

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)	\$ 24,000.00	Advantage CT / RQS #:	20190927*1060
CONTRACT	Proposed Start Date:		Proposed End Date:
AMENDMENT	Original Start Date:	October 1, 2019	Effective Date:
	Previous End Date:	November 20, 2020	New End Date: January 31, 2021
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:	Support the Development of the annual pharmacy transparency report.		

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 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.

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PART III: SUPPLEMENTAL INFORMATION

Public Law 470 created 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 distributors to submit to the MHDO specific prescription drug data elements and to produce an annual report to the legislature based on the data collected. The MHDO developed Rule Chapter 570, *Uniform Reporting System for Prescription Drug Price Data Sets, with the technical expertise of Ten2Eleven Business Solutions*. The rule was adopted unanimously by the MHDO board of directors in February 2020. The process to develop and adopt Rule Chapter 570 took more time than originally forecasted given the complexity of the requirements in the rule and the public comments received during the process. As such, we need to add additional time to our contract with *Ten2Eleven Business Solutions* to develop our annual report required under PL 470. The annual report must include information developed from the data the MHDO receives 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 determines is relevant to providing greater consumer awareness of the factors contributing to the cost of prescription drugs in the State. *Ten2Eleven Business Solutions* has the expertise working with prescription drug data and has assisted other States (one example is the State of California) with turning the data elements collected into information that is understandable and actionable. This amendment request would allow us to finish our work with *Ten2Eleven Business Solutions*: Deliverables include: development of our annual prescription drug report and technical expertise to respond to questions after the report is submitted to the legislature.

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

Ten2Eleven Business Solutions, LLC has experience with other states over the last several years as they contemplated and eventually passed similar pharmacy transparency laws to Maine's PL 470; specifically, the state of California which is successfully collecting data from manufactures and produced specific public reporting using this data as required by their laws. The complexity in understanding the entities and the data they are submitting is not expertise that the MHDO has developed at this time. The pharmacy supply chain is challenging at best and not understood by many. Unlike most of the other state mandates, Maine's mandate goes further and requires price transparency from not just the pharmacy manufacturer and pharmacy benefit managers but also from the wholesale distributors. This area is especially where we need assistance in understanding the data elements that will be submitted and ultimately used in the development of the annual report. Ten2Eleven Business Solutions, LLC has been working in this space for many years assisting their clients define the Rx price transparency data elements that are needed and most likely available from the entities in the pharma supply chain, to produce specific mandated reporting.

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

Ten2Eleven Business Solutions, LLC has experience working with other State government entities and understands the limited resources that are available and as such have developed a pricing model for work that they do with state government. The hourly rate Ten2Eleven Business Solutions, LLC is providing to MHDO is competitive with the hourly rates of our data vendor which was a competitive bid.

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PART III: SUPPLEMENTAL INFORMATION

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

After the rule making process and submission of the first annual pharmacy report as required in Public Law Chapter 470, MHDO is prepared to develop and release an RFP for ongoing support as needed.

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:	7/6/2020
Signature of DAFS Procurement Official:	<small>DocuSigned by:</small> <i>Justin Franzose</i>		
Printed Name:	<small>AEED9C7B3A8044E...</small> Justin Franzose	Date:	7/16/2020