

15 September 2015

Dear Supplier

**REQUEST FOR PROPOSALS – SUPPLY OF VARIOUS WOUND CARE PRODUCTS TO DHB HOSPITALS**

PHARMAC invites proposals for the supply of **various wound care products** to DHB hospitals in New Zealand.

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

- Schedule 1 specifies the wound care products for which PHARMAC is requesting proposals and sets out the background to the RFP and the types of proposals sought;
- Schedule 2 describes the process that PHARMAC expects to follow in relation to the RFP;
- Schedule 3 sets out information about the estimated size of the current market for the various wound care products; and
- Schedule 4 contains the Supplier Form in which you are to provide key details of your proposal and basic supplier information.

All proposals must be submitted to PHARMAC via the Government Electronic Tenders Services (GETS) **no later than 4.00pm (New Zealand time) on Tuesday, 27 October 2015.**

If you have any questions about this RFP, please contact Marcus Kim, by email at [marcus.kim@pharmac.govt.nz](mailto:marcus.kim@pharmac.govt.nz) or by telephone on +64 (04) 901 3207 at PHARMAC.

We look forward to receiving your proposal.

Yours sincerely



Sarah Fitt  
Director of Operations

## Schedule 1: Wound care products, background to RFP and types of proposals sought

### 1. Wound care products

PHARMAC is interested in considering proposals from suppliers of the following wound care products for supply to DHB hospitals as per the specifications outlined in **Attachment One** of this document:

Wound care subcategory	Product type	Examples of brands currently listed under PHARMAC contract
(a) Combine dressings (includes Gamgee dressings)	Combine dressings (sterile)	Bamford, Propax, Sentry Medical
	Combine dressings (non-sterile)	BSN, Dragon, Sentry Medical, Synergy, Zetuvit
(b) Compression bandages	2 layer compression bandage kits	Coban 2 Layer range
	3 – 4 layer compression bandage kits	Veno 4, Profore range
	Compression bandages (includes layers required to create compression system)	Comprilan, Elodur, Elset, Lastodur, Lastolan, Panelast Pr02, Setopress, SurePress, Veno 4, Coban 2 layer
(c) Foam dressings (excludes anti-microbial foam dressings)	Foam adhesive dressings (with or without adhesive border)	Allevyn range, Aquacel Foam, Defries, Mepilex range, Permafoam, Polymem
	Foam non-adhesive dressings	Advazorb, Allevyn non-adhesive, Aquacel Foam, Lyofoam Max, PermaFoam, PolyMax, PolyMem, Tegaderm, Versiva XC Non-Adhesive
	Foam shaped dressings	Allevyn range, Mepilex range, PolyMem, Tegaderm range
(d) Laparotomy sponges (sterile and non-sterile)	Laparotomy sponges (with and without tapes)	Propax, Sentry Medical
(e) Low adherent dressings with adhesive border	Low adherent dressings with adhesive border	Cosmopor, Cosmopor Advance, Cutiplast, Primapore, Telfa
(f) Securement bandages (excludes tubular bandages)	Securement bandages (sterile)	Defries, Propax, Sentry Medical
	Securement bandages (non-sterile)	Bray, Elastolite, Handycrepe, Hospicrepe, Sentry Medical, Setocrepe, Synergy

## 2. Background to RFP

The background to this RFP is as follows:

- (a) In August 2013, PHARMAC issued a Registration of Interest (RoI) for listing agreements for the supply of wound care products to DHB hospitals. This process resulted in the establishment of national listing agreements with nine major wound care suppliers for the majority of wound care products currently purchased by DHB hospitals. A list of the wound care products listed in Part III of Section H of the Pharmaceutical Schedule can be found on our website (<http://www.pharmac.health.nz/tools-resources/pharmaceutical-schedule/section-h/#part3>).
- (b) In April 2015, PHARMAC issued a discussion document on PHARMAC's proposed approach to market share procurement (MSP) for hospital medical devices (<http://www.pharmac.health.nz/news/consultation-2015-04-14-market-share/>). Amongst other things, we consulted on a proposal to progress to MSP for a limited number of wound care products. The majority of respondents were supportive of the proposed approach and the wound care products selected for MSP. A summary of the submissions received and PHARMAC's responses to the key themes can be found on our website (<http://www.pharmac.health.nz/medicines/hospital-devices/pharmac-model-for-medical-devices/>).
- (c) In addition to consultation feedback, PHARMAC sought clinical advice from the Wound Care Advisory Group (WCAG) to assist with the development of the RFP. We expect to continue to seek clinical advice from the WCAG and other relevant stakeholders throughout the RFP process. The minutes of the previous WCAG meetings can be found on our website.
- (d) PHARMAC is now seeking proposals for various wound care products identified in Schedule 1, clause 1 above. This RFP is open to all suppliers of wound care products, whether or not currently supplying to DHB hospitals in New Zealand.
- (e) By undertaking this RFP process, we expect to:
  - (i) generate a greater level of competition so that further savings can be realised for DHB hospitals, while still providing access to clinically appropriate ranges of wound care products; and
  - (ii) provide national consistency and equitable access to clinically appropriate ranges of wound care products across all DHBs.
- (f) The impact to DHBs for any RFP decision will depend on the nature of the decision and the current product mix at individual DHBs. It is possible that some DHBs may be required to make changes to the product mix or suppliers depending on the outcome. Where appropriate, we expect to provide support to DHBs to allow a smooth transition into any new arrangements.
- (g) Under the New Zealand Public Health and Disability Act 2000, as well as under DHBs' Operational Policy Framework, DHBs are required to comply with the pharmaceutical schedule as determined by PHARMAC.

**3. Product range and discretionary variance limit (DV Limit)**

- (a) We are seeking proposals for up to three suppliers for each of the product types outlined in Schedule 1, clause 1 above, with decreasing levels of discretion for DHBs to purchase outside the selected suppliers as the number of selected suppliers increases. The possible outcomes of the RFP process for each wound care product type are as follows:

<b>Scenario 1: Single supplier with 20% DV limit</b>	<b>Scenario 2: Dual suppliers with 5% DV limit</b>	<b>Scenario 3: Three suppliers with 1% DV limit</b>
DHBs must purchase from a single supplier for a selected product type (eg securement bandages (sterile)) in 80% of cases, with the discretion to purchase outside this range in 20% of cases.	DHBs must purchase from a choice of two suppliers for a selected product type (eg securement bandages (sterile)) in 95% of cases, with the discretion to purchase outside this range in 5% of cases.	DHBs must purchase from a choice of three suppliers for a selected product type (eg securement bandages (sterile)) in 99% of cases, with the discretion to purchase outside this range in 1% of cases.

PHARMAC anticipates the terms and conditions relating to DV limits will operate on the following basis:

- (b) A DV limit applies separately to each product type described in Schedule 1, clause 1 above (eg combine dressings (sterile)).
- (c) A DV product is any product that is not listed (including because it is delisted as a result of this RFP), but could otherwise be described as belonging to the relevant product type described in Schedule 1, clause 1 above. References to DV products could include references to branded products currently listed under PHARMAC contracts or similar products.
- (d) DV limit usage for DHB hospitals will be reviewed to monitor compliance at least once every 12 months, with additional reviews at PHARMAC's discretion.

**4. Compression bandage kits**

- (a) During the WCAG meeting in June 2015, PHARMAC received advice that it would be appropriate to seek proposals for a 2 layer compression bandage kit system to cover the entire compression bandage kit market, as long as there was a 5% DV limit so that other compression bandage kits could be used (ie 3 – 4 layer compression bandage kits). The WCAG also advised that if additional 3 – 4 layer compression bandage kits were clinically required, it would be possible to create this system using the various compression bandages.
- (b) As shown in the types of proposals being sought below, PHARMAC is seeking proposals for both 2 layer and 3 – 4 layer compression bandage kits. PHARMAC is also seeking proposals for 2 layer compression bandage kits to cover the entire compression bandage kit market (ie both 2 layer and 3 – 4 layer compression bandage kit market).

5. **Syndication – New Zealand Defence Force**

This RFP process is led by PHARMAC on behalf of the DHBs in accordance with PHARMAC’s statutory functions. At the request of the New Zealand Defence Force (NZDF) PHARMAC also plans to secure the right for NZDF to obtain the same terms and conditions of supply as the DHBs under any agreement(s) entered into as a result of this RFP. This may be achieved by way of closed syndicated agreement(s), or by way of separate agreement(s) between NZDF and any successful supplier(s).

6. **Types of proposals sought**

PHARMAC is willing to consider the following types of proposals for listing in Section H of the Pharmaceutical Schedule for use in DHB hospitals:

- (a) **Combine dressings (includes Gamgee dressings):** simple cotton based dressings with absorbent layer with soft non-woven fabric cover and soft end seals.

Types of proposals sought	Product type
Single primary supplier with 20% DV limit;	Combine dressings (non-sterile)
Dual suppliers with 5% DV limit; and/or	Combine dressings (sterile)
Three suppliers with 1% DV limit.	Combine dressings (non-sterile and sterile).

- (b) **Compression bandages (includes compression bandage kits and layers used to create compression bandage system)**

Types of proposals sought	Product type
Single primary supplier with 20% DV limit; Dual suppliers with 5% DV limit; and/or Three suppliers with 1% DV limit.	2 layer compression bandage kits
	3 – 4 layer compression bandage kits
	2 layer compression bandage kits and 3 – 4 layer compression bandage kits
	Compression bandages (includes layers used to create compression bandage system)
Single primary supplier with 20% DV limit for the entire compression bandage kit market (ie 2 layer and 3 – 4 layer compression bandage kit market combined) <sup>1</sup> .	2 layer compression bandage kits
<sup>1</sup> If PHARMAC decides to progress with a proposal involving 2 layer compression bandage kits to cover the entire compression bandage kit market (ie 2 layer and 3 – 4 layer compression bandage kit market combined), PHARMAC will not progress with any other proposals involving 2 layer or 3 – 4 layer compression bandage kit markets separately (and vice versa).	

(c) **Foam dressings (excludes antimicrobial foam dressings)**

<b>Types of proposals sought</b>	<b>Product type</b>
Single primary supplier with 20% DV limit; Dual suppliers with 5% DV limit; and/or Three suppliers with 1% DV limit.	Foam adhesive dressings (with and without adhesive border)
	Foam non-adhesive dressings
	Foam shaped dressings
Note: current or proposed supply of antimicrobial foam dressings will not be affected by the outcome of this RFP.	

(d) **Laparotomy sponges**

<b>Types of proposals sought</b>	<b>Product type</b>
Single primary supplier with 20% DV limit; Dual suppliers with 5% DV limit; and/or Three suppliers with 1% DV limit.	Laparotomy sponges (with and without tapes)

(e) **Low adherent dressings with adhesive border**

<b>Types of proposals sought</b>	<b>Product type</b>
Single primary supplier with 20% DV limit; Dual suppliers with 5% DV limit; and/or Three suppliers with 1% DV limit.	Low adherent dressings with adhesive border

(f) **Securement bandages (excludes tubular bandages)**

<b>Types of proposals sought</b>	<b>Product type</b>
Single primary supplier with 20% DV limit; Dual suppliers with 5% DV limit; and/or Three suppliers with 1% DV limit.	Securement bandages (sterile)
	Securement bandages (non-sterile)
	Securement bandages (sterile and non-sterile)

(g) Proposals must include wound care products that meet all the mandatory requirements as set out in Attachment One. For example, proposals for combine

dressings (sterile) market must include products that are sterile, low-linting and have non-woven covers.

Note that:

- (i) Where sizes are specified for products in Attachment One, preference will be given to proposals that offer product ranges that have the same or similar sizes to those specified.
- (ii) Where the following specifications are stated for a product type, proposals should include product ranges that meet those specifications:
  - ABPI levels (Low ABPI, High ABPI).
  - Stretch (None, Low stretch, High Stretch).
  - Adhesive border (With adhesive border, Without adhesive border).
  - Shape of foam dressings (Digit dressings, Heel shaped dressings, Oval shaped dressings, Sacrum dressings, Other shaped dressings for difficult body contours).
  - Tape (With tape, Without tape).
- (h) Suppliers may choose to submit single, dual or three supplier proposals for each of the product types listed from (a) – (f) above. If a supplier chooses to submit only one type of proposal (eg single primary supplier with 20% DV limit for securement bandages (sterile)), that proposal will not be able to be accepted if PHARMAC decides to progress with other types of proposals (eg dual or three supplier proposals for securement bandages (sterile)).
- (i) Proposals for dual or three suppliers may also include volume based tiered pricing. Tiered pricing proposals must:
  - (i) be based on a percentage range of individual DHB purchasing volume for each product type described in (a) – (f) above; and
  - (ii) not include more than three tier levels for each product type (eg 0 – 30%, 31 – 80% and 81 – 100%).

Note that:

- (iii) Suppliers that submit tiered pricing for dual and/or three supplier proposals must also provide flat pricing for the selected product type.
- (iv) Tiered pricing if adopted would be published and made freely available to all DHBs, including individual DHBs and DHB staff.
- (j) PHARMAC is not willing to consider the following types of proposals:
  - (i) Proposals that involve cross-bundling across different wound care subcategories (eg securement bandages and combine dressings) or other hospital medical devices (eg foam dressings and sutures).

- (ii) Proposals for wound care products not listed under wound care subcategories listed in (a) – (f) above.
- (k) PHARMAC expects there would be a transition period of at least three months where any successful supplier's brand of wound care products would be listed in Section H of the Pharmaceutical Schedule along-side the currently listed brands of wound care products, prior to the currently listed brands being delisted (other than any successful brands).
- (l) The transition period would be to allow DHBs to coordinate change to any new market share arrangements. The exact length and term of the transition period would be determined following consultation with DHBs and other stakeholders on any provisional agreements arising from this RFP, but would be no shorter than three months.
- (m) PHARMAC anticipates that the duration of any exclusive listing agreement would be 36 months starting from the first day of the month of the exclusivity period as agreed between the successful supplier and PHARMAC. The exclusivity period excludes any transition period as described in (k) – (l) above.
- (n) At the end of the exclusivity period, the successful supplier's wound care products would cease to have any exclusive supply status in DHB hospitals, but would remain listed in Section H of the Pharmaceutical Schedule subject to the terms and conditions as agreed between the successful supplier and PHARMAC.
- (o) Proposals should be submitted on the basis that there may be incremental changes or upgrades for the proposed wound care products during the life of the contract, and that if agreed between PHARMAC and the successful supplier, the changed or upgraded product would be made available to DHBs within a reasonable timeframe.
- (p) Suppliers must complete the attached Supplier Form (Schedule 4) and submit proposals in accordance with the Proposal Form provided as Attachment Two (in Excel format). Proposals that do not include the completed Supplier Form or not conforming to the Proposal Form may be excluded for consideration.

Subject to the above, PHARMAC is open to considering any other types of proposals you may wish to put forward. For the avoidance of doubt, PHARMAC may vary aspects of the supply arrangements set out above and may consider, at its sole discretion, any other alternative supply arrangements.

## Schedule 2: RFP process

PHARMAC expects to follow the process set out below in the sequence indicated.

### 1. Submission

- (a) You may submit more than one proposal. Each proposal will be considered as a separate proposal.
- (b) All proposals must be submitted to PHARMAC via GETS ([www.gets.govt.nz](http://www.gets.govt.nz)) no later than **4.00 pm (New Zealand time) on 27 October 2015**. Late proposals will only be considered at PHARMAC's discretion, taking into account the need for fairness to other suppliers and integrity of the RFP process.
- (c) You cannot withdraw your proposal, once submitted, while the RFP process is continuing.
- (d) If you have any enquiries about this RFP you should contact Marcus Kim, ([marcus.kim@pharmac.govt.nz](mailto:marcus.kim@pharmac.govt.nz)) or submit questions through GETS ([www.gets.govt.nz](http://www.gets.govt.nz)).

### 2. RFP supplier meetings

- (a) As this RFP process may be new for some suppliers, we would like to provide an opportunity for suppliers to meet with PHARMAC staff to answer any questions that you might have regarding this RFP process. We expect to hold two supplier forums in Auckland and Wellington during early October 2015.
- (b) If you would like to submit an interest in attending one of the supplier forums in Auckland or Wellington, please email Marcus Kim ([marcus.kim@pharmac.govt.nz](mailto:marcus.kim@pharmac.govt.nz)) by **4.00 pm, 24 September 2015**. In your email, please specify the preferred meeting location (Auckland or Wellington), date and time.
- (c) Suppliers who are unable to attend any of the supplier forums will have the opportunity to ask questions by email ([marcus.kim@pharmac.govt.nz](mailto:marcus.kim@pharmac.govt.nz)) or through GETS ([www.gets.govt.nz](http://www.gets.govt.nz)).

### 3. Evaluation

- (a) Following the deadline for submitting proposals an Evaluation Committee comprising PHARMAC staff will evaluate each proposal to select its preferred proposal(s) (if any).
- (b) The Evaluation Committee will evaluate proposals in light of PHARMAC's statutory objective which is "to secure for eligible people in need of pharmaceuticals, the best health outcomes that are reasonably achievable from pharmaceutical treatment and from within the amount of funding provided" ("pharmaceutical" is defined to include medical devices). In doing so the Evaluation Committee will be guided by the decision criteria set out in PHARMAC's then current Operating Policies and Procedures (**OPPs**), as published on PHARMAC's website ([www.pharmac.govt.nz](http://www.pharmac.govt.nz)), to the extent applicable. The information to be taken into account in applying the decision criteria by the Evaluation Committee will include, in particular:

- (i) the supplier and product specifications for various wound care products as outlined in Attachment One;
  - (ii) information provided by the supplier in the Supplier Form (Schedule 4) and Proposal Form (Attachment Two);
  - (iii) any advice from the WCAG, PTAC or its relevant sub-committee;
  - (iv) any advice from relevant clinicians and/or DHB staff; and
  - (v) any advice received from WCAG, relevant clinicians and/or DHB staff as a result of any product evaluations (if applicable).
- (c) 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 the supplier is able to offer. If you do not put forward your best terms you risk having your proposal excluded at the evaluation stage.
- (d) PHARMAC is not bound to select the lowest priced proposal or any proposal.

#### 4. **PHARMAC may request further information**

- (a) PHARMAC may request such further information as it considers necessary from or about you for the purposes of clarifying or evaluating your proposal, including (but not limited to):
- (i) product samples, in which case you must supply the requested sample within 15 business working days of PHARMAC's request;
  - (ii) additional information on any customer support, training and educational resources that may be available to DHBs during any major switchover to your wound care products and throughout the life of the contract; and
  - (iii) detailed information about your company structure, credit status and any other relevant company information.
- (b) If PHARMAC requests further information from or about you, it is not obliged to request the same or any other information from or about any other party, provided that in PHARMAC's judgment this would not be unfair to any other party.

#### 5. **Negotiation**

- (a) PHARMAC may negotiate with the submitter(s) of one or more preferred proposals, in the latter case whether or not the acceptance of either supplier's proposal would exclude acceptance of the other proposal.
- (b) Negotiations will proceed on the basis that PHARMAC's standard terms and conditions for supply of medical devices, which are available on request from PHARMAC, will apply.
- (c) Given that PHARMAC expects your proposal to be the best you can offer, PHARMAC does not intend to initiate negotiation with you on price. However, PHARMAC does not exclude the possibility that the final price agreed will be different from the price put forward in your proposal, as a result of the impact that other negotiated terms may have on price.

- (d) PHARMAC may negotiate and enter into a provisional agreement with a preferred supplier(s) on whatever special terms, in addition to PHARMAC's standard terms and conditions, PHARMAC considers appropriate.
- (e) If PHARMAC and the supplier(s) are unable to reach a provisional agreement within what PHARMAC considers to be a reasonable time, PHARMAC may terminate those negotiations and negotiate with a different supplier(s).

## 6. Consultation and approval

- (a) Any provisional agreement will be conditional on consultation with suppliers and other interested parties, to the extent PHARMAC considers consultation to be necessary or appropriate, and on Board approval (or approval by the Board's delegate acting under delegated authority).
- (b) PHARMAC will not consider any counter-offers received during consultation.
- (c) The provisional agreement and responses to consultation will be considered by PHARMAC's Board (or by the Board's delegate acting under delegated authority) in accordance with the decision criteria in PHARMAC's then current OPPs.
- (d) If the Board or its delegate does not approve the provisional agreement, then PHARMAC may initiate negotiations for a provisional agreement with any other supplier(s).
- (e) The RFP process will be complete once PHARMAC has notified suppliers of either:
  - (i) the Board's or its delegate's decision to accept the negotiated agreement(s); or
  - (ii) the termination of the RFP process.

## 7. 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 suppliers affected by those changes;
  - (ii) not to accept any proposal;
  - (iii) to seek clarification of any proposal;
  - (iv) to meet with any supplier in relation to its proposal;
  - (v) to enter into an agreement or arrangement that differs in material respects from that envisaged in this RFP letter;
  - (vi) to suspend this RFP process. For example, if during the RFP process (and before a provisional agreement is entered into) it becomes apparent to PHARMAC that further consultation is appropriate or required we may suspend the RFP process in order to consult. In this situation we may ask you to adapt and resubmit your proposal in light of consultation, or alternatively we may request that new proposals be submitted;

- (vii) to terminate this RFP process at any time, by notifying suppliers who submitted proposals, and, following termination, to negotiate with any supplier(s) on whatever terms PHARMAC thinks fit;
  - (viii) to re-advertise for proposals.
- (b) PHARMAC may consult or seek clinical advice from PTAC, its relevant sub-committee or the WCAG at any stage of the RFP process. PHARMAC will notify you if the clinical advice results in any changes to the terms of the RFP.
  - (c) You must not initiate or engage in any communication with other suppliers in relation to the RFP, whether before or after submitting their proposal(s), until such time as a provisional agreement is accepted by PHARMAC's Board or the Board's delegate.
  - (d) You must not at any time initiate any communication with PHARMAC, the Ministry of Health (including its operating unit Medsafe), the Minister of Health (or any Associate Ministers), District Health Boards or advisors to PHARMAC (including the WCAG), with a view to influencing the outcome of this RFP process.
  - (e) You must pay your own costs for preparing and submitting your proposal.
  - (f) Proposals are submitted in reliance on your own knowledge, skill, and independent advice, and not in reliance on any representations made by PHARMAC.
  - (g) Your submission of a proposal will be taken as acceptance of the terms contained in this RFP letter. PHARMAC may exclude your proposal if you do not comply with any of the terms contained in this RFP letter.
  - (h) This is an RFP and not a tender. Your proposal is not an offer capable of being converted into a contract for the supply of various wound care products by PHARMAC's apparent acceptance and instead a separate agreement needs to be negotiated.
  - (i) PHARMAC is not liable in any way whatsoever for any direct or indirect loss (including loss of profit), damage or cost of any kind incurred by you or any other person in relation to this RFP.
  - (j) It is possible that more than one supplier may be awarded a contract as a result of this RFP. Nothing in this RFP prevents PHARMAC from entering into agreements with other suppliers in respect of various wound care products or restricts the terms that may be agreed with any other supplier.
  - (k) PHARMAC will consider your proposal and information exchanged between us in any negotiations relating to your proposal, excluding information already in the public domain, to be confidential to us and our employees, legal advisors and other consultants, the Ministry of Health and DHBs (**Confidential Information**). However, you acknowledge that it may be necessary or appropriate for PHARMAC to release Confidential Information:
    - (i) pursuant to the Official Information Act 1982; or
    - (ii) in the course of consultation on a provisional agreement entered into with a supplier; or

- (iii) in publicly notifying any approval by the PHARMAC Board of that agreement;  
or
- (iv) otherwise pursuant to PHARMAC's public law or any other legal obligations.

PHARMAC may consult with you before deciding whether to disclose Confidential Information for the purposes described in sub-clauses (i) to (iv) above. You acknowledge, however, that it is for PHARMAC to decide, in its absolute discretion, whether it is necessary or appropriate to disclose information for any of the above purposes, provided that PHARMAC shall act in good faith in disclosing any Confidential Information.

#### 8. **Anticipated timetable**

(a) Following receipt of proposals, PHARMAC anticipates:

- (i) the Evaluation Committee evaluating proposals in November 2015 – February 2016;
- (ii) negotiating with submitter(s) of one or more preferred proposals in February – March 2016;
- (iii) consulting on provisional agreements in March 2016;
- (iv) PHARMAC's Board, or the Board's delegate, considering provisional agreements in or after April 2016,

provided that the above time frames are only approximate and may be extended, without notice being required from PHARMAC, if any stages of the RFP process take longer than anticipated.

- (b) Under this indicative timetable, the earliest that changes to the Pharmaceutical Schedule could be implemented is August 2016 onwards.
- (c) Please note that if a proposal is accepted, the date of implementation may be later to allow for an orderly transition to any new supply arrangement.

### Schedule 3: Estimated DHB hospital market size for various wound care products

The following information relates to the estimated market size for the various wound care products in DHB hospitals over the period Q2 2014 – Q2 2015. This information has been sourced from DHB datasets provided to National Procurement Services. We note that in certain cases, there have been reports of either under or over-reporting of DHB purchases within these datasets.

The information is approximate and indicative only. PHARMAC makes no representation as to the accuracy of this information or as to the level of sales or likely sales of the various wound care products and, while PHARMAC has taken all reasonable care in preparing the information set out below, it accepts no liability for any errors or omissions in the information. PHARMAC is not obliged to notify you in the event of any change to the figures below.

Estimated market size for various wound care product type (Q2 2014 – Q2 2015)		
Product type	Product lines currently being purchased by DHB hospitals	Total DHB expenditure (\$NZ)
Combine dressings (non-sterile)	<ul style="list-style-type: none"> <li>• Dressing Roll, 20cm x 20m</li> <li>• Dressing Roll, 9cm x 20m</li> <li>• Dressing, 20cm x 20cm</li> <li>• Dressing, 20cm x 30cm</li> <li>• Dressing Roll, 500g</li> </ul>	\$49,000
Combine dressings (sterile)	<ul style="list-style-type: none"> <li>• Dressing, 9cm x 10cm</li> <li>• Dressing, 10cm x 10cm</li> <li>• Dressing, 10cm x 20cm</li> <li>• Dressing, 20cm x 9cm</li> <li>• Dressing, 20cm x 20cm</li> <li>• Dressing, 20cm x 30cm</li> <li>• Dressing, 45cm x 45cm</li> <li>• Dressing, 90cm x 45cm</li> </ul>	\$330,000
2 layer compression bandage kits	Comfort Foam Layer 10cm x 2.7m (unstretched), Roll 2 - Compression Layer 10cm x 4.7m (stretched) : <ul style="list-style-type: none"> <li>• Low ABPI (between 0.5 – 0.8)</li> <li>• High ABPI (greater than or equal to 0.8)</li> </ul>	N/A
3 – 4 layer compression bandage kits	<ul style="list-style-type: none"> <li>• Ankles 18-25cm Venous Kit</li> <li>• Ankles 25-30cm Venous Kit</li> <li>• Ankles over 30cm Venous Kit</li> <li>• Mixed Venous/Arterial Kit</li> </ul>	N/A
Compression bandages (includes layers required to create compression system)	<ul style="list-style-type: none"> <li>• Bandage, 6cm x 5m</li> <li>• Bandage, 8cm x 5m</li> <li>• Bandage, 10cm x 4.5m</li> <li>• Bandage, 10cm x 5m</li> <li>• Bandage, 10cm x 7m</li> <li>• Bandage, 10cm x 8m</li> <li>• Bandage, 10cm x 8.7m</li> </ul>	N/A

Estimated market size for various wound care product type (Q2 2014 – Q2 2015)		
Product type	Product lines currently being purchased by DHB hospitals	Total DHB expenditure (\$NZ)
	<ul style="list-style-type: none"> <li>• Bandage, 10cm x 12m stretched</li> <li>• Bandage, 12cm x 5m</li> <li>• Bandage, 15cm x 12m stretched</li> <li>• Compression Layer, 10cm x 3.5m (stretched), Lite</li> <li>• Compression Layer, 10cm x 4.5m (stretched)</li> <li>• Compression Layer, 15cm x 4.5m (stretched)</li> <li>• Compression Layer, 2.5cm x 3.5m (stretched), Lite</li> <li>• Compression Layer, 7.5cm x 3.5m (stretched), Lite</li> <li>• Comfort Foam Layer, 10cm x 2.7m (unstretched), Lite</li> <li>• Comfort Foam Layer, 10cm x 3.5m (unstretched)</li> <li>• Comfort Foam Layer, 15cm x 3.5m (unstretched)</li> <li>• Comfort Foam Layer, 5cm x 1.2m (unstretched)</li> <li>• Comfort Foam Layer, 7.5cm x 2.7m (unstretched), Lite</li> </ul>	
<p>Foam adhesive dressings (with or without adhesive border)</p> <p>Note: excludes anti-microbial foam dressings</p>	<ul style="list-style-type: none"> <li>• Dressing with Adhesive Border, 14.3cm x 14.3cm, Square</li> <li>• Dressing with Adhesive Border, 36mm, Circular</li> <li>• Dressing with Adhesive Border, 8.8cm x 8.8cm, Square</li> <li>• Dressing, 4cm x 5cm</li> <li>• Dressing, 5cm x 5cm</li> <li>• Dressing, 5cm x 12.5cm</li> <li>• Dressing, 5cm x 6cm</li> <li>• Dressing, 6cm x 8.5cm</li> <li>• Dressing, 7.5cm x 7.5cm</li> <li>• Dressing, 7.5cm x 8.5cm</li> <li>• Dressing, 10cm x 10cm</li> <li>• Dressing, 10.3cm x 10.3cm</li> <li>• Dressing, 10cm x 12cm</li> <li>• Dressing, 10cm x 13cm</li> <li>• Dressing, 10cm x 20cm</li> <li>• Dressing, 10cm x 25cm</li> <li>• Dressing, 10cm x 30cm</li> <li>• Dressing, 12.5cm x 12.5cm</li> <li>• Dressing, 12.5cm x 22.5cm</li> <li>• Dressing, 12.9cm x 12.9cm</li> <li>• Dressing, 13cm x 16cm</li> <li>• Dressing, 15cm x 15cm</li> <li>• Dressing, 15cm x 20cm</li> <li>• Dressing, 15.4cm x 15.4cm</li> <li>• Dressing, 17.5cm x 17.5cm</li> <li>• Dressing, 20cm x 20cm</li> </ul>	\$3,300,000

Estimated market size for various wound care product type (Q2 2014 – Q2 2015)		
Product type	Product lines currently being purchased by DHB hospitals	Total DHB expenditure (\$NZ)
	<ul style="list-style-type: none"> <li>Dressing, 20cm x 50cm</li> <li>Dressing, 21cm x 21cm</li> </ul>	
Foam non-adhesive dressings	<ul style="list-style-type: none"> <li>Dressing, 10cm x 10cm</li> <li>Dressing, 10cm x 20cm</li> <li>Dressing, 10cm x 32cm</li> <li>Dressing, 13cm x 13cm</li> <li>Dressing, 17cm x 19cm</li> <li>Dressing, 20cm x 20cm</li> <li>Dressing, 4.7cm x 4.7cm</li> <li>Dressing, 5cm x 5cm</li> <li>Dressing, 8cm x 8cm</li> <li>Dressing, Tracheostomy Care, 9cm x 9cm</li> </ul>	\$350,000
Foam shaped dressings	<ul style="list-style-type: none"> <li>Digit Dressing, Small</li> <li>Digit Dressing, Medium</li> <li>Digit Dressing, Large</li> <li>Digit Dressing, XL</li> <li>Heel Shaped Dressing, 10.5cm x 13.5cm</li> <li>Heel Shaped Dressing, 13cm x 20cm</li> <li>Heel Shaped Dressing, 18.5cm x 24cm</li> <li>Heel Shaped Dressing, 25cm x 25.2cm</li> <li>Heel Shaped Dressing with Adhesive Border, 23cm x 23.2cm</li> <li>Oval Dressing with Adhesive Border, 10cm x 11cm</li> <li>Oval Dressing with Adhesive Border, 14.3cm x 15.6cm</li> <li>Sacrum Dressing, 17cm x 17cm</li> <li>Sacrum Dressing, 17.2cm x 17.5cm</li> <li>Sacrum Dressing, 18cm x 18cm</li> <li>Sacrum Dressing, 18.4cm x 20cm</li> <li>Sacrum Dressing, 21.6cm x 23cm</li> <li>Sacrum Dressing, 22cm x 22cm</li> <li>Sacrum Dressing, 23cm x 23cm</li> </ul>	\$390,000
Laparotomy sponges (with and without tapes)	<ul style="list-style-type: none"> <li>Sponge, 30cm x 30cm, No Tapes</li> <li>Sponge, 30cm x 30cm, With Tapes</li> <li>Sponge, 45cm x 45cm, No Tapes</li> <li>Sponge, 45cm x 45cm, With Tapes</li> </ul>	\$500,000
Low adherent dressings with adhesive border	<ul style="list-style-type: none"> <li>Dressing, 4cm x 5m Roll</li> <li>Dressing, 6cm x 5 m Roll</li> <li>Dressing, 7.2cm x 5cm</li> <li>Dressing, 8.3cm x 6cm</li> <li>Dressing, 10cm x 8cm</li> </ul>	\$150,000

<b>Estimated market size for various wound care product type (Q2 2014 – Q2 2015)</b>		
<b>Product type</b>	<b>Product lines currently being purchased by DHB hospitals</b>	<b>Total DHB expenditure (\$NZ)</b>
	<ul style="list-style-type: none"> <li>• Dressing, 10cm x 20cm</li> <li>• Dressing, 15cm x 8cm</li> <li>• Dressing, 25cm x 10cm</li> </ul>	
Securement bandages (sterile)	<ul style="list-style-type: none"> <li>• Bandage, 2.5cm x 1.5m</li> <li>• Bandage, 5cm x 1.5m</li> <li>• Bandage, 7.5cm x 1.5m</li> <li>• Bandage, 10cm x 1.5m</li> <li>• Bandage, 15cm x 1.5m</li> </ul>	\$71,000
Securement bandages (non-sterile)	<ul style="list-style-type: none"> <li>• Bandage, 1.8cm x 20m</li> <li>• Bandage, 2.5cm x 1.6m</li> <li>• Bandage, 2.5cm x 20m</li> <li>• Bandage, 4.0cm x 20m</li> <li>• Bandage, 5cm x 1.5m</li> <li>• Bandage, 5cm X 4.5m</li> <li>• Bandage, 6.5cm x 20m</li> <li>• Bandage, 7.5cm x 1.5m</li> <li>• Bandage, 10cm x 1.5m</li> <li>• Bandage, 10cm x 4.5m</li> <li>• Bandage, 15cm x 1.5m</li> <li>• Bandage, 15cm X 4.5m</li> </ul>	\$440,000

**Schedule 4: Supplier Form**

**An electronic version of this form and the Proposal form (in Excel format) is available on GETS ([www.gets.govt.nz](http://www.gets.govt.nz)) or on PHARMAC's website at [www.pharmac.health.nz](http://www.pharmac.health.nz). You should expand the boxes as necessary.**

**You must complete both this Supplier Form and the Proposal Form attached as Attachment Two (in Excel format).**

**[Supplier to insert date]**

Director of Operations  
PHARMAC  
C/- Marcus Kim  
Procurement Manager/ Team Leader Procurement

**By electronic transfer using GETS (<https://www.gets.govt.nz>)**

Dear Sir/Madam

**Proposal for the supply of various wound care products**

In response to your request for proposals (RFP) dated **15 September 2015**, we put forward the following Supplier form with the completed Proposal form (in Excel format):

Set out below is further information in support of our proposal.

(a) Our contact details:

Name of supplier	
Contact person	
Address	
Phone	
Facsimile	
Email address	

(a) Key features of our proposal:

(b) Information about our company structure:

(c) Information about our management and technical skills:

(d) Information about our financial resources:

(e) Information about our current supply arrangements, supply volumes and relevant supply terms in other major markets including recent tenders awarded (in New Zealand and/or other countries):

(f) Information relating to continuity of supply of wound care products in New Zealand. This should include information on stockholding, minimum order size, delivery frequency and lead times for a stable demand situation, in the event of supply disruptions and when there is an unexpected surge in demand for your wound care product. Please include any specific measures you will take to secure stock for New Zealand from international production.

(g) Information about our previous supply performance and relevant expertise:

(h) Information about our quality assurance processes (where applicable):

- (i) Our proposed distribution and supply arrangements for the various wound care products (this includes any information regarding freight or delivery costs to DHBs):

- (j) Information about current or proposed resources and activities we would make available or implement to support DHBs, clinicians and patients during and following a brand switch to our product (eg training, customer support and education resources):

- (k) Information on current or proposed complaints management processes, including ability to recall stock, refund or credit for damaged or faulty goods:

- (l) Any additional information that PHARMAC should consider when evaluating our proposal:

Signed for and on behalf of **<insert name of submitter>** by

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**<Insert name>**  
**<Insert designation>**