

State of Maine Procurement Justification Form

This form must accompany all contract requests and sole source requisitions (RQS) over \$5,000 submitted to the Division of Procurement Services.

INSTRUCTIONS: Please provide the requested information in the white spaces below. All responses (except signatures) must be typed; no hand-written forms will be accepted. See the guidance document posted with this form on the Division of Procurement Services website (Forms page) for additional instructions.

PART I: OVERVIEW			
Department Office/Division/Program:	Maine Health Data Organization		
Department Contract Administrator or Grant Coordinator:	Karynlee Harrington		
(If applicable) Department Reference #:			
Amount: (Contract/Amendment/Grant)	\$ 25,000.00	Advantage CT / RQS #:	20190927*1060
CONTRACT	Proposed Start Date:		Proposed End Date:
AMENDMENT	Original Start Date:	October 1, 2019	Effective Date:
	Previous End Date:	June 30, 2023	New End Date:
GRANT	Project Start Date:		Grant Start Date:
	Project End Date:		Grant End Date:
Vendor/Provider/Grantee Name, City, State:	Ten2Eleven Business Solutions, LLC		
Brief Description of Goods/Services/Grant:	The amended contract amount will cover the costs associated with the annual data acquisition costs for accessing the Canadian drug file that is needed to comply with the annual reporting requirements per PL 2021, Chapter 606, An Act To Determine Potential Savings in Prescription Drug Costs by Using International Pricing.		

PART II: JUSTIFICATION FOR VENDOR SELECTION			
Mark an "X" before the justification(s) that applies to this request. (Check all that apply.)			
	A. Competitive Process		G. Grant
	B. Amendment		H. State Statute/Agency Directed
X	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 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.

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PART III: SUPPLEMENTAL INFORMATION

In the second session of the 130th Legislature, the Legislature and Governor enacted Public Law 2021, Chapter 606 (LD 1636), *An Act to Reduce Prescription Drug Costs by Using International Pricing, which requires the MHDO to produce a report by January 1, 2023*. The annual report must include, to the extent possible, the referenced rate for the top 100 drugs in Maine (based on cost and utilization), by comparing the wholesale acquisition cost in the US with the official publications of the governments of the Canadian provinces of Ontario, Quebec, British Columbia and Alberta. The United States pharmaceutical industry relies on a National Drug Code (NDC), a unique 10-digit, 3 segment number, to identify all prescription and nonprescription drugs. The NDC also identifies the manufacturer, the strength, and dose of the drug. The Canadian system assigns a computer-generated eight-digit Drug Identification Number (DIN) to a drug product prior to being marketed in Canada. The DIN, like the NDC, uniquely identifies the manufacturer, product name and strength. To compare the drug prices efficiently and accurately, a license to the Canadian Drug File is necessary to create a crosswalk that allows for the comparison and the reference rate calculation as required by Statute.

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

Ten2Eleven Business Solutions, LLC is MHDO's contracted consultant for the development of the annual report required in Public Law 2021, Chapter 606, *An Act to Reduce Prescription Drug Costs by Using International Pricing*. Ten2Eleven will acquire on behalf of MHDO the annual Canadian Drug File and develop the crosswalk needed to compare the drugs in the US with the drugs in Canada.

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

MHDO applied for and received funding from Arnold Ventures to cover the annual data acquisition cost for the Canadian Drug File.

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

MHDO plans to suggest an amendment to the Statute that would eliminate the need to access the Canadian Drug File for the development of the year two report. If the requirement is not changes, MHDO will seek external funding.

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:	3/10/2023
Signature of DAFS Procurement Official:	<small>DocuSigned by:</small> <i>Thomas Paquette</i>		
Printed Name:	<small>249502C7B71A49A...</small> Thomas Paquette	Date:	3/15/2023