



**BLOUNT COUNTY GOVERNMENT**

**Pharmacy Program for Blount County Government  
RFP No. 2009-1947  
Addendum No. 2**

**RFP Number: 2009-1947**

**RFP Due Date: August 05, 2009**

**RFP Due Time: 1:30 p.m. local time**

**Deliver To: Blount County Purchasing  
Blount County Courthouse, Room 319  
385 Court Street  
Maryville, TN 37804-5906**

**The questions and answers submitted by vendors to the RFP are attached in the following forty-two (42) pages.**

**Ms. Teresa Johnson, CPPB  
Purchasing Agent  
Blount County Government  
385 Court Street  
Maryville, TN 37804-5906  
Phone 865-273-5740  
Fax 865-273-5746  
[tjohnson@blounttn.org](mailto:tjohnson@blounttn.org)**

**PLEASE CONTACT BLOUNT COUNTY PURCHASING  
DEPARTMENT TO REQUEST A COPY OF THE QUESTIONS AND  
ANSWERS**



## **BLOUNT COUNTY PURCHASING**

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*Blount County Courthouse, 385 Court Street, Maryville, Tn 37804-5906*  
*865-273-5740 Fax 865-273-5746*

July 07, 2009

To: All Bidders

**Pharmacy Program for Blount County Government**  
**RFP No. 2009-1947**  
**Addendum No. 1**

RE: Top 25 Rx

See enclosed listing of Blount County's top 25 Rx by Amount Paid and top 25 Rx by Volume with the strengths (1 page). This page replaces Page 9 of original Proposal.

If you should have any questions, give me a call at 865-273-5740 or email [tjohnson@blounttn.org](mailto:tjohnson@blounttn.org).

Respectfully,

A handwritten signature in cursive script that reads "Teresa Johnson".

**Teresa Johnson**  
**Purchasing Agent**  
**Blount County Purchasing**

Top 25 Rx by Amount Paid 1/1/09 - 5/31/09

Drug Label Name	Total Rx	Total Utilizers	Avg. Rx/Utilizer
COPAXONE 20 MG INJECTION KIT	7	4	1.75
SINGULAIR 10 MG TABLET	225	94	2.39
TEMODAR 100 MG CAPSULE	5	1	5.00
EFFEXOR XR 75 MG CAPSULE	111	38	2.92
SIMVASTATIN 40 MG TABLET	231	89	2.60
CYMBALTA 60 MG CAPSULE	123	39	3.15
PROVIGIL 200 MG TABLET	24	11	2.18
PLAVIX 75 MG TABLET	104	31	3.35
ADDERALL XR 20 MG CAPSULE	43	22	1.95
CELEBREX 200 MG CAPSULE	72	33	2.18
ARIMIDEX 1 MG TABLET	29	8	3.63
TEMODAR 140 MG CAPSULE	2	1	2.00
SIMVASTATIN 20 MG TABLET	163	59	2.76
ONE TOUCH ULTRA TEST STRIPS	85	53	1.60
EFFEXOR XR 150 MG CAPSULE	73	22	3.32
BYETTA 10 MCG DOSE PEN INJ	35	15	2.33
LIPITOR 20 MG TABLET	76	31	2.45
ZETIA 10 MG TABLET	102	39	2.62
ADVAIR 250-50 DISKUS	49	27	1.81
TRICOR 145 MG TABLET	84	27	3.11
LEXAPRO 10 MG TABLET	110	41	2.68
HUMALOG 100 UNITS/ML VIAL	23	7	3.29
ZOLPIDEM TARTRATE 10 MG TABLET	169	68	2.49
JANUVIA 100 MG TABLET	41	16	2.56
ZYVOX 600 MG TABLET	4	3	1.33

Top 25 by Volume 1/1/09 - 5/31/09

Drug Label Name	Total Rx	Total Utilizers	Total Amount Paid
AZITHROMYCIN 250 MG TABLET	299	263	1.14
HYDROCODONE-APAP 5-500 TABLET	262	185	1.42
SIMVASTATIN 40 MG TABLET	231	89	2.60
SINGULAIR 10 MG TABLET	225	94	2.39
FLUTICASONA PROP 50 MCG SPRAY	220	129	1.71
ZOLPIDEM TARTRATE 10 MG TABLET	169	68	2.49
SIMVASTATIN 20 MG TABLET	163	59	2.76
HYDROCHLOROTHIAZIDE 25 MG TAB	153	49	3.12
METFORMIN HCL 500 MG TABLET	153	54	2.83
LISINAPRIL 10 MG TABLET	151	52	2.90
AMOX TR-K CLV 875-125 MG TAB	144	132	1.09
AMOXICILLIN 500 MG CAPSULE	142	128	1.11
CEPHALEXIN 500 MG CAPSULE	140	115	1.22
LISINAPRIL 20 MG TABLET	136	45	3.02
PROMETHAZINE 25 MG TABLET	130	103	1.26
SERTRALINE HCL 100 MG TABLET	127	45	2.82
OXYCODONE-APAP 5-325 MG TAB	124	90	1.38
CYMBALTA 60 MG CAPSULE	123	39	3.15
CIPROFLOXACIN HCL 500 MG TAB	120	100	1.20
CITALOPRAM HBR 20 MG TABLET	114	51	2.24
SULFAMETHOXAZOLE-TMP DS TABLET	114	87	1.31
SERTRALINE HCL 50 MG TABLET	112	41	2.73
EFFEXOR XR 75 MG CAPSULE	111	38	2.92
LEXAPRO 10 MG TABLET	110	41	2.68
METHYLPREDNISOLONE 4 MG DOSEPK	108	92	1.17



**BLOUNT COUNTY GOVERNMENT  
Request for Proposal No. 2009-1947  
Pharmacy Program**

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**Deliver To:** Blount County Purchasing  
Blount County Courthouse, Room 319  
385 Court Street  
Maryville, TN 37804-5906

**Total pages: 10**

**Additional information pertaining to the Request for Proposal (RFP) may be obtained by contacting:**

**Ms. Teresa Johnson, CPPB  
Purchasing Agent  
Blount County Government  
385 Court Street  
Maryville, TN 37804-5906  
865-273-5740 Phone  
865-273-5746 Fax  
[tjohnson@blounttn.org](mailto:tjohnson@blounttn.org)**

**Blount County Government  
Maryville, TN**

**Request for Proposal #2009-1947  
Pharmacy Program**

Blount County Government is seeking proposals from qualified vendors to establish and manage a pharmacy on or near Blount County Government (hereafter BCG). This pharmacy will exclusively serve the members of the BCG Health Plan.

The intent of BCG is to purchase prescription drugs and supplies at the pure wholesale cost while paying a monthly administrative fee to the organization awarded the contract.

BCG will respond to additional information requests, review proposals, and choose finalists. The Selection Committee may conduct follow up inquiries to ensure the company with the most appropriate offering for BCG is chosen.

All questions and proposals should be sent to the BCG Purchasing Department as detailed herein.

We appreciate your participation in the proposal process.

Regards,  
Blount County Government

**Blount County Government  
Maryville, TN**

**Request for Proposal #2009-1947  
Pharmacy Program**

**Background**

This Request for Proposal pertains to BCG's request for information about your company's capabilities to provide pharmacy services for the members of the BCG Health plan. Such services may include developing a strategic plan and positioning of the pharmacy program.

BCG is a county government employer of approximately 1,875 full-time employees including the Departments of Blount County Schools, Sheriff's Office, Highway, Library, Health Department and other General County Offices. BCG currently has approximately 3,500 employees and family members enrolled as active participants in their health insurance plan.

BCG may elect to utilize all, part, or none of the information and services developed in your response to this RFP in order to select its vendor. This RFP is neither an offer, nor a commitment to contract and/or purchase any products or services. The information sought herein is for our evaluation and analysis. The information you provide in response to this RFP will be used to assess available services, capabilities, products or technologies and their relative costs. BCG may elect to move forward with all requested services, none of the services, or a portion of the proposal.

**Confidentiality**

As part of the RFP, you have received a confidentiality agreement in reference to proprietary material that may be provided or received as part of this process. A signed copy of the letter of confidentiality must be received by the Purchasing Department of BCG within one week of receipt of this RFP if you wish to be considered. Our facsimile number is 865-273-5746 or you may scan and email it to Teresa Johnson, [tjohnson@blounttn.org](mailto:tjohnson@blounttn.org). No proposals will be reviewed without the signed confidentiality agreement in place.

**Award of Contract**

The criteria to be used for the proposal evaluation include but are not limited to:

- Qualifications
- Submittal Content
- Ability to meet BCG's needs in the area of a pharmacy program
- Program management
- Strategic Vision
- Costs

BCG reserves the right to waive any irregularities or informalities concerning this RFP. The terms of this RFP will serve as the basis of a binding contract once the formal award has been made.

**Contract Term**

The original contract shall begin after formal award by BCG and continue for an initial term of three (3) years. Additional three-year renewal periods will be provided if both parties are in agreement.

### **Authorization to do Business in Tennessee**

The successful vendor must be properly and currently licensed to do business in the state of Tennessee. Non-Tennessee resident companies wishing to do business with Blount County must have proof of a current Certificate of Authority from the Tennessee Secretary of State office before entering into any acquisition agreement or contract with the County per Tennessee Code Annotated 48-11-309. Application forms for this certificate can be downloaded from the Secretary of State website at [www.state.tn.us/sos](http://www.state.tn.us/sos) or by phoning 615-741-2286.

### **Indemnify and Hold Harmless**

Contractor agrees to indemnify, defend and hold harmless BCG against any and all losses, claims, damages, law suits and liabilities resulting from negligence of the vendor pertaining to the services proposed in this RFP.

### **Questions**

BCG requests that all questions and information requests be submitted in writing by July 15, 2009, to Teresa Johnson at the address below or by emailing [tjohnson@blounttn.org](mailto:tjohnson@blounttn.org). To ensure fairness to all respondents, a copy of all questions submitted, along with their responses, will be posted on Blount County's website at [www.blounttn.org](http://www.blounttn.org).

### **Submission of Proposals**

All RFP responses must be received no later than 1:30 p.m. local time on August 05, 2009, at the Blount County Purchasing Department to be considered. Proposals received after the designated date and time will not be accepted and will be returned unopened. It is the responsibility of the proposer to ensure your RFP is received at the correct location and time prior to the public bid opening. If you wish to be considered, please submit one (1) original and three (3) copies of your Proposal to the following BCG contact on or before the due date and time. BCG does not accept bids by facsimile or electronic means.

Ms. Teresa Johnson  
Purchasing Agent  
Blount County Government  
Blount County Purchasing, Room 319  
385 Court Street  
Maryville, TN 37804-5906

## **Presentation**

Finalists may be invited to make a presentation after proposals are received. If invited, the date and time of the presentation will be scheduled by the Purchasing Department on behalf of BCG.

## **Scope of Work/Services**

### **I. Letter of Interest and Introduction**

In a one-(1) page cover letter, clearly indicate your organization's interest and identify the vendor's legal name, street address, entity type and state of incorporation. Identify by name the primary and secondary contact for the responding vendor including mailing address, telephone number, fax number and email address.

### **II. Summary of Organizational and Management Qualifications of Vendor**

- A. Present the vendor's historical background and focus, the scope and nature of services routinely provided, and summary of qualifications.
- B. Present projections of dollar savings and percentage of savings on the following basis:
  - Gross Drug Costs
  - Plan Drug Costs
  - Gross Net Costs

Include methodology for arriving at projected savings. Quantify the impact of any changes in current utilization including capture rate at proposed pharmacy, generic utilization, or therapeutic substitutions.

- C. Identify anticipated costs in the first 3 years on the following basis.
  - Network pharmacy costs
  - On-site pharmacy drug costs
  - Pharmacy management costs
  - Pharmacy staffing costs
- D. Provide three references for whom you have opened on-site pharmacies or currently provide such services. Identify the size of the group based on employee count.
- E. Describe how your product/pharmacy will reduce prescription drug expenditures for the BCG Health Plan.
- F. Describe the availability of drugs at the employee pharmacy. Will there be a full range of acute and maintenance medications or a narrow formulary of available drugs? What will be the availability of Specialty Drugs?

- G. Outline any service and/or pricing guarantees your firm is willing to implement for BCG.
- H. Describe your communications plan for making employees and dependents aware of the pharmacy. Provide any samples of work you have done in the past.
- I. Describe your approach to staffing the pharmacy.
- J. Describe what you will provide in regards to the design and build-out of the pharmacy. What costs will be the responsibility of the County? What costs will your firm cover?
- K. Describe your services as it pertains to technology, equipment, furniture and fixtures. What costs will be the responsibility of the County? What costs will your firm cover?
- L. Describe your involvement with pharmacy licensure, management and compliance. Outline any experience you have in the State of Tennessee.
- M. Indicate the proposed hours of operation for the pharmacy.
- N. Who will own the inventory? Estimate the initial inventory costs.
- O. Please provide your organization's pricing proposal in detail as it pertains to the price basis for the prescription drugs (i.e. AWP, Maximum-Allowable-Cost (MAC), acquisition cost). In this description please include on a per script basis any dispensing fees, administration fees (per prescription or per employee), and/or anticipated sharing of rebates.
- P. Describe any and all requirements for the County as it pertains to the following: building, utilities, insurance, patient communication, benefit plan design incentives and security.
- Q. Provide a timeline for this project assuming an opening date of January 1, 2010.
- R. Provide proof of insurance, including limits.
- S. Provide any other additional information you would like to be considered.
- T. Provide a contract that your firm would be willing to enter into with the BCG.

- U. Based on BCG's current co-pay structure (data enclosed), detail the co-pay structure your firm would recommend to encourage utilization of the pharmacy. Provide gross and plan costs analyses illustrating your rationale for the recommendations.
- V. What is your firm's ability to coordinate payments at the pharmacy with the following methods?
- Cash
  - Credit Card
  - Debit Card
  - Check
  - Payroll Deduction
  - Other
- W. Please provide your per unit pricing as of 1Q09 on the following:
- The County's Top 25 by cost
  - The County's Top 25 by volume (data enclosed)

## Confidentiality and Non-Disclosure Agreement

This Confidentiality and Non-Disclosure Agreement (“Agreement”) shall be effective this \_\_\_\_\_ day of \_\_\_\_\_ 2009 (“Effective Date”) by and between Blount County Government (“BCG”) and \_\_\_\_\_ (“Respondent”) (collectively, the “Parties”).

As part of responding to the Request for Proposal (“RFP”) issued by Blount County on July 01, 2009, Respondent understands that it may be required to review or otherwise have access to certain confidential information related to Blount County (“Confidential Information”). Such information, if any, will be provided to the Respondent for the purposes of evaluating the Respondent as a potential candidate for selection only. Respondent represents that it will protect any such materials which may be disclosed as part of the selection process. Therefore, the Parties agree as follows:

**Confidential Information:** Confidential Information shall include any information, materials, or opinions (i) which are proprietary to Blount County, (ii) which are not generally known outside of Blount County other than by its advisors or direct representatives, or (iii) which the Respondent obtains solely through any direct or indirect contact or communication with Blount County.

**Protection of Confidential Information:** Respondent understands and acknowledges that the Confidential Information has been developed or obtained by Blount County through investment of significant time, effort and expense, and further recognizes the Confidential Information is a valuable and unique asset of Blount County. Therefore, Respondent agrees to hold in confidence and refrain from disclosing any Confidential Information to any person or entity without the prior written consent of Blount County.

**Unauthorized Disclosure of Information:** In the event Respondent discloses (or threatens to disclose) any Confidential Information in violation of this Agreement, Blount County shall be entitled to an injunction in order to restrain the Respondent from disclosing, in whole or in part, the Confidential Information. Neither party shall be prohibited by this provision from pursuing other remedies, including a claim for losses and damages.

**In Witness Whereof,** the Parties have executed this Agreement on the date specified by the Parties’ signatures below, to be effective as of the Effective Date.

**Date:** \_\_\_\_\_

**Blount County Government:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

**Date:** \_\_\_\_\_

**Respondent:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City/State/Zip Code

## Top 25 Rx By Cost 1/1/09 to 5/30/09

Drug Name	Total Utilizers	Total Rx	Avg. Rx / Utilizer
COPAXONE	4	7	1.75
SINGULAIR	130	300	2.31
SIMVASTATIN	178	474	2.66
TEMODAR	2	7	3.50
EFFEXOR XR	58	195	3.36
LIPITOR	77	223	2.90
CYMBALTA	51	162	3.18
ADDERALL XR	43	90	2.09
ADVAIR DISKUS	48	81	1.69
LEXAPRO	70	196	2.80
CRESTOR	53	169	3.19
PROVIGIL	12	25	2.08
SEROQUEL	10	39	3.90
PLAVIX	31	104	3.35
CELEBREX	37	80	2.16
TOPAMAX	23	50	2.17
ACTOS	22	65	2.95
ONDANSETRON HCL	28	52	1.86
BYETTA	17	40	2.35
ARIMIDEX	8	29	3.63
ABILIFY	7	17	2.43
VYTORIN	36	112	3.11
ONE TOUCH ULTRA TEST STRIPS	53	86	1.62
HUMALOG	11	28	2.55
LUNESTA	26	76	2.92

## Top 25 RX by Count 1/1/09 to 5/30/09

SINGULAIR	130	300	2.31
SIMVASTATIN	178	474	2.66
EFFEXOR XR	58	195	3.36
LIPITOR	77	223	2.90
CYMBALTA	51	162	3.18
LEXAPRO	70	196	2.80
CRESTOR	53	169	3.19
ZOLPIDEM TARTRATE	78	202	2.59
AMOX TR-POTASSIUM CLAVULANA	204	248	1.22
SERTRALINE HCL	86	249	2.90
PAROXETINE HCL	52	164	3.15
FLUTICASONE PROPIONATE	129	220	1.71
FLUOXETINE HCL	56	178	3.18
AZITHROMYCIN	336	384	1.14
METFORMIN HCL	92	248	2.70
ALPRAZOLAM	83	215	2.59
LISINAPRIL	134	418	3.12
CITALOPRAM HBR	70	185	2.64
METOPROLOL SUCCINATE	66	171	2.59
HYDROCODONE-ACETAMINOPHEN	354	671	1.90
POTASSIUM CHLORIDE	73	215	2.95
CEPHALEXIN	135	162	1.20
AMOXICILLIN	289	326	1.13
HYDROCHLOROTHIAZIDE	67	204	3.04
LEVOTHYROXINE SODIUM	100	361	3.61

2009

# Benefit Plan



## Prescription Drug Plan Changes January 1, 2009

		Benefit as of 1/1/2009
<b>Generics</b>		
Retail (30 day supply)		\$10 copay
Mail Order (100 day supply)		\$20 copay
<b>Brand</b>		
Retail (30 day supply)		30% up to a maximum of \$60 per script, per 30 day supply
Mail Order (100 day supply)		30% up to a maximum of \$120 per script, up to 100 day supply
<b>Pharmacy Annual Out-of-Pocket Maximum</b>		\$2,000 per member per year
		\$0 generic \$0 name brand

\*For certain conditions, including Barrett's esophagus, Zollinger-Ellison syndrome, stage III-IV Erosive Esophagitis, and Hyperplasia or Cancer of the esophagus, an EXCEPTION to this exclusion may be requested by your physician. Please have your physician call Cariten for the criteria and information required for an exception.

If you have specific questions regarding these changes, please contact Jodie King at 273-5777 or Betsy Cunningham at 273-5781 in Human Resources.