

FALLING SPRING NURSING AND REHABILITATION CENTER

PHARMACEUTICAL SERVICES

Proposals are being accepted by Franklin County on behalf of Falling Spring Nursing and Rehabilitation Center to provide professional services in the form of provider pharmacy prescription and related services. Please be advised that this is a request for proposal; the services to be provided are professional in nature. Although cost of services provided is a considered factor, the comprehensiveness of services and licensed nursing home experiences are important qualitative factors in selecting the pharmacy service provider. The County reserves the right to reject any and all proposals and reserves the opportunity to negotiate with any person or entity submitting a proposal.

*The provision of pharmacy consulting services is being provided under separate and independent agreement and thus is **not** a component of this service program.*

Falling Spring Nursing and Rehabilitation Center (hereafter known as the "Center") is a 186-bed licensed nursing home in Chambersburg, Pennsylvania.

*It is the intent of Franklin County to pursue future modifications to the pharmacy program in at least two additional steps. All proposals must accept agreement with the below described modification steps to be considered (partial proposals will not be considered). Services will be contracted for a period of **two (2) years**, beginning _____, 2006, and renewable at the discretion of Franklin County. **All vendors submitting a proposal must attend a pre submission meeting in the Conference Room at Falling Spring Nursing and Rehabilitation Center on _____, 2006 at _____ A.M.***

Required Proposal Elements:

PHARMACY SERVICE PROGRAM—BASE PHASE

- 1. Dispense and deliver prescribed medications and related supplies for all physician orders and reorders and other facility requested supplies. Included are over-the-counter medications, prescription medications, controlled drugs, hyperalimentation formulations, tuberculin testing solution, heparin flushes, influenza and pneumovac serum, hepatitis vaccine, and other related items such as devices and pumps to administer the medications. Generic equivalents are to be supplied wherever possible, wherever approved.*
- 2. Medications are to be supplied using a 7- day blister card system or alternate packaging system proposed by the vendor which is acceptable to the Center. The packaging system proposed should provide the most cost effective system. Price of unopened medications in the original manufacturer's packaging must be refunded.*
- 3. Billings are to be made directly by the provider pharmacy to Medicare Part D, Medicaid, United Mine Workers, PACE, other third party insurers, and private pay individuals. Billings not eligible for the third party sources are to be submitted for payment to the "Center" on a billing format acceptable to the "Center". Pharmacy billings are to be provided to the Business Office on electronic file format acceptable to the "Center". Billing data will include monthly billings for medications and related items delivered through the last calendar day of each month and is due in the Business Office by second working day of the month following the billing month. The "Center" requires use of the facility software system and will be responsible for the training pharmacy staff on the acceptable format. Pharmacist agrees to accept Medicare/Medicaid or other third party sources as payment in full for compensable medications and related supplies. Billings to the "Center" apply to residents in cases where the resident is not eligible for third party payment or the medication/supplies is not covered by any third party coverage.*

PHARMACEUTICAL SERVICES (cont'd)

4. Cost proposal for all medications billed to the “Center” is to be based on the following:

Proposals for the cost of medications are to be based on a fixed price plus dispensing fee. The cost is defined as the Actual Acquisition Cost. Thus, the proposal is comprised of the mark-up (in a per prescription “dispensing fee” over the Actual Acquisition Cost). The proposal will be in a uniform mark-up either for all medications or can be broken out by category of medication, that is “Legend” and “Non-Legend” drugs. Related pharmacy supplies are to be based on a cost to the pharmacy plus a fixed percentage mark-up. Cost to the pharmacy will require verification by supplier invoice. The proposal will apply to all over-the-counter medications, DESI medications, and also to prescription drugs and related supplies for private pay residents and medications ineligible for payment by third party insurers.

5. Vendor will define the financial responsibility for medications not covered by third party insurers in one of three Options. Option (a)-the “Center; Option (b)-the pharmacy provider; or Option (c) shared risk by “Center and pharmacy provider.
6. The pharmacy provider will provide custom mixed I.V. Therapies that are centrally or peripherally infused or are administered through implanted venous access devices. The preparations will be compounded by the registered pharmacist in no less than a 10,000 class clean room that has a positive pressure and meets standards under the laminar air-flow hood of at least 1,000 class conditions. These preparations will be based on an open formulary in order to obtain custom solutions as medically prescribed. Preparations are to be mixed on a daily basis. Labeling will comply with JACHO standards. Preparations can only be billed on a maximum 24 hour basis.
7. Stock and maintain emergency medication supplies in an automated system acceptable to the Center at designated location(s) with the number and kind of emergency medications required by the “Center’s” Medical Director. Additional items will be provided at the direction of the Center’s Medical Director.
8. Each medication container must be labeled with the following: Name of each prescribing physician, name of resident, Federal Drug Enforcement Administration number (if appropriate), name and address of the pharmacy, directions for use, any required warnings, name and strength of the drug, prescription serial number, date originally dispensed, quantity of drug dispensed, initials or name of person dispensing the drug, and generic drugs must contain the name of the manufacturer (the above applies to prescription and over-the-counter medications). Cross reference to brand name product and generic name is recommended. Each prescription medication packaged shall list the “Lot #” and expiration date on the prescription. These, along with any and all new requirements of nursing home licensure regulations or other applicable requirement must be provided. Use of auxiliary labels is also recommended—e.g.- “Do Not Crush”
9. Provide a current Pennsylvania Pharmacist License for all staff Pharmacists and a professional vita of all individuals who will be involved with the pharmacy service to the “Center”.
10. Provide a copy of all licenses, permits, and any other authorizing documents issued by any governmental agency for the bidder to provide the types of services outlined.
11. Names including aliases of all principals of the bidder’s company.
12. Listing of all current and former (within the past three years) long term care facilities with whom the bidder has or had a provider pharmacy services contract. List shall include the facility name, address, contact name with phone number and the number of years of the contract service.

PHARMACEUTICAL SERVICES (cont'd)

13. Proof of current pharmacy license by the Commonwealth of Pennsylvania and the DEA.
14. Certification of current contracts with **ALL** PDP's in the "Center's" region.
15. Pharmacy will provide "best fit" PDP profile information for each resident requested and as medication orders change for each resident, provide an update "best fit" as requested and will provide prospective review, including drug interaction potential, and report of cost of applicant medications.
16. Provider pharmacy will provide prospective pricing services as requested such as Medicare Part A residents.
17. Pharmacy must provide 24 hour contact with a pharmacist. Phone numbers, fax numbers and on-call contact information must be provided and kept current by the pharmacy.
18. The pharmacy must designate one contact person to act as liaison with the "Center" who is authorized to act on the pharmacy's behalf.
19. Agree to maintain professional liability and malpractice insurance in the minimum amount of \$3,000,000 and provide proof of said coverage. Each pharmacist shall carry malpractice insurance not less than \$1,000,000 per incident/\$3,000,000 aggregate and provide proof of said coverage.
20. All qualifying pharmacists must be knowledgeable of the Pennsylvania Department of Health Long Term Care Regulations and other relevant regulatory requirements and maintain compliance with all said regulations.
21. The pharmacy complies with Joint Commission on Accreditation of Health Organization (JACHO) standards of operation and will maintain those standards throughout the term of this agreement.
22. The pharmacy will supply for non-resident purposes pharmaceuticals and related services and supplies. Items would be used for "Center" and other County employees or County clients as identified by the County. Such items would be authorized by a Franklin County Purchase Order and billed to Franklin County under the purchase order. Prescription items obtained under this section will be filled using retail pharmacy labeling guidelines, unless otherwise specified and detailed by the "Center" Administrator or designee.
23. Medications and other ordered supplies provided by this agreement must be delivered on a seven day, 365 days per year basis. Deliveries will be made twice daily and all routine medications will be delivered on the next regularly scheduled delivery. **Stat and emergency orders** (not available on the "Center" premises emergency supply) must be provided within 2 hours either directly by the provider pharmacy or by arrangement with a back-up pharmacy available 24 hours per day. Such emergency orders must be delivered to the "Center" with labeling compliant with all applicable regulations. Back-up pharmacy will bill the provider pharmacy directly.
24. Return or dispose of and document unused medications at least every month.
25. Supervise the records of receipt, administration, and disposition of all controlled drugs and maintain all such records in satisfactory detail as to accurately account for all said drugs.

PHARMACEUTICAL SERVICES (cont'd)

26. Provide at least three (3) in-service training sessions on topics requested by the "Center" on each nursing shift each year. Additional in-services may be required at no additional charge when requested in writing by the "Center" Administrator. An introductory in-service for nursing staff regarding provider pharmacy policy and procedure is required.
27. Pharmacy will provide printed monitoring forms for psychoactive medications to assure compliance with OBRA.
28. Develop, review, and revise written policies and procedures for drug therapy, distribution, administration, use, and for control and accountability for all drugs and biologicals in the facility. Maintain a current annually approved Pharmacy Provider Manual and IV Therapy Manual in the Center.
29. ALL SERVICES, must be provided in a non-discriminatory manner and in concert with regulations regarding EQUAL EMPLOYMENT OPPORTUNITY and all other applicable Federal, State, and Local laws, regulations, and requirements.
30. Provide a formulary with identification information to nursing staff to use as a cross reference when generic medications or therapeutic substitutions are used.
31. Provide, at least two (2) per year, I.V. Certification Training and Testing at "Center" by a Certified I.V. Nurse Trainer.
32. Maintain the "Center" in a deficiency free status in all relevant matters relating to pharmacy related issues for all regulatory bodies.
33. Supply medication carts acceptable to the "Center". The "Center" will establish specifications for the carts to be supplied. The carts are to be in good working condition and well maintained by the Pharmacy in good working order and/or will replace as needed.
34. A representative of each of the proposed vendors will meet individually with staff of the "Center" for an oral interview and opportunity to present enhancements offered beyond the provisions of the RFP.
35. Define Pharmacy status on implementing e-prescribing.

NOTE: Falling Spring Nursing and Rehabilitation Center complies with all regulations governing pharmacy services including the October 8, 1993, Medical Assistance Bulletin (No. 1101-93-05), **SUBJECT: Business Arrangements Between Nursing Facilities and Pharmacy Providers**. All proposals must comply with all relevant regulations.

PHARMACEUTICAL SERVICES (cont'd)

OPTIONAL—PHASE TWO

At the sole discretion of the “Center” and at a time and date defined by the “Center”, an option to have an in-house satellite pharmacy provided must be implemented. The “Center” commits to provide advance notice of the intent to implement and will consult with the pharmacy provider on a date to commence the option. The “Provider” agrees to assist the “Center” in the design and physical plant provisions of the in-house pharmacy area to comply with regulatory requirements and operational efficiencies. While the “Center” agrees to consult with the pharmacy provider, the pharmacy must within sixty (60) days of notice given, make operational a “satellite” pharmacy within the confines of the “Center”. Provisions and services of the **Base Phase** of the agreement are to be maintained, except as modified to be compliant with the provisions stated in **Phase Two**.

1. *The pharmacy will maintain a satellite pharmacy on the premises of the “Center” as a "Closed Pharmacy" operation. The on-site pharmacy must be staffed by a pharmacist (and provide relief coverage at least five (5) hours per day, on a five (5) day per week schedule acceptable to the “Center” Administration. The on-site location will be rented to the pharmacy for the primary purpose of assuring the provision of pharmacy services to the “Center” residents. The area of the pharmacy is 893 square feet located on the “A-Wing ground floor of the facility. The contractor will pay the “Center” a monthly rental fee of \$_____per month (see Page 6).*
2. *Routine medications are to be delivered to the “Center” nursing units on a regular schedule ensuring an uninterrupted supply. Delivery services must be provided for on a 7-day, 24 hour per day basis. Stat and emergency orders will be delivered within two (2) hours of notification. All deliveries must be accompanied by an accurate-itemized delivery slip acceptable to the “Center” Administration.*
3. *The pharmacy, may at its discretion utilize the satellite pharmacy to provide pharmacy services to other long term care facilities as long as the needs of the “Center” are first met. Services to other facilities must be made known and acceptable to the “Center” administration.*

OPTIONAL---PHASE THREE

*At the sole discretion of the “Center” and at a time and date defined by the “Center”, an option to establish an independent pharmacy owned by the “Center” may be exercised. The **Contract Pharmacy** agrees to and will provide consultative guidance to the “Center” to facilitate meeting the regulatory and other requirements of obtaining a license to operate said pharmacy. Upon establishment of the “Center” pharmacy the contract pharmacy agrees as follows:*

1. Provide third party management of the “Center” pharmacy located in the Falling Spring Facility under terms and fees negotiated by the Provide and the Center.
2. As manager, the provider pharmacy will provide professional staff of sufficient number and classification to provide all pharmacy services required by the “Center”.
3. Provide billing services or assist the “Center” at its discretion in conducting billing to appropriate third party Insurers/payers for medication/pharmacy items.
4. As third part manager, the contract pharmacy will maintain the “Center” pharmacy in regulatory compliance.
5. Contract provider will maintain records of all billings and medication disbursements required by all Licensing and regulatory bodies and will provide “Center” with reports required by the “Center”.
6. Purchases of medications and other pharmaceutical supplies and equipment will be made by the pharmacy provider as agent for the “Center”.

PHARMACEUTICAL SERVICES - (cont'd)

FALLING SPRING NURSING AND REHABILITATION CENTER

PHARMACEUTICAL SERVICES
PROPOSAL SPECIFICATIONS SHEET

PHARMACY NAME:

ADDRESS:

1. *Cost of medications: (is equal to per prescription filling charge plus the Actual Acquisition Cost). Proposal may be made either for all prescriptions or broken out by category of prescription (O.T.C.; DESI; Legend).*

Circle a or b and complete only corresponding section.

DISPENSING FEE

- a. *uniform filling charge for all categories of prescriptions.*

\$ _____/per prescription.

DPW's policy is that it will not pay more for any service than the amount charged to any other payer. Thus, if the proposed filling fee is less than the filling charge allowable by DPW (currently a maximum of \$4.00/30-day prescriptions) than the provider is required to bill DPW at the lower per prescription billing charge.

- b. *filling charge by categories.*

\$ _____ per prescription - O.T.C.

\$ _____ per prescription - DESI

\$ _____ per prescription - Legend

Legend - is defined as those medications which are DPW billable accepted.

2. *Non covered (by third party insurers) resident medications will be the responsibility of one of the following options (check only one)*

- a. *the "Center" _____*
- b. *the Pharmacy Provider _____*
- c. *Equal shared risk by "Center" and Pharmacy Provider _____*

3. *Non-resident services (see Section 22 - Pharmaceutical Services).*

- a. *Prescription cost - prescription filling charge \$ _____ (per prescription) plus Actual Acquisition Cost.*
- b. *Supplies and related materials - _____% mark-up over Actual Acquisition Cost).*

4. *Monthly fee paid to the "Center" for rental of the on-site pharmacy space under optional phase II.*

\$ _____/month x 12 = \$ _____/year.

PROPOSAL SPECIFICATIONS SHEET - (cont'd)

5. List names, addresses, and dates of nursing homes currently and previously served.
6. Attach resumes of current pharmacists in your pharmacy who will provide services (identify separately those who will provide filling services and those who will provide consultation services).
7. Other services or programs your organization offers which would complement or improve the pharmacy and related programs at the "Center". Please specify.
8. **Specification Summary** - (Pharmacy provider must answer each question regarding service provision features).

Yes **No**

Pharmacy will dispense and deliver all medication and supplies to the Center.

Pharmacy provides a full range of generic equivalent medications.

Medications are packaged in seven day punch cards compatible with the system agreeable to the "Center" and provided by the Provider.

Medications are packaged in an alternate (to seven day) system defined by the proposing pharmacy.

Pharmacy is a participating/approved provider under the Pennsylvania Medical Assistance and Medicare D program.

Pharmacy is a participating/approved provider under the Pennsylvania PACE program.

All eligible third party insurers will be billed directly.

Billings to the "Center" for prescriptions and related items are available electronic file which is compatible with "Center" computer programs.

Medicaid, Medicare, or other third party eligible insurer payment is accepted as payment in full for all compensable medications and related items.

The per prescription filling charge to the "Center" is uniform to all categories of prescriptions.

The per prescription filling charge to the "Center" differs by category of prescription.

The "Center" has financial responsibility for medications not covered by third party insurers.

The provider pharmacy has financial responsibility for medications not covered by third party insurers.

PHARMACEUTICAL SERVICES
PROPOSAL SPECIFICATIONS SHEET - (cont'd)

Yes **No**

The provider pharmacy and the “Center” share financial responsibility for medications not covered by third party insurers.

Routine medications can be provided to the “Center's” nursing units on a regular schedule.

Medication delivery is available seven (7) days per week, twenty-four (24) hours per day.

Stat and emergency orders will be delivered within two (2) hours of notification (when provider pharmacy is closed).

Itemized delivery slips, as per “Center” format, accompany all deliveries.

Pharmacy will provide a satellite "closed pharmacy" on the premises of the “Center” when requested.

Pharmacy will assist in establishing a pharmacy license for the “Center” and is willing to manage said pharmacy for the “Center” under terms to be negotiated if and when requested.

When in place the on-site pharmacy will be staffed by a pharmacist at a minimum of five (5) hours per day, five (5) days per week schedule.

Medication labeling, including O.T.Cs., will contain all facility required information and will comply with all regulatory labeling requirements. Labeling changes will be made by the pharmacy as applicable regulations change.

Pharmacist is knowledgeable of the Pennsylvania Department of Health, Long Term Care Regulations; the Federal OBRA '87 (with amendments) Regulations; and other relevant regulatory requirements for licensed nursing homes.

Pharmacy will provide printed monitoring forms for psychoactive medications to assure compliance with OBRA. (NOTE: Consultant pharmacist will monitor compliance)

Names, including aliases, for all principals of the pharmacy are provided.

A list of all current and former long- term care facilities contracted within the past three years is provided.

Pharmacy has current contracts with all PDP's in the “Center's” region.

Pharmacy will provide “best fit” profiles for all residents as requested.

PHARMACEUTICAL SERVICES
PROPOSAL SPECIFICATIONS SHEET - (cont'd)

Yes No

Pharmacy will provide pricing for prospective residents as requested.

Pharmacy has pharmacist availability 24 hours per day.

Pharmacy will supply for non resident purposes, pharmaceuticals and related supplies.

Pharmacy will provide all services in a non discriminatory manner and in concert with all applicable regulations including HIPAA.

Pharmacy will provide a formulary with identification information to nursing staff as a cross reference when generics or therapeutic substitutions are used.

Pharmacist will assess and monitor antipsychotic medications and evaluate antipsychotic flow sheets to assure compliance with OBRA Regulations.

Pharmacy will conduct inservices as specified by "Center" Administration to designated staff.

Pharmacy will maintain Pharmacy Policy and Procedure Manual assuring compliance with Long Term Care Licensure Regulations.

Pharmacy will provide, at least two (2) per year, I.V. Certification Training and Testing programs by a Certified I.V. Nurse Trainer at the " Center" at a no fee service of the provider.

Pharmacy has a laminar air-flow hood for preparation of custom mix I.Vs.; I.V. antibiotics, and TPN formulations.

Pharmacist will conduct a pre-licensure inspection survey for OBRA compliance on all nursing units.

Pharmacist will monitor drug usage by category and submit written reports to Administrator and Medical Director.

Pharmacy will provide an automated emergency medication supply system acceptable to the Center.

Pharmacy will supply medication carts acceptable to the Center for use on the Center's nursing units.

Pharmacy or any associated pharmacist has been charged with, convicted of, or investigated regarding any issues of insurance fraud; illegal sale or distribution of drugs; prohibited business practices; or has had or has a hearing pending with the State Board of Pharmacy regarding a licensure issue (if "yes", please provide explanation).

FALLING SPRING NURSING AND REHABILITATION CENTER

PHARMACEUTICAL SERVICES **PROPOSAL INSTRUCTIONS**

1. All pharmacists interested in submitting proposals must attend a pre-proposal orientation on _____ 2006 at _____ a.m. in the Administration Office, Falling Spring Nursing and Rehabilitation Center, 201 Franklin Farm Lane, Chambersburg, Pa. 17201.

2. The attached "Proposal Specifications Sheet" and Letter of Intent must be completed and submitted in duplicate to:

Franklin County
c/o _____

Chambersburg, PA 17201

by 4:00 p.m., _____, 2006 in a sealed envelope marked "Proposal-Pharmaceutical Services".

3. A letter of intent must accompany the "Proposal Specification Sheet" and must contain the following:

- a. Be addressed to _____.
- b. Specify that the pharmacist is interested and willing to provide pharmaceutical services to the Falling Spring Nursing and Rehabilitation Center and is desirous of entering into a contractual agreement with the County of Franklin.
- c. Indicate that the pharmacy is currently licensed and in good standing with all regulating bodies and a participant in the Medicaid Program.
- d. Agree to provide proof of professional liability and malpractice insurance in the minimum amount of \$3,000,000.00 (three million dollars) upon entering into contract with the Falling Spring Nursing and Rehabilitation Center.
- e. Signed by the responsible authority of the pharmacy.

All proposals received will be evaluated by the Solicitor to the Franklin County Commissioners, and Falling Spring Nursing and Rehabilitation Center Administration to determine which proposal most closely meets the requirements of the request for proposals.

The following areas of consideration will be used as the basis for evaluating proposals & making a selection:

1. Cost of medications (per prescription filling charge) over Actual Acquisition Cost) and other related supplies cost.
2. Cost of consulting services
3. Experience in nursing home services
4. Pharmacists qualifications
5. Computer resources
6. Other services that are not specified but would benefit Falling Spring Nursing and Rehabilitation Center
7. Adequacy of specialty facilities by inspection of those facilities.
8. Completeness of all services including specialty facilities and support personnel.

Additional information requests regarding the proposal specifications should be made to Dr. Barry W. Parks at (717) 264-2715.