurement officer a detailed legal analysis, prepared by legal counsel, which sets forth the bases for the requested non-disclosure and the specific harm or prejudice which may arise if disclosed. The analysis shall be presented to the Procurement Officer at the same time as the bid, proposal, offer, specification or protest.
- 7.3 Redacted Version of Response: If any pieces of your response are being requested to be kept confidential, and withheld from public viewing, please submit an additional redacted copy of the proposal ON A SEPARATE CD. This will ensure that our office is crystal clear on which version of your response is acceptable for public viewing as opposed to the version that contains confidential information for AHCCCS viewing only.
- 7.3.1 An entire response shall not be identified as confidential; only those very limited and distinct portions which are considered by the Offeror as confidential may be identified as such.
- 7.3.2 In the event that AHCCCS receives a request for disclosure of the information, AHCCCS shall disclose the information in accordance with law. Prior to disclosure, AHCCCS will inform the Offeror of such request and provide the Offeror a period of time to take action it deems appropriate to support non-disclosure. The Offeror shall be responsible for any and all costs associated with the nondisclosure of the information.

8. REIMBURSEMENT:

AHCCCS will not reimburse any respondent for the cost of preparing and submitting a response to the RFI.

9. NO AWARD OF CONTRACT:

This is a Request for Information ("RFI") only and as such will NOT result in any award of contract. AHCCCS is in the information gathering stage and no decisions have been made concerning the agency's intent to issue a formal Request for Proposal. Responding to this RFI is appreciated and will NOT prohibit the respondents from responding to any future procurements.

Attachment A: Respondent's Contact Information

Company Name
Address
Federal Employer ID Number

For Clarification of this Response Contact:

Name
Title
Phone
Email

Signature of Authorized Person
Name
Title
Date

END OF DOCUMENT

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