



MISSISSIPPI DIVISION OF
MEDICAID

MEMORANDUM

From: The Mississippi Division of Medicaid
Office of Procurement

Date: August 19, 2022

Re: RFP #20210813
Pharmacy PDL, SR, Rate Setting and Programmatic Review and Assessment Notice
of Intent to Award of Re-Evaluations

The Mississippi Division of Medicaid (DOM) issued a Request for Proposals on August 13, 2021, to establish a contract with a responsible Contractor to develop and manage the Universal Preferred Drug List (PDL), administer the Supplemental Drug Rebate (SR) program, manage the Rate Setting of Covered Outpatient Drugs (COD), and perform programmatic review and assessment of core components of the pharmacy program. In response to the RFP, DOM received the following proposals:

1. MedImpact Healthcare Systems, Inc. (MedImpact)
2. Change Healthcare Pharmacy Solutions, Inc. (Change Healthcare)

Change Healthcare's proposal was deemed non-responsive and was not evaluated in accordance with Sections 3-301.05 and 3-301.06 of the *Mississippi Public Procurement Review Board Office of Personal Services Contract Review Rules and Regulations*. Those rules require offerors' submissions that do not meet acceptability requirements to be rejected as non-responsive. Change Healthcare's blind technical proposal and blind cost proposal each contained substantial, numerous instances of identifying information.

MedImpact's proposal was deemed responsive and continued through the evaluation process. After completing evaluations, MedImpact was deemed the lowest, responsive, and responsible offeror.

Ranking for responsive and responsible proposals was as follows:

1. MedImpact Healthcare Systems, Inc.

Based on the foregoing, DOM recommended the following Contractor for RFP #20210813:

MedImpact Healthcare Systems, Inc.

On December 15, 2021, DOM published a Notice of Intent to Award to contract with MedImpact. On December 17, 2021, DOM received a Letter of Acceptance of Award from MedImpact.

On February 25, 2022, DOM issued a Solicitation Cancellation Notice, stating an intent to cancel the Solicitation on the basis that a review of the Solicitation by the Mississippi Department of Finance and Administration's Office of Personal Services and Contract Review (OPSCR) revealed one instance of the intended awardee's name being listed in the Technical Proposal, which may have constituted a violation of OPSCR rules and the statutory requirement contained in Miss. Code Ann. § 31-7-417(2).

On March 18, 2022, DOM issued a Notice of Rescission of Solicitation Cancellation Notice, noting failure to comply with Section 5-203.01 of the *Mississippi Public Procurement Review Board Office of Personal Services Contract Review Rules and Regulations* which provides:

A solicitation may be in violation of the law due to the actions of state employees, bidders or offerors, contractors, or other persons. After consultation with the DFA Special Assistant Attorney General, the PPRB or an Agency Head may determine that a solicitation or contract award is in violation of the provisions of the *Mississippi Public Procurement Review Board Office of Personal Services Contract Review Rules and Regulations*. After consultation with the DFA Special Assistant Attorney General, the Ethics Commission may determine that a solicitation or contract award violates the Ethics in Public Contracting provisions of the *Mississippi Public Procurement Review Board Office of Personal Services Contract Review Rules and Regulations*. Any such determination shall be made in writing after an opportunity to be heard is given, and such determination is subject to appropriate appeal.

On June 22, 2022, DOM conducted a hearing before a Hearing Officer which afforded MedImpact its "opportunity to be heard" as set forth in Section 5-203.01. DOM also consulted with the DFA Special Assistant Attorney General regarding this matter as required by Section 5-203.01. Thereafter, on July 15, 2022, DOM issued its final decision on the matter, adopting the findings of the Hearing Officer that no violation of Mississippi law occurred, and DOM had authority to excuse any irregularity stemming from the immaterial, one-time inclusion of MedImpact's name in its proposal. In addition, DOM exercised its right under Section 3-204.03.4 of the *Mississippi Public Procurement Review Board Office of Personal Services Contract Review Rules and Regulations* to correct any immaterial mistake that had occurred.

On July 21, 2022, DOM issued another Notice of Intent to Award to MedImpact; however, based on a review of the intended awardee's proposal that identified additional concerns, the Notice of Intent to Award was cancelled on July 29, 2022, pursuant to Section 3-301.04.3 of the Mississippi Public Procurement Review Board Office of Personal Services Contract Review (OPSCR) Rules and Regulations.

Therefore, DOM requested and received confirmation that both MedImpact and Change Healthcare certified their proposals for another 180 days to proceed to the evaluation process. DOM performed de-identification of the identifying information in both MedImpact's and Change Healthcare's proposals. The proposals were submitted to OPSCR for a review of any potential identifying

information that DOM may have missed during the de-identification process. Once OPSCR’s review was completed the de-identified proposals were issued to a new evaluation committee. The evaluation committee evaluated the proposals in accordance with comprehensive, fair, and impartial evaluation procedures and processes. No best and final offers were requested by DOM and the original price was scored. The proposals were ranked in the following manner:

Ranking	Offeror	Total Score
1	MedImpact Healthcare Systems, Inc. (MedImpact)	79.67
2	Change Healthcare Pharmacy Solutions, Inc. (Change Healthcare)	61.40

Based on the committee evaluation results, the Office of Procurement recommends award of this Contract to the following Contractor:

1. MedImpact Healthcare Systems, Inc.

MedImpact has over 30 years of experience providing pharmacy programs and services to Medicaid programs and their beneficiaries. MedImpact presented a strategy to successfully deliver all components of this RFP for a total contract price of \$8,199,492.00. The term of the contract shall begin on November 1, 2022, and shall terminate on October 31, 2025, with an option for two one-year extension periods.

Any successful or unsuccessful Offeror may request a post-award debriefing in writing, by U.S. mail or electronic submission, in accordance with PPRB Rules 7-113 *et seq.* We can share with you any applicable information about your response including significant weaknesses or deficiencies, technical ratings, and overall ranking specific to your response. A vendor debriefing is an informal meeting and not a hearing; therefore, legal representation is not required. If a vendor prefers to have legal representation present, the vendor must notify the agency and identify its attorney. DOM shall be allowed to schedule and/or suspend and reschedule the debriefing at a time when a legal representative of DOM and/or a representative of the Office of the Mississippi Attorney General can be present.

Any protests of this decision must be submitted to procurement@medicaid.ms.gov consistent with PPRB Rules 7-112 *et seq.* To expedite handling of protests, the envelope must be labeled “Protest.” The written protest shall include at a minimum the following: a) the name and address of the protestor; b) appropriate identification of the procurement and if a contract has been awarded, its number; c) a statement of reasons for the protest; and d) supporting exhibits, evidence, or documents to substantiate any claims unless not available within the filing time in which case the expected availability date shall be indicated. Refer to Section 4.28 of the RFP for further protest instructions.

DOM intends to submit the contract to the Public Procurement Review Board (PPRB) Office of Personal Service Contract Review (OPSCR) for approval at the September 7, 2022, board meeting. Pending approval, the contract will be available for public inspection in the office of the Chief Procurement Officer.