

23 May 2008

Dear Service Provider

REQUEST FOR PROPOSALS – SUPPLY OF PRINTING SERVICES

PHARMAC invites proposals for the supply of printing services for the Pharmaceutical Schedule. It is anticipated that PHARMAC will appoint an exclusive supplier for these printing services.

The request for proposals is for the printing of the PHARMAC publications - specifically the Pharmaceutical Schedule, monthly Updates to the Pharmaceutical Schedule, and Section H of the Pharmaceutical Schedule.

The purpose of the Pharmaceutical Schedule is to list the Community Pharmaceuticals that are subsidised by the Government and to show the amount of the subsidy paid to contractors, as well as the manufacturer's price (if it differs from the subsidy) and any access conditions that may apply. Section H lists some Hospital Pharmaceuticals that are purchased and used by the DHB Hospitals, including those for which national prices have been negotiated by PHARMAC.

The Pharmaceutical Schedule is the official authority by which pharmacies are reimbursed. Changes to the Pharmaceutical Schedule are notified officially through the publication of the Update to the Pharmaceutical Schedule. Therefore it is important that these publications are printed accurately and within the timelines specified.

Some of the material that PHARMAC has printed may not be publicly available and may be sensitive in nature. Therefore security and confidentiality are factors which are important.

This request for proposals (**RFP**) letter incorporates the following schedules:

- Schedule 1 specifies the services for which PHARMAC is requesting proposals;
- Schedule 2 describes the process that PHARMAC expects to follow in relation to the RFP; and
- Schedule 3 specifies the information you need to include with your proposal.

If you wish to submit a proposal, please submit it to PHARMAC no later than 5.00 p.m. on 13 June 2008.

Please send submissions to:

Schedule Analyst
PO Box 10-254
Wellington
Tel: 04 460 4990

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Investing in Health

If you have any questions about this RFP, please contact Linda Wellington Schedule Analyst at PHARMAC, on 04 460 4990.

We look forward to receiving your proposal.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'M Brougham', with a long horizontal flourish extending to the right.

Matthew Brougham
Chief Executive

Schedule 1: Description of services and background to RFP

1. Description of services

PHARMAC is interested in considering any proposal for printing of the Pharmaceutical Schedule, monthly Updates to the Pharmaceutical Schedule, and Section H of the Pharmaceutical Schedule. To give an indication of the scope of the job, details of current printing requirements are given.

For the Pharmaceutical Schedule and Update, print numbers range up to 12,000. The print numbers for Section H is approximately 1000. Samples of these publications are available on request.

Pharmaceutical Schedule

- Printed three times per year in April, August and December;
- Approximately 208 pages, A5 size;
- Cover 210 gsm matt, inside 90 gsm matt paper;
- Outside and inside front and back cover coloured;
- Four colour pages in body;
- All other pages black on white;
- Burst binding;
- Electronic copies of the Pharmaceutical Schedule are to be provided in the form of a high-resolution PDF Adobe file on or about the 27th of the month preceding the month of publication (e.g. Monday 28th July for the August 2008 Pharmaceutical Schedule);
- Hard copies of the Pharmaceutical Schedule are to be delivered to a specified mail-house seven working days after the 12th of the month of publication (e.g. for the August 2008 Schedule with mail-house by 23th August 2008).
- Approximately 12,000 copies each print run

Update

- Published monthly;
- One colour (4 Updates published in each of three colours);
- Staple bound (saddle stitch);
- From 24 to 68 pages, A5 size;

- 100 gsm uncoated paper
- Electronic copies of the Update are to be provided in the form of a high-resolution PDF Adobe file three and a half working days after the 12th of the month preceding the month of publication (e.g. Monday 18th August for September 2008 Update);
- Hard copies of the Update are to be delivered to a specified mail-house 7 working days after the 12th of the month preceding the month of publication (e.g. for the September 2008 Update, at noon on 21st August 2008); Three times each year the Pharmaceutical Schedule is also posted with a monthly Update.
- Approximately 12,000 copies each print run

Section H

- Printed three times per year in March, July and November;
- Approximately 90 pages, A5 size;
- Cover 210 gsm sealed, inside 90 gsm uncoated paper;
- Outside and inside front and back cover coloured;
- All other pages black on white;
- Burst binding;
- Electronic copies of Section H are to be provided in the form of a high-resolution PDF Adobe file on or about the 27th of the month preceding the month of publication (e.g. 28th October for a November 2008 Section H);
- Hard copies of Section H are to be delivered to the mail-house 7 working days after the 12th of the month of publication (at the same time as the Update for the following month) seven working days after the 12th of the month preceding the month of publication (e.g. for the November 2008 Section H delivered to the mail-house by 21st November 2008).
- Approximately 1,000 copies each print run

Other possible printing requirements include, but are not limited to:

- Stationery including letterhead, compliment slips, envelopes in a variety of styles, business cards.

Schedule 2: RFP Process

The following is indicative of the process that PHARMAC expects to follow in relation to the RFP. PHARMAC expects to follow the process in the sequence set out below.

1. Submission

- (a) Proposals must be submitted no later than 5.00 p.m. (New Zealand time) on 13 June 2008. Late proposals will only be considered at PHARMAC's discretion.
- (b) You cannot withdraw your proposal, once submitted, while the RFP process is continuing.
- (c) All proposals must be submitted to PHARMAC at Level 14, Cigna House, 40 Mercer Street, PO Box 10-254, Wellington, to the attention of Schedule Analyst, either by hand delivery, by courier or by post (and not by facsimile or email).

2. Evaluation

- (a) An Evaluation Committee comprising PHARMAC staff will evaluate each proposal to select its preferred proposal(s).
- (b) The matters to be taken into account by the Evaluation Committee, the weight to be attached to them, and the basis on which it will evaluate proposals, are all to be determined by the Evaluation Committee in its sole discretion. Other criteria the Evaluation Committee may use include:
 - (i) cost and value for money;
 - (ii) demonstration of experience in this area;
 - (iii) information required to be included with your proposal, as specified in Schedule 3;
 - (iv) any other matters that the Evaluation Committee considers to be relevant, provided that the basis on which the Evaluation Committee will otherwise evaluate proposals and the weight to be given to the criteria and other matters that it considers relevant, are ultimately at the discretion of the Evaluation Committee.
- (c) PHARMAC anticipates that it will need to meet regularly with the successful supplier. Accordingly, a Wellington-based supplier would be an advantage.
- (d) Each proposal will be evaluated on the basis that the price offered, the expenditure entailed and any other terms included in the proposal are the best that you are able to offer. If you do not put forward your best terms you risk having your proposal excluded at the evaluation stage.
- (e) PHARMAC is not bound to select the lowest priced proposal or any proposal.

3. **Negotiation**

- (a) PHARMAC may negotiate with the submitter(s) of one or more preferred proposals, to the exclusion of other suppliers' proposals.
- (b) PHARMAC may negotiate and enter into a provisional agreement with a preferred supplier on whatever terms PHARMAC considers appropriate.
- (c) If PHARMAC and the supplier are unable to reach a provisional agreement within what PHARMAC considers being a reasonable time, PHARMAC may terminate those negotiations and negotiate with a different suppliers(s).

4. **Approval**

- (a) The provisional agreement will be considered by PHARMAC's Chief Executive under delegated authority.
- (b) If the Chief Executive does not approve the provisional agreement, then PHARMAC may initiate negotiations for a provisional agreement with any other service provider(s).
- (c) The RFP process will be complete once PHARMAC has notified service providers of either:
 - (i) its Chief Executive's decision to accept a negotiated agreement; or
 - (ii) the termination of the RFP process.

5. **Miscellaneous**

- (a) PHARMAC reserves the right:
 - (i) to make such adjustments to the above RFP process as it considers appropriate, at any time during the process, provided that it notifies service providers affected by those changes;
 - (ii) seek to meet with you at your place of business to discuss your proposal and to gain an understanding of your work environment;
 - (iii) not to accept any proposal;
 - (iv) not to provide reasons for the acceptance or non-acceptance of any proposal;
 - (v) to enter into an agreement or arrangement that differs in a material respect from that envisaged in this RFP letter;
 - (vi) to terminate this RFP process at any time, by notifying service providers who submitted proposals, and, following termination, to negotiate with any service provider(s) on whatever terms PHARMAC thinks fit;

- (vii) to re-advertise for proposals.
- (b) You must not at any time initiate any communication with PHARMAC's directors or officers, the Ministry of Health, the Minister of Health or District Health Boards, with a view to influencing the outcome of this RFP process.
- (c) PHARMAC is not liable for any direct or indirect costs incurred in submitting a proposal.
- (d) Proposals are submitted in reliance on your own knowledge, skill, and independent advice, and not in reliance on any representations made by PHARMAC.
- (e) This is an RFP and not a tender. Your proposal is not an offer capable of being converted into a contract by PHARMAC's apparent acceptance and instead a separate agreement needs to be negotiated. Further, PHARMAC is no way contractually bound to follow the process outlined in this RFP, which is simply indicative.
- (f) Except as provided or permitted by law, including the requirements of the Official Information Act 1982, PHARMAC agrees not to communicate or divulge any commercially sensitive information supplied by the respondents provided that the respondent has identified in its response the information that is of a commercially sensitive nature.

6. **Anticipated timetable**

It is anticipated that PHARMAC's Chief Executive will consider a provisional agreement in or after June 2008.

Schedule 3: Information to be included in the proposal

The following supporting information should be included in or form part of the proposal:

- (a) name of service provider;
- (b) contact person and title;
- (c) contact details (address, telephone, fax, email etc.);
- (d) pricing (GST exclusive), including any related conditions or proposed terms affecting cost for PHARMAC and including the price for 12,000 copies of a 36 page Update, the price for 12,000 copies of a 208 page Pharmaceutical Schedule, the price for 1,000 copies of a 90 page Section H and the price of 5000 DLE envelopes with printed with the PHARMAC logo;
- (e) an indication of external suppliers and outsourcing;
- (f) an indication of the main type of services currently provided;
- (g) a declaration of any conflicts of interest known to the service provider;
- (h) at least 2 references.