

PERFORMANCE WORK STATEMENT

Off-Site First Fill Pharmacy Prescription Service

The St. Cloud VAHCS has a firm fixed rate need for first fill prescription services for the Veterans seen in our Community Based Outpatient Clinics.

Description

1. The contractor is to fill first time prescriptions for VA patients seen at the CBOC clinics. The prescriptions are to be written by VA physicians assigned to the Veterans Affairs community Based Outpatient Clinic (CBOCs).
2. The CBOC operating hours are normally 8AM-4:30PM Monday thru Friday, excluding Federal holidays.
3. The contractor's pharmacies shall fill and dispense medications from original prescriptions written by VA or VA contracted providers assigned to the particular medical center or CBOC. Dispensing pharmacies must be able to accept the written prescription on VA Form 10-2577F, Security Prescription Form. If the dispensing pharmacy operates in a state that requires a form other than the VA Form 10-2577F, Security Prescription Form, it will be the contractor's responsibility to provide the St. Cloud VAHCS Pharmacy Chief with the proper security form.
4. Prescriptions filled and dispensed through emergent fill contracts will be limited to medications of urgent need as determined by VA clinical staff and will follow safe and effective formulary management principles practiced within the VA. This may include adjudication of medications on a case-by-case basis as defined by St. Cloud VAHCS procedure. The above categories will also be limited to those drugs on the formulary "Drug List" authorized by the St. Cloud VAHCS. **The St. Cloud VAHCS formulary "Drug List" will be emailed to the contractor at time of contract award and after each UPDATE by the Chief, Pharmacy, or his/her designee.** If non-formulary items are prescribed, the Contractor will contact the Primary Care Provider who wrote the prescription to determine an acceptable substitute.
Prescriptions will be filled and limited to a maximum of **10 (ten) days**. An initial one-time course of medication (i.e. antibiotics or pain meds) is to be for a full course of therapy. All prescription refills will be transferred to the St. Cloud VAHCS. Prescription must be written by a St. Cloud VAHCS CBOC provider, the VA will provide a list of authorized VA providers to the pharmacy.
5. No refills will be authorized. The contractor shall fill **NEW PRESCRIPTIONS ONLY!**
6. Prescriptions filled under this contract shall be the least expensive generic drugs only, with minor exceptions. Prescriptions shall be filled with generic drugs to the extent permitted by law. Generic drugs shall be dispensed, if in the professional judgment of the pharmacist, the substitute product is available, safe, effective and to the greatest extent possible, contains the same chemical ingredients of the same strength, quantity, and dosage of the brand name. All generic products used must be in compliance with Federal and State requirements. Brand name drugs will **ONLY** be reimbursed if **NO GENERIC FORM** of the drug exists in the marketplace.

7. VA beneficiaries will pick up their own prescriptions at the dispensing pharmacy. No prescriptions are to be mailed. No prescriptions are to be delivered. Veterans eligible to have prescriptions filled under this contract will present their enrollment card along with their prescription written by a Primary Care provider from the VA's CBOC.
8. The VA shall randomly audit all prescription fills. The Department of Veterans Affairs shall have free access during regular business hours, and upon reasonable notice, to such books, records, invoices and prescription files as deemed necessary to verify claim information, prescription volume, and the usual and customary charges to the general public for covered prescriptions. The contractor shall make all prescription records and invoices available at the time of audit.
9. All prescriptions must have the proper auxiliary labels attached and appropriate counseling and drug interaction sheets provided. The Pharmacy will provide patient education to the patient/caregiver for all new medications or as requested by the patient/caregiver. The Pharmacy will send a copy of the documentation of the education to the appropriate CBOC clinic, so that it may be included in the patient's medical record.
10. Pharmacies authorized to fill prescriptions under the contractor's plan must agree to the following conditions:
 1. All information concerning VA beneficiaries shall be kept confidential and shall not be disclosed to any person, except as authorized in writing and according to all applicable laws. The Privacy Act of 1974, Public Law 93-579, December 31, 1974 (5 U.S.C. 552a) applies to the procurement.
 2. Representatives of the VA are authorized to visit the contractor's site and the premises of any pharmacy filling VA prescriptions during regular business hours for the purposes of auditing and evaluation, which may include the inspection of clinical records.
 3. The contractor shall report all adverse drug events reported by VA beneficiaries to the Chief, Pharmacy Service, VA Health Care System, St. Cloud Minnesota, and to the prescribing VA CBOC physician.
 4. Pharmaceutical service provided to VA beneficiaries under this contract shall meet all standards applicable to Medicaid recipients in the state where services are provided and standards set forth in the current Joint Commission of Accreditation Hospital Organization (JCAHO) accreditation manual for Ambulatory Care/Pharmaceutical Services.
11. The contractor shall accept a call from the CBOC MAS clerk advising him/her of all existing and/or new VA physician's state license number and his/her federal and/or state drug license number. The contractor shall immediately notify its contract pharmacies of the physician information so as to avoid delay in patient services. Notification of physician information may occur on either the day the VA physician fills in at the CBOC or prior to CBOC duty as time allows.
12. The Government reserves the right to fill any prescription covered under this contract through the use of its own resources and/or staff.
13. The contractor cannot store patient information on a mobile device and verbal contract is sufficient to obtain prior authorization when needed. The contractor is prohibited from transferring Personnel Health Information (PHI) by fax or email to and/or from a VA Medical facility.

14. The C&A requirements do not apply, a Security Accreditation Package is not required.

SPECIAL CONTRACT REQUIREMENTS

1. HEALTH CARE RESOURCES SERVICES

The contractor agrees, in accordance with the terms and conditions stated herein, to furnish to and at the Department of Veterans Affairs hereinafter called the VAHCS, St. Cloud Minnesota and their applicable Community Based Outpatient Clinics (CBOCs) the services specified. The initial listing of services to be furnished and the prices for same are identified in Schedule of Items and Description/Specifications/Work Statement.

2. RESOURCES:

- (a) The services specified in Schedule of Items, Description/Specifications/Work Statement and special Contract requirements may be changed by written modification to this contract. The modification will be prepared by the Contracting Officer.
- (b) The services to be performed by the Contractor will be performed within VA policies and procedures and the regulations of the medical staff bylaws of this VA facility.
- (c) The services to be performed by the Contractor will be under the direction of the Chief of Staff, St. Cloud VAHCS or her/his designee.

3. TERM OF THE CONTRACT:

The contract is effective for one year from date of award with four (4) one-year pre-priced option year periods. The contract is subject to the availability of VA funds. No service shall be performed by the Contractor after September 30th of any year, unless authorized by the contracting Officer in writing.

4. QUALIFICATIONS:

- (a) Personnel assigned by the Contractor to perform the services covered by this contract shall be licensed in a State, Territory or Commonwealth of the United States or the District of Columbia and meet the professional qualification criteria of VA. The qualifications of such personnel shall also be subject to review by VA Chief of Staff and approval by VA Facility Director. The Contracting Officer will be notified prior to any changes in personnel. VA reserves the right to approve the assignment of individual personnel furnished by the Contractor to perform these functions specified in the contract. The Pharmacy must be licensed by the State of Minnesota. All Registered Pharmacists performing work under this agreement must be licensed by the State of Minnesota. The Pharmacy License Number is to be provided after contract award.

5. **PERSONNEL POLICY:**

- (a) The Contractor shall assume full responsibility for the protection of its personnel furnishing services under this contract, in accordance with the personnel policy of the Contractor. To carry out this responsibility, the Contractor shall provide worker's compensation, professional liability insurance, health examinations, income tax withholding, and social security payments. The parties agree that the Contractor, its employees, agents and subcontractors shall not be considered VA employees for any purpose.

6. **DESIGNATION OF CONTRACT REPRESENTATIVE:**

- (a) A VAHCS Point of Contact (POC) will be designated to represent the Contracting Officer in furnishing technical guidance and advice regarding the work being performed under this contract. The foregoing is not to be construed as authorization to interpret or furnish advice and information to the Contractor relative to the financial or legal aspects of the contract. Enforcement of these segments is vested in and is the responsibility of the Contracting Officer.

7. **MEDICAL RECORDS:**

- (a) Clinical or other medical records of VA beneficiaries treated by Contractor are VA records and will remain at VA. Payment will be withheld if medical records are not complete and in compliance with VA policy.

8. **PAYMENTS UNDER NONPERSONAL SERVICE CONTRACTS:**

- (a) The Government shall pay the Contractor once monthly, upon submission of proper invoices or vouchers, the prices stipulated in this contract for services rendered and accepted, less any deductions provided in this contract. The Pharmacy fills prescription presented by a veteran who is enrolled in the Primary Care Program at one of the St. Cloud VAHCS's CBOCs. The Pharmacy will keep track of all prescriptions filled each month. Attached to each monthly invoice will be included a complete monthly listing of all prescription filled by the Pharmacy. For each prescription, the Pharmacy must include the following information: Rx number, Patient's name and Social Security Number, Drug & Quantity dispensed, the Provider, and the total Prescription cost.

9. **REQUIRED REGISTRATION WITH CONTRACTOR PERFORMANCE SYSTEM (CPS):**

- (a) As prescribed in Federal Acquisition Regulation (FAR) part 42.15, the Department of Veterans Affairs (VA) evaluates contractor past performance on all contracts that exceed \$100,000 and shares those evaluations with other Federal Government contract specialists and procurement officials. The FAR requires that the contractor be provided an opportunity

to comment on past performance evaluations prior to each report closing. To fulfill this requirement VA uses an online database, the Contractor Performance System (CPS), which is maintained by the National Institutes of Health (NIH). The CPS database information is shared with the Past Performance Information Retrieval System (PPIRS) database, which is available to all Federal agencies.

- (b) Each contractor whose contract award is estimated to exceed \$100,000 is required to register with the NIH COS database at the following web address:
<https://cpscontractor.nih.gov>. Help in registering can be obtained by contacting CPS Support Email (cps-support-l@list.nih.gov) or by calling (301) 451-2771. Registration should occur no later than thirty days after contract award, and must be kept current should there be any change to the contractor's registered representative.
- (c) For contracts with a period of one year or less, the contracting officer will perform a single evaluation when the contract is complete. For contracts exceeding one year, the contracting officer will evaluate the contractor's performance annually. Interim reports will be filed each year until the last year of the contract, when the final report will be completed. The report shall be assigned in CPS to the contractor's designated representative for comment. The contractor representative will have thirty days to submit any comments and re-assign the report to the VA contacting officer.
- (d) Failure to have a current registration with the NIH CPS database, or to re-assign the report to the VA contracting officer within those thirty days, will result in the Government's evaluation being placed on file in the database with a statement that the contractor failed to respond.

Schedule of Items/Scope

1. The contractor is to fill first time prescriptions for VA patients seen at the Alexandria, Brainerd and Montevideo Minnesota Community Based Outpatient Clinics (CBOCs).
2. Provide medication counseling per requirements.
3. Prices are to be offered with respect to Average Wholesale Price (AWP). The contractor must be located within close proximity of the above named CBOCs. This contract is to provide pharmacy benefit management services.
4. The least expensive Generic drugs are to be dispensed unless a drug is not available generically.
5. Reimbursement shall be determined by the average wholesale price (AWP) discounted by the applicable percentage plus the applicable dispensing fee. The total price charged to the VA SHALL NOT EXCEED that charged to the general public and shall not exceed the price charged by the contractor's lowest third-party reimbursement plan.

Quantities: The St. Cloud VAHCS makes no guarantees as to quantities of items that will be ordered under this agreement and is obligated only to the extent of authorized purchases actually made under this agreement.

BASE YEAR: One year from date of award

Coverage for all three (3) CBOCs in Minnesota managed by the St. Cloud VAHCS
Pricing to be based on:

$$[(\text{Average Wholesale Price (AWP)} - \text{Percentage discount of AWP}) \text{ MN Care tax}] + \text{Dispensing fee} = \text{Prescription price.}$$

Percentage Discount of AWP: -15% Brand/-55% Generic
Dispensing Fee: _____ per prescription

Estimated total quantity of prescriptions for base year: None listed

OPTION YEAR NO 1:

Coverage for all three (3) CBOCs in Minnesota managed by the St. Cloud VAHCS

Pricing to be based on:

$$[(\text{Average Wholesale Price (AWP)} - \text{Percentage discount of AWP}) \text{ MN Care tax}] + \text{Dispensing fee} = \text{Prescription price.}$$

Percentage Discount of AWP: -15% Brand/-55% Generic
Dispensing Fee: _____ per prescription

Estimated total quantity of prescriptions for Option Year #1: None listed

OPTION YEAR NO 2:

Coverage for all three (3) CBOCs in Minnesota managed by the St. Cloud VAHCS

Pricing to be based on:

[(Average Wholesale Price (AWP)-Percentage discount of AWP) MN Care tax) + Dispensing fee=Prescription price.

Percentage Discount of AWP: -15% Brand/-55% Generic

Dispensing Fee: _____ per prescription

Estimated total quantity of prescriptions for Option Year #2: None listed

OPTION YEAR NO 3:

Coverage for all three (3) CBOCs in Minnesota managed by the St. Cloud VAHCS

Pricing to be based on:

[(Average Wholesale Price (AWP)-Percentage discount of AWP) MN Care tax) + Dispensing fee=Prescription price.

Percentage Discount of AWP: -15% Brand/-55% Generic

Dispensing Fee: _____ per prescription

Estimated total quantity of prescriptions for Option Year #3: None listed

Estimated Grand Total for Base plus all 3 option years: \$ Unable to estimate-no volumes

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