

	<b>Notice of Request for Information</b>		<b>AHCCCS</b> <b>Arizona Health Care Cost Containment</b> <b>System</b> <b>701 East Jefferson, MD 5700</b>  <b>Phoenix, Arizona 85034</b>
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**Request For Information (RFI) Contact Person:**

Jamey Schultz  
Contracts and Purchasing Section  
701 E. Jefferson, MD5700  
Phoenix, Arizona 85034

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E-Mail: Jamey.Schultz@azahcccs.gov  
Issue Date: April 22, 2009

**LOCATION:** ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION (AHCCCS)  
Contracts and Purchasing Section (First Floor)  
701 E. Jefferson, MD5700  
Phoenix, Arizona 85034

DESCRIPTION: **340B Designated Pharmacy for Specialty Drug Product  
Dispensing, Distribution and Care Coordination**

**INFORMATION DUE** **May 28, 2009** **AT 3:00 P.M. MST**  
**DATE:** \_\_\_\_\_

**QUESTIONS CONCERNING THIS REQUEST FOR INFORMATION (RFI)  
SHALL BE FORWARDED TO THE RFI CONTACT PERSON, AS NAMED  
ABOVE, EITHER VIA TELEFAX OF E-MAIL (PREFERRED).  
TELEPHONIC QUESTIONS SHALL NOT BE ACCEPTED.**

Offers must be in the actual possession of AHCCCS on or prior to the time and date and at the location indicated above. **Late offers may not be considered.**

Offers must be submitted in a sealed envelope or package with the Request number and the offeror's name and address clearly indicated on the envelope or package. All offers must be completed in ink or typewritten. Additional instructions for preparing an offer are included in this request.

Offerors must realize that no Contract will result from your response to this request. Responding to this RFI will not prohibit the offeror from responding to any 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.

**OFFERORS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE RFI.**



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## 1. AHCCCS OVERVIEW

The Arizona Health Care Cost Containment System (AHCCCS) is Arizona's Medicaid Program. As of April 1, 2009, AHCCCS was providing health care coverage to over 1.19 million members, which is approximately 20% of Arizona's total population.

AHCCCS operates under an 1115 Research and Demonstration Waiver, which was granted by the Centers for Medicare and Medicaid Services (CMS) within the United States Department of Health and Human Services.

AHCCCS was created as a partnership between the state and private and public managed care health plans that mainstreamed Medicaid recipients into private physician offices. This arrangement opened up the private physician networks to Medicaid recipients and allowed AHCCCS members to choose a health plan and a primary care provider that coordinates and manages all aspects of medical care for a member.

AHCCCS Health Plans are paid a monthly capitation rate prospectively for each health plan enrolled member. AHCCCS utilizes a competitive bid process and provides regulatory oversight that includes operational and financial reviews of the contracted health plans and contract monitoring to ensure quality of care.

The medical care for approximately 5% of AHCCCS members is provided through a managed fee-for-service (FFS) program administered by the AHCCCS Division of Fee-for-Service Management (DFSM). These members are predominantly Native Americans who are eligible for care through the Indian Health Service and also eligible for care through AHCCCS (AHCCCS American Indian Health Program - AIHP). AHCCCS AIHP members may elect to receive health care from an IHS facility, an AHCCCS Health Plan or from an AHCCCS registered provider as part of the FFS Program.

A more detailed overview of the AHCCCS Program is available, including detailed enrollment statistics, at the AHCCCS website at [www.ahcccs.state.us](http://www.ahcccs.state.us).

## 2. RFI PURPOSE

AHCCCS, Department of Pharmacy, is soliciting information from interested 340B designated pharmacies to participate in AHCCCS' Specialty Pharmacy Program to provide specific specialty drugs for the AHCCCS contracted health plans and the AHCCCS FFS enrolled members for the State of Arizona. The purpose of the Specialty Pharmacy Program will be to reduce medication costs while ensuring continued clinically appropriate access to specialty drugs.

## 3. RFI OVERVIEW

### 3.1 Background

The 340B Drug Pricing Program offers the lowest cost for pharmaceuticals and was established as part of the Veterans Health Care Act of 1992. Section 340B of the U.S. Public Law 102-585 (42 U.S.C. § 256b) limits the cost of drugs to federal purchasers and to certain grantees of federal agencies known



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as “340B qualified entities.” The Pharmacy Affairs Branch (PAB) of the Health Resources and Services Administration (HRSA) under the U.S. Department of Health and Human Services (HHS) administers the program. Pharmacies that do not qualify as a 340B entity may choose to explore opportunities for PAB-approved arrangements with qualified entities to access 340B pricing.

To the extent that the services described in this RFI are paid for by managed care entities under contract with the AHCCCS Administration, the provisions of the Medicaid Outpatient Drug Rebate Program (42 U.S.C. § 1396r-8) do not apply. This is explained in the next paragraph.

With respect to services paid for directly by the AHCCCS administration or through any Third Party Administrator under contract with AHCCCS Administration, the Secretary of the United States Department of Health and Human Services, through the exercise of the Secretary’s waiver authority under 42 U.S.C. § 1315, has exempted AHCCCS from participation in the Medicaid Outpatient Drug Rebate Program. In responding to this RFI, pharmacies should assume that neither the AHCCCS Administration nor its contractors will receive any payments from drug manufacturers, including rebates, when a drug has been dispensed by a designated 340B entity pharmacy.

For the purposes of this RFI, the AHCCCS Pharmacy Department defines specialty medications as a category of drugs created by advances in research, technology and design and generally include bioengineered proteins. These drugs typically are high cost and used to treat acute, chronic and complex illnesses. These drugs can be self-administered in the home or by a health care provider in the home or at a practitioner’s office and can include injectables, infusions and environmentally sensitive drugs that require very specific special handling, monitoring or registration paperwork.

Specialty drugs are often associated with complex drug regimens and require patient education, monitoring and clinical support. The AHCCCS Specialty Pharmacy Program will also include focused services that support patient adherence and persistence, as well as the coordination of specialty pharmacy care that will also ensure clinically appropriate utilization of the selected products.

In 2008, the AHCCCS Program spent over \$450M on pharmaceuticals. Of this pharmacy spend, the AHCCCS contracted health plans and the AHCCCS FFS Program paid approximately \$75M in specialty drug costs for more than 1.15M enrollees using specialty pharmacy drugs.

Specialty Drugs are prescription medications that may require special handling, administration or monitoring. Some of the chronic conditions utilizing these medications are:

Anemia

Blood Dyscrasias / Hemophilia

Chronic Kidney Disease

Hepatitis C

Multiple Sclerosis

Osteoporosis

Connective Tissue Disorders/Arthritis/Psoriasis

Asthma

Cancer

Crohn’s Disease

HIV/AIDS

Organ Transplants

Gaucher & Fabry Disease

Growth Hormone Deficiencies



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A potential drug listing of specialty products being considered for the AHCCCS Specialty Pharmacy Program are listed on Attachment A. AHCCCS expects that this list will be modified over time as the program is implemented and new specialty products become available.

## 3.2 Key Features of the AHCCCS Specialty Pharmacy Program RFI

- 3.2.1 Specialty drug products will be priced at the 340B entity's pharmacy acquisition cost plus a fee. This "fee" should include the dispensing fee, costs for supplies to administer the medication and costs associated with the delivery of the medication to the patient or the prescribing clinician's office site.
- 3.2.2 Prescriptions will be direct billed to the AHCCCS contracted health plans (for patients enrolled with health plans) and to the AHCCCS Administration (for patients enrolled in the AHCCCS AIHP).
- 3.2.3 A timely and reliable drug dispensing and delivery system for enrollees and providers.
- 3.2.4 Clinical supportive services that are designed to:
  - 3.2.4.1 Optimize therapy management,
  - 3.2.4.2 Facilitate care coordination between the patient, provider and the 340B entity pharmacy to ensure a one-to-one relationship has been achieved between all parties, and
  - 3.2.4.3 Improve treatment adherence and persistency.
- 3.2.5 Monthly, quarterly, annual and ad hoc reporting to AHCCCS.
- 3.2.6 Member Satisfaction Survey.

## 3.3 Specific Contractor Tasks

The following are global tasks that the 340B entity pharmacy would be required to accomplish as a contractor to AHCCCS for the Specialty Pharmacy Program:

- 3.3.1 Pharmacy must be registered with AHCCCS and be located and licensed in the State of Arizona.
- 3.3.2 All pharmacists and technicians must be licensed with the Arizona State Board of Pharmacy.
- 3.3.3 Maintain an adequate inventory of specialty pharmacy drugs.
- 3.3.4 Coordinate and/or facilitate for the provisions of ancillary supplies and equipment and nursing services as required.
- 3.3.5 Develop, update and report to AHCCCS quarterly, a pricing schedule based on 340B acquisition cost for all contracted specialty products.
- 3.3.6 Ensure adequate staffing and availability 24 hours per day, 365 days per year.
- 3.3.7 Respond directly to member and provider telephone calls or electronic inquiries.
- 3.3.8 Implement and operate a statewide Specialty Pharmacy Dispensing and Delivery System, as follows:
  - 3.3.8.1 Process, dispense and submit electronic claims for payment for specialty drug prescriptions.
  - 3.3.8.2 Contract with the AHCCCS contracted health plans and AHCCCS FFS to ensure electronic claims adjudication and payment.



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- 3.3.8.3 Operate an efficient, accurate and responsive system for processing new & refill prescriptions and the delivery of these prescriptive medications.
- 3.3.9 Communicate with prescribers through ePrescribing software systems.
- 3.3.10 Implement and operate a Clinical Support Program for members and providers.
- 3.3.11 Respond to inquiries and complaints.
- 3.3.12 Develop, distribute and update Specialty Pharmacy policies and procedures.
- 3.3.13 Coordinate various activities and attend AHCCCS Administration meetings.
- 3.3.14 Develop a plan to ensure continuity of care for members transitioning to the Specialty Pharmacy from the contracted health plans or the AHCCCS FFS Program.
- 3.3.15 Perform quality assurance activities.
- 3.3.16 Develop and monitor performance standards and corrective action plans.
- 3.3.17 Provide utilization management reports as defined by AHCCCS Administration.
- 3.3.18 Develop a Work Plan.
- 3.3.19 Develop an Implementation Plan.
- 3.3.20 Develop and maintain a website which, at a minimum shall include:
  - 3.3.20.1 Educational information on the AHCCCS Specialty Pharmacy Program for the patient written at a fourth grade reading level.
  - 3.3.20.2 Descriptions of services provided by the Specialty Pharmacy.
  - 3.3.20.3 AHCCCS' Specialty Pharmacy Drug List.
  - 3.3.20.4 Instructions on how to contact the Specialty Pharmacy.
  - 3.3.20.5 Relevant information on diseases and disorders which relate to drugs that are provided by the Specialty Pharmacy.
  - 3.3.20.6 Other information as requested by AHCCCS Administration.

The above task list is provided from a global perspective for the purposes of this RFI.

## 4. CONTENTS OF YOUR RESPONSE

- 4.1 The name of the pharmacy and a brief description of the types of services currently provided in the State of Arizona.
- 4.2 A completed Attachment B, Offeror'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.
- 4.3 The services described in Sections 3.2 and 3.3 that your organization can currently provide and those that will be available in the next six or twelve months.
- 4.4 A short summary (1,500 words or less) describing your experience with specialty pharmacy products.



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## 5. HOW TO RESPOND

- 5.1 Submit 5 hard copies of not more than ten typed pages and 5 electronic copies on CD (Microsoft Word preferred).
- 5.2 Please submit your response no later than May 28, 2009, 3:00 p.m., MST.
- 5.3 Deliver the response or send it by mail to:  
  
Jamey Schultz  
AHCCCS Contracts and Purchasing  
701 E. Jefferson St., MD 5700  
Phoenix, AZ 85034
- 5.4 **Confidential Information:** If a respondent believes that portions of its RFI response should remain confidential, the respondent shall clearly identify those portions of its response it wishes to maintain as confidential and include a statement detailing the reasons why the information should not be disclosed. Such reasons shall describe the specific harm or prejudice that may arise. AHCCCS Contracts personnel shall determine whether the identified information should remain confidential.
- 5.5 **Reimbursement:** The AHCCCS Administration will not reimburse any respondent for the cost of preparing and submitting a response to the RFI.



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## ATTACHMENT B

### OFFEROR'S CONTACT INFORMATION

Arizona Transaction (Sales) Privilege Tax License No.:

\_\_\_\_\_

Federal Employer Identification No.:

\_\_\_\_\_

E-Mail Address: \_\_\_\_\_

\_\_\_\_\_ Company Name

\_\_\_\_\_ Address

\_\_\_\_\_ City State Zip

For clarification of this offer, contact:

Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

\_\_\_\_\_ Signature of Person Authorized to Sign Offer

\_\_\_\_\_ Printed Name

\_\_\_\_\_ Title