

State of Maine Procurement Justification Form

This form must accompany ALL contract requests and sole source requisitions (RQS) submitted to the Division of Procurement Services.

INSTRUCTIONS: Please provide the requested information in the white spaces below.

PART I: OVERVIEW			
Department Office/Division/Program:	Maine Health Data Organization		
Department Contract Administrator or Grant Coordinator:	Karynlee Harrington, Executive Director		
(If applicable) Department Reference #:			
Document Amount:	\$ 291,344.00	Advantage CT / RQS #:	20180518*3681
AMENDMENT	Original Start Date:	5/1/2018	Effective Date:
	Previous End Date:	11/30/22	New End Date:
GRANT	Project Start Date:		Grant Start Date:
	Project End Date:		Grant End Date:
ALL OTHER	Proposed Start Date:		Proposed End Date:
Vendor/Provider/Grantee Name, City, State:	Human Services Research Institute (HSRI) Cambridge, MA		
Brief Description of Goods/Services/Grant:	Health Data Warehouse Developer		

PART II: JUSTIFICATION FOR VENDOR SELECTION			
Mark an "X" before the justification(s) that applies to this request.			
	A. Competitive Process		G. Grant
X	B. Amendment		H. State Statute/Agency Directed
	C. Single Source/Unique Vendor		I. Federal Agency Directed
	D. Proprietary/Copyright/Patents		J. Willing and Qualified
	E. Emergency		K. Client Choice
	F. University Cooperative Project		L. Other Authorization

PART III: SUPPLEMENTAL INFORMATION
Please respond to ALL of the following:
1. Provide a more detailed description and explain the need for the goods, services or grant to supplement the response in Part I.
<p>Public Law 470, <i>An Act To Further Expand Drug Price Transparency</i> creates a new pharmacy transparency mandate that the MHDO is responsible to implement. The new law requires MHDO to develop a data collection rule that will require pharmacy manufactures, pharmacy benefit managers and wholesale drug distributors to submit specific data elements to the MHDO. MHDO is required to use this data to produce an annual report to the Legislature (first report due November 2020) on the trends in the cost of prescription drugs, analysis of manufacturer prices and price increases, the major components of prescription drug pricing along the supply chain and the impacts on insurance premiums and cost sharing and any other information the MHDO</p>

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PART III: SUPPLEMENTAL INFORMATION

determines is relevant to providing greater consumer awareness of the factors contributing to the cost of prescription drugs in the State. To meet the timelines in the new mandate, MHDO must develop and implement the registration and data submission templates in the on-line portal in the first quarter of calendar year 2020.

2. Provide a brief justification for the selected vendor to supplement the response in Part II.

HSRI is MHDO's contracted data vendor and is responsible for all data collection, validation, and processing. They are also responsible for the security of the MHDO data collected including the new Pharmacy data. Using our existing contract and infrastructure with HSRI is the most efficient and effective way to manage this new data collection requirement.

3. Explain how the negotiated costs or rates are fair and reasonable; or how the funding was allocated to grantee.

The budget associated with the administration of the new Pharmacy data is consistent with the current costs for development and maintenance of the other healthcare data sets HSRI administers on behalf of the MHDO.

4. Describe the plan for future competition for the goods or services.

The MHDO is requesting a waiver of competitive bidding to begin the work required to implement Public Law Chapter 470, *An Act To Further Expand Drug Price Transparency*. MHDO's experience to date with our data vendor has shown that their rates are fair and reasonable. HSRI was awarded their current contract via a competitive bid process (RFP 201207352). MHDO is required to release an RFP during SFY-2021 for the work our data vendor is doing now which will also include the new pharmacy data submission and reporting requirements.

PART IV: APPROVALS

Signature of requesting Department's Commissioner (or designee):	<i>By signing below, I signify that I approve of this procurement request.</i>		
	<i>Karynlee Harrington</i>		
Printed Name:	Karynlee Harrington	Date:	1/23/2020
Signature of DAFS Procurement Official:	<small>DocuSigned by:</small> <i>Justin Franzose</i>		
Printed Name:	<small>AEED9C7B3A8044E...</small> Justin Franzose	Date:	1/30/2020