

**Specifications – Bid 6100041593**  
**Medical Supplies, Equipment, Nutritional Supplements**

**Contract Scope/Overview:** This solicitation will cover the Commonwealth's statewide requirements for Medical Supplies, Equipment, and Nutritional Supplements. The estimated total spend on the current Medical Supplies contract for calendar year 2016 was \$3.4 million.

**Specifically excluded from this solicitation are items that are on other statewide contracts such as Automated External Defibrillators, Incontinent Care Products, Dental Supplies and Equipment and Gloves.**

This solicitation will be divided into lots. Lot 1, Medical Supplies, Naloxone (Narcan), Rapid Testing Kits and services to accompany supplies; Lot 2, Medical Equipment; and Lot 3 Nutritional Supplements.

**Contract Term:** The term of the contract shall be two (2) years. The contract will start no earlier than July 1, 2017 or when all approvals are acquired.

**Renewals:** There will be three (3) one (1) year renewals on this contract. During renewal you may submit a new price list and discount. The discount may not be lower than the discount currently given.

**Price Submittal:**

**Lot 1 – Medical Supplies:** This lot is for the purchase of Medical Supplies. This includes all standard medical supplies, rapid testing kits and Naloxone (Narcan). Bidders must list their percentage off for each manufacturer that they represent. If the bidder is not the manufacturer a letter of authorization must be submitted stating that they are permitted to sell in Pennsylvania. Award for the medical supplies will be made to all responsive and responsible bidders. A list of current manufacturers is listed on Attachment A – Price Submittal Worksheet under the Blue Tab labeled Medical Supplies. Bidders may add manufacturers not found on the list and submit a percentage discount.

Bidders must provide a firm percentage discount off the manufacturer's price list that is in effect the time of the bid submittal. This price list/discount will be effective for the first twelve (12) months of the contract. For each twelve (12) month period after that the bidder may submit a new price list. The discount shall remain the same unless a higher discount is offered. The Commonwealth will not accept lower discounts. Price list must be submitted at least ninety (90) days prior to the end of the twelve (12) month period.

In addition to medical supplies the bidder may submit additional services that they can provide. These services may include Medicare B services, training, any other additional services that may be provided. You may add additional sheets to the cost sheet to describe these services.

\*\* Bidders will not be required to complete the Reciprocal Limitations Act (State of Manufacture) form for this portion (LOT 1) of the solicitation. Reciprocal Limitations Act (State of Manufacture) form must be completed for all other Lots.

**Lot 2 – Medical Equipment:** Award will be made to the responsive and responsible bidder offering the greatest discount per manufacturer's price list. Only one award per manufacturer will be made and Bidders who are not the manufacturer must submit a letter from the manufacturer stating that the bidder is authorized to sell the product in the Commonwealth of Pennsylvania. Bidders may be awarded more than one manufacturer. A list of current manufacturers is listed on Attachment A – Price Submittal Worksheet under the Green tab labeled Equipment is a listing of current manufacturers used by the Commonwealth. Bidders may add manufacturers not found on the list and submit a percentage discount.

Bidders must provide a firm percentage discount off the manufacturer's price list that is in effect at the time of the bid submittal. A dated copy of the manufacturer's price list must accompany the bid submittal. This price list/discount will be effective for the first twelve (12) months of the contract. For each twelve (12) month period after that the bidder may submit a new price list. The discount shall remain the same unless a greater discount is offered. The Commonwealth will not accept lower discounts. Price list must be submitted at least ninety (90) days prior to the end of the twelve (12) month period.

**Lot 3 – Nutritional Supplements:** Award will be made to the responsive and responsible bidder offering the greatest percentage discount off the manufacturer's price list for each manufacturer. Only one award will be made per manufacturer. All bidders who are not the manufacturer must submit a letter of authorization stating they are permitted to sell product in Pennsylvania. A current list of manufacturers is listed on Attachment A – Price Submittal Worksheet under the Orange Tab labeled Supplements. Bidders may add manufacturers not found on the list and submit a percentage discount.

Bidders must provide a firm percentage discount off the manufacturer's price list that is effect at the time of the bid submittal. This price list/discount will be effective for the first twelve (12) months of the contract. For each twelve (12) month period after that the bidder may submit a new price list. The discount shall remain the same unless a higher discount is offered. The Commonwealth will not accept lower discounts. Price list must be submitted at least ninety (90) days prior to the end of the twelve (12) month period.

**Minimum Order:** The minimum order qualifying for F.O.B. delivered price to any agency within the Commonwealth of Pennsylvania shall be \$100.00. Supplier is responsible for all shipping/freight cost in association with any order that is issued to their company, as long as the agency meet the minimum order dollar amount. If a facility does not meet the minimum order dollar amount, supplier may add a reasonable freight/shipping cost accordingly.

**Emergency Orders:** All shipping costs associated with an emergency order are the responsibility of the ordering agency regardless of the dollar amount or quantity purchased. This delivery charge cannot exceed the suppliers actual cost of the product and the facility must be made aware of this charge prior to shipment of order.

**Confirmation of Purchase Order:** The awarded Supplier is responsible for acknowledging receipt of order (Monday – Friday) within twenty-four (24) hours of receipt of Purchase Order.

Acknowledgement must be made via Fax or E-mail. The supplier must have the ability to accept orders manually, electronically, over the phone or via fax.

**Addition/Deletion of Products:** The supplier is responsible for notifying the Commonwealth of all discontinued products in a timely manner. Replacement products may be added to the contract through mutual agreement of the Supplier and the Commonwealth. The Commonwealth will have the final determination to replace the item or bid separately.

- Supplier **MAY NOT** substitute any items without the consent of the ordering agency.

**Returns:** Any items delivered in poor condition, in excess of the amount ordered, or not included in the purchase order may, at the discretion of the Commonwealth's ordering entity, be returned to the contractor at the contractor's expense within thirty (30) days. Credit for returned goods shall be made immediately after the contractor receives the returned item(s). There shall be no restocking fees assessed to the Commonwealth or eligible contract users. In the event that the Commonwealth orders the wrong item, the item will be returned to the contractor, either to the distribution center or the nearest retail location, at the expense of the Commonwealth. Credit for returned goods shall be made immediately after the contractor receives the returned item(s).

**Electronic Interface:** The contracted supplier may be required to provide a secure website for purchasers, including a complete listing with contract pricing for all items required under the Medical Supplies Contract and have the capability for purchases to place on-line orders.

**Cost Savings:** The Commonwealth expects the selected supplier to pass on any saving from any source. Any price decreases will be available immediately to the Commonwealth. Written confirmation of the price decrease must be submitted to the Contractor Officer. Acceptance of any decrease will be made through a notice and posted on the Department of General Services website within five (5) business days.

**Delivery/Receiving:** Delivery of any item from this contract will be a maximum of three (3) days after receipt of order. Exceptions can be made for custom orders, special items, or large orders when applicable. Delivery schedule must be communicated on an individual basis per facility due to various receiving hours and warehouse requirements.

**Catalogs:** Upon request, supplier agrees to supply to the requesting agencies copies of their catalog and price list at no charge.

**Security (Department of Corrections Only):** Please be sure to go to the Department of Corrections website [www.cor.state.pa.us](http://www.cor.state.pa.us) for access and information on the Clearance Certificate Requirement. All suppliers or their sub-suppliers who utilize regular delivery transportation will have to submit clearance checks through the original supplier for all drivers (regardless if delivery is inside or outside of the fence). Common carriers will not be required to render clearance checks, however are subject to search and escort procedures. All carriers reporting to outside warehouses must secure their vehicle (windows closed and doors locked), sign in at warehouse and wait for further directions from Corrections staff.

**Semi-Annual Program Review:** Contractor shall provide reports to Department of General Services (preferably in an Excel format) at the end of the semi-annual period of the contract term. The reports shall include:

- Performance Period
- Usage Data
- Reporting Processes
- Fill Rates
- Process improvements and cost savings opportunities
- Recap current Year's accomplishments
- Set goal for following years
- Other areas as necessary

**Purchase History Reports:** Supplier shall provide semi-annual reports (preferably in an Excel format) to Department of General Services no later than thirty (30) calendar days from the last day of the semi-annual period. This report shall include all Commonwealth orders as well as all entities approved to use the contract by the Commonwealth. These reports should capture items, services, origin of orders by buying group and agency, where orders are delivered, and financial information such as product pricing and extended costs. Order accuracy and fill rates must be calculated during the implementation process of the contract. These reports should be easy to read and customer friendly and shall be in an electric format agreed upon between the Commonwealth and the awarded supplier.

- Supplier will provide a semi-annual report by user showing P-Card usage. This report will be broken down by item showing spend by user and by agency.
- At the request of the Department of General Services the contractor may be asked to supply a monthly report showing any core items that are backordered along with anticipated in-stock dates. The contractor will advise any agency of backorders from their Purchase Orders with the anticipated ship dates within twenty-four (24) hours of receipt of the Purchase Order.
- The Commonwealth may require the contractor to provide as required "AD-HOC" status, problem identification or other required reports.

**Third Party Billing:** If capable, the supplier must be willing to work with and bill Medicare, Medical Assistance, and other third party insurance companies.

The supplier must agree to direct billing for all services and procedures to residents by adhering to the following terms and order of payers for Wound Care services:

- Primary Insurance (if applicable)
- Medicare
- Supplemental Insurance (Medicare deductible/co-insurance only)
- Medical Assistance (deductible/co-insurance only)
- Commonwealth facility as payer of last resort

The supplier shall provide an itemized, monthly invoice for services based on the contract. The original invoice must be mailed to:

Commonwealth of Pennsylvania  
PO Box 69180  
Harrisburg, PA 17106

The supplier is required to have a provider number and bill Medicare, Medicaid, and other third party payers that provide coverage for any resident. For services rendered to residents who are Medicare, Medicaid, or third party insurer beneficiaries, the awarded supplier shall bill the appropriate insurer.

The supplier cannot bill the residents or their families for any cost-sharing amounts. The supplier is required to make a good faith effort to obtain reimbursement from third party insurances.

The supplier shall assist the facility in getting authorization for Third Party Payers. The supplier shall make all corrections to rejected claims; assist with waiver appeals, and correction of billings. The supplier shall accept the insurer's Usual, Customary, and Regular (URC) rates as the acceptable rate for the services provided. Neither the Commonwealth facility nor the resident shall be responsible to pay the difference between the UCR and the supplier's rate for a given service. Facility shall provide the supplier with updated resident insurance information as changes occur.

All unpaid bills for cost-sharing amounts must be sent directly to the facility. The Commonwealth facility shall reimburse the vendor without limitations for all cost sharing amounts owed. Supplier to provide an itemized spreadsheet detailing the monthly invoice for all cost sharing amounts. The invoices must include contract number, residents name, description of supply and copy of Explanation of Benefits (EOB).

**Confidential Information:** The supplier shall maintain as confidential all information relating to the policies and procedures and records of the Commonwealth facilities, including all resident medical records and maintain such records in a secured locked fashion and in compliance with the Health Insurance Portability and Accountability Act (HIPPA).

**Iran Free Procurement Certification & Disclosure:** Prior to entering a contract worth at least \$1,000,000 or more with a Commonwealth entity, a bidder must: a) certify it is not on the current list of persons engaged in investment activities in Iran created by the Pennsylvania Department of General Services ("DGS") pursuant to Section 3503 of the Procurement Code and is eligible to contract with the Commonwealth under Section 3501-3506 of the Procurement Code; or b) demonstrate it has received an exception from the certification requirement for that solicitation or contract pursuant to Section 3503(e). All bidders must complete and return the Iran Free Procurement Certification form, which is attached hereto and made part of this IFB. The completed and signed Iran Free Procurement Certification form must be submitted with the Bid Response.

**Direct all inquiries regarding this solicitation/contract to:**

Cheryl A Barth-Taylor, Commodity Specialist  
Department of General Services  
Bureau of Procurement  
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