

Monday, February 1, 2010

Mary Tavegia
Issuing Officer
Iowa Department of Human Services
Iowa Medicaid Enterprise
200 Army Post Road, Suite 2
Des Moines, Iowa 50315
Email: medicaidrfp@dhs.state.ia.us

RE: BAFO Request - Professional Services RFP # MED-10-001, Pharmacy Medical Services Component

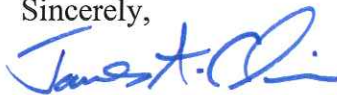
On behalf of the Goold Health Systems (GHS), I would like to thank you for the opportunity to respond to your January 27, 2010 Best and Final Offer (BAFO) request. Included as attachments please find:

- 1) A revised Attachment N4 from our cost proposal where Goold has lowered our pricing; and
- 2) The requested Technology Tools list.

GHS is aware that Governor Culver has asked State Agencies to reduce their respective budgets again for State Fiscal Year 2011. In an effort to be a responsive partner to Iowa Department of Human Services (DHS), we have carefully reviewed our initial pricing proposal and reduced the proposed pricing for the first year of the contract. We are committed to providing DHS not only with a technical, clinical and value-driven solution, but one that also recognizes the State's current financial situation.

Please call or email if you have any questions or need any additional information. As Chief Executive Officer of GHS, I have the authority to sign this revised offer price and enter into any subsequent contract negotiations. I look forward to hearing from you once the Evaluation Committee has had a chance to review our revised pricing materials.

Sincerely,



James A. Clair
Chief Executive Officer
Goold Health Systems
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Attachment N-4

Figure 17: Pricing Schedule for Pharmacy Medical Services

Transition	\$	-											
Line Item Description	Year 1	Year 2	Year 3	Opt 1	Opt 2	Opt 3	Total						
Software if approved by the Department	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -						
6.3.1 RetroDUR													
Salaries and Benefits	\$ 138,426	\$ 158,420	\$ 163,173	\$ 168,068	\$ 173,110	\$ 178,303	\$ 994,881						
Administrative Overhead	\$ 61,705	\$ 63,947	\$ 59,194	\$ 60,970	\$ 55,928	\$ 50,735	\$ 359,337						
Other Costs (itemized in the following rows)													
Travel	\$ 4,114	\$ 4,571	\$ 4,571	\$ 4,708	\$ 4,708	\$ 4,708	\$ 27,836						
Rent	\$ 1,028	\$ 1,143	\$ 1,143	\$ 1,177	\$ 1,177	\$ 1,177	\$ 6,959						
Telephone	\$ 411	\$ 457	\$ 457	\$ 471	\$ 471	\$ 471	\$ 2,784						
6.3.2 Pharmacy Prior Authorization													
Salaries and Benefits	\$ 591,123	\$ 676,507	\$ 696,803	\$ 717,707	\$ 739,238	\$ 761,415	\$ 4,248,473						
Administrative Overhead	\$ 258,886	\$ 267,947	\$ 247,652	\$ 255,082	\$ 233,551	\$ 211,373	\$ 1,503,255						
Other Costs (itemized in the following rows)													
Travel	\$ 6,904	\$ 7,671	\$ 7,671	\$ 7,901	\$ 7,901	\$ 7,901	\$ 46,715						
Rent	\$ 4,315	\$ 4,794	\$ 4,794	\$ 4,938	\$ 4,938	\$ 4,938	\$ 29,197						
Telephone	\$ 1,726	\$ 1,918	\$ 1,918	\$ 1,975	\$ 1,975	\$ 1,975	\$ 11,679						
6.3.3 Preferred Drug List													
Salaries and Benefits	\$ 175,509	\$ 200,860	\$ 206,886	\$ 213,092	\$ 219,485	\$ 226,070	\$ 1,261,403						
Administrative Overhead	\$ 77,659	\$ 80,437	\$ 74,411	\$ 76,643	\$ 70,250	\$ 63,666	\$ 451,693						
Other Costs (itemized in the following rows)													
Travel	\$ 3,883	\$ 4,314	\$ 4,314	\$ 4,444	\$ 4,444	\$ 4,444	\$ 26,275						
Rent	\$ 1,294	\$ 1,438	\$ 1,438	\$ 1,481	\$ 1,481	\$ 1,481	\$ 8,758						
Telephone	\$ 518	\$ 575	\$ 575	\$ 593	\$ 593	\$ 593	\$ 3,503						
Grand Total	\$ 1,327,500	\$ 1,475,000	\$ 1,475,000	\$ 1,519,249	\$ 1,519,249	\$ 1,519,249	\$ 8,835,247						

Year 1 Savings Applied 10%



Professional Services RFP, MED-10-001 Technology Tools

This document serves as a list of technologies that you propose to bring to the Iowa Medicaid Enterprise, the sources of data for those tools, and the purposes of the tools.

Please complete the table below. If you are not proposing any technology tools respond with “None”

Name of Tool	Type of Tool	Description of Tool	COTS or Proprietary
PADSS	Pharmacy Prior Authorization Decision Support System - workflow management tool	Allows GHS staff to process PA's in a timely, effective and integrated manner.	Proprietary
Business Objects	Business Intelligence tool	Allows GHS clinical Staff and State staff to examine/analyze data, and prepare and view reports.	COTS
(GHS) DSS	Decision Support System - Business Intelligence tool	Allows GHS clinical Staff and State staff examine/analyze data	Proprietary
Rightfax	Enterprise Fax tool	Used to receive and route PA faxes to the PADSS (Part of the GHS data center)	COTS
eROMS	Electronic Rebate Offer Management System tool	Used to receive and process supplemental rebate offers for the SSDC	Proprietary
eREBS	Electronic Rebate Management System tool	Used to process rebate invoicing and related activities	Proprietary
PUADO	Secure file transfer tool	Used to securely transmit and receive files via secure File Transfer Protocol (SFTP). Has messaging and alert features	Proprietary
Xenapp (Citrix Presentation server)	Remote Connectivity tool	Allows GHS staff to securely connect to GHS applications to perform their work	COTS