CALIFORNIA PRISON HEALTH CARE RECEIVERSHIP CORPORATION
OFFICE OF THE RECEIVER

REQUEST FOR PROPOSALS

PHARMACY AUTOMATION NEEDS

FOR CALIFORNIA ADULT PRISON SYSTEM
CENTRAL FILL PHARMACY

May 8, 2008

PROPOSALS DUE: 2:00 PM, June 20, 2008

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REQUEST FOR PROPOSALS

PHARMACY AUTOMATION NEEDS
FOR CALIFORNIA ADULT PRISON SYSTEM
CENTRAL FILL PHARMACY

I. REQUEST

The California Prison Receivership Corporation (CPR) for the California Department of Corrections and Rehabilitation's ("CDCR") prison medical system is requesting proposals for software, automation equipment design, support and installation for a central fill pharmacy designed to serve 33 prisons State-wide. The selected contractor will be engaged to support the CPR's pharmacy management company Maxor National Pharmacy Services ("Maxor") in implementing an automated central fill facility for processing prescriptions for the California prison system. The contract awarded by the Receiver will be a service agreement with either the California Prison Health Care Receivership Corporation ("CPR") or the CDCR.

II. BACKGROUND OF THE RECEIVERSHIP

As a result of the State of California's ongoing failure to provide medical care to prison inmates at constitutionally acceptable levels, the United States District Court for the Northern District of California has established a Receivership to assume the executive management of the California prison medical system and raise the level of care up to constitutional standards. The Court appointed J. Clark Kelso to serve as the Receiver and granted him, among other powers, the authority to exercise all powers vested by law in the Secretary of the CDCR as they relate to the administration, control, management, operation, and financing of the California prison medical health care system.

The Court's actions stem from the case of *Plata v. Schwarzenegger* -- a class action law suit brought on behalf of the CDCR's adult inmates. Applicants should refer to the Court's October 3, 2005 "Findings of Fact and Conclusions of Law Re Appointment of Receiver", the Court's February 14, 2006 "Order Appointing Receiver", and the Court's January 23, 2008 "Order Appointing New Receiver" for further information regarding the conditions underlying the Receivership and the powers and responsibilities of the Receiver.

The California Prison Health Care Receivership Corporation and Maxor National Pharmacy Services Corporation (Maxor) entered into an agreement to provide pharmacy management consulting services to achieve necessary improvements to the California Department of Corrections and Rehabilitation. The Court approved pharmacy improvement program is described in Maxor's "*An Analysis of the Crisis in the California Prison Pharmacy System Including a Road Map from Despair to Excellence*" (Road Map). As a part of this improvement program, an automated central fill pharmacy is to be established to meet the service needs of the CDCR prisoner population. The Road Map and other relevant

documents can be found on CPR's website at: http://www.cprinc.org under Projects, Pharmacy.

III. ANTICIPATED SCOPE OF SERVICES

A. GENERAL DESCRIPTION OF SERVICES

The central fill pharmacy is designed to fill prescriptions for the correctional population of the State of California. Under the adopted concept of operation (see graphic in Appendix A – Concept Model), the Central Fill Facility will receive pharmaceuticals in both bulk and individual dispense form; package bulk pharmaceuticals into specific unit dose packs and blister cards; label and sort medications as required; and provide bar-code validation matching the drug to the specific requirements. Automated inventory management, medication checks and other features are required as listed in the detailed scope of services below.

The current work flow for this process will be outlined below. This is a concept model based on the experience of Maxor National Pharmacy Services Corporation working for the CPR. Respondents may offer alternatives to this concept model.

All drug deliveries from pharmacy wholesalers and direct purchases from drug companies will be received via electronic invoices that will enable the centralized pharmacy facility to track pharmacy inventory.

Individual patient prescriptions/orders will all be entered into the pharmacy computer system (current interim system is GuardianRx). The orders may be entered into the computer system by health care providers at the prison facility and transmitted to the central pharmacy facility for processing, or they may be faxed or scanned and sent to the central pharmacy facility where central pharmacy personnel will input the orders into the GuardianRx system.

Orders that are input at the prison facility will be reviewed for accuracy and clinical impact by pharmacists at the prison facility or at the central pharmacy prior to release for dispensing . Orders that are input at the central pharmacy facility will be reviewed in a similar manner by pharmacists at the central pharmacy facility.

After the pharmacist performs the review function and determines that there are no drug-drug interactions, allergy interactions and that the medication is being used requested for appropriate use, the order will be released for filling by pharmacy technicians.

STAT medications that are to be administered immediately at the facility by nursing personnel or urgent orders that need to be given immediately to patients will be processed at the local prison facility. All other orders that can be started the next business day will be filled by the central pharmacy facility and shipped to the appropriate prison the next work day.

The central pharmacy operating software will need to assess the inventory and create a continuous list of medications needed to fill prescriptions. Solid dosage forms will be processed in blister-pack (bingo card) containers and unit of use medications will be shipped in their own individual containers.

Solid dosage forms will be stored in the pharmacy in locations that will be designated by either “pick to light” or “voice recognition systems.” The pharmacy technician will pull the appropriate number of cards for the cycle being processed (for instance, 100 cards of ibuprofen 600mg and 75 cards of hydrochlorothiazide 25mg). The pharmacy technician will place these cards into a hopper that will feed onto a “small item sorter” (SIS). As the prepack is read on the sorter, the appropriate patient specific label will be automatically affixed to the card. The sorter will then verify that the patient specific bar-code drug label matches the prepack bar-code drug label. If they agree, the card will then be diverted into the appropriate container for shipping to the prison facility. An automated system used to stack and load blister pack cards into the container would be the preferred method of loading these containers.

Unit-of-use items shipped in their own manufacturer’s packaging will be processed using either A-frame technology or order storage retrieval (OSR) devices or a combination of systems. Pharmacy technicians will ask for all unit-of-use items for a particular location. All like items will be grouped together so that the A-frame or ORS device can furnish the technician with the correct quantity of each item that is necessary to complete the order. Pharmacy technicians will pull the number of items to be shipped from the system (A-frame or OSR device) and affix patient specific labels to the medication to be shipped. The technician will then scan the patient specific bar-code and the manufacturer’s bar-code to verify that the correct item has been chosen. Once that process is completed, the technician will place the item into the correct container for shipping to the prison facility.

A fulfillment system will monitor all labels that are printed that day so that no item will be unshipped. Before a shipping wave is closed, all labels that have been printed that day, but not inducted on either the SIS or as a unit-of-use item will be reprinted and processed before the wave is closed. Once the fulfillment system shows that all items have been processed, a manifest will be produced that will be available for processing electronically or printed by the prison facility or the central pharmacy facility.

Once the box is closed, it will continue on a conveyor to the shipping area. A scanner will read where the container is going and a shipping address label will be produced and automatically placed on the shipping container. A goal of the shipping process is to condense items into as few boxes for delivery to each facility as possible. The completed box will then be diverted to the appropriate location for shipping by either a commercial national carrier or by a local contract carrier. Within the shipping container, each designated delivery location with be separated by bags or other containers during labeling and sorting ,and include a bar code license plate that represent the inventory of items within the delivery locations container. Each prison may have up to 10 delivery locations (pharmacy, pill rooms, etc) that will each serve as an inventory area.

A manual process for shipment preparation will be maintained for controlled substances, refrigerated items and items that require packaging dunnage to keep the contents from breaking or leaking.

Once inventory is delivered to the prison facility, an interface between the central pharmacy operating system and the local inventory system will be necessary to allow the transfer of inventory from the central pharmacy to the designated local inventory areas and then back to the central pharmacy for returns.

The blister card prepacking operation will be housed in its own separate room. The room will be designed to conform to FDA Good Manufacturing Practice Guidelines. There will be a tracking number assigned to each lot that is run, identifying the manufacturer's lot number, the manufacturer and the expiration date of the prepacked product. Each card will be bar-coded and the quantity verified.

Production runs for prepacking will be staged based upon the quantity of each drug in the inventory system (receipts from wholesalers and manufacturers plus what has been returned to the pharmacy that can reissued minus what has been dispensed).

Should it be time for a drug to be prepacked based upon established minimum and maximum levels, the inventory will be checked to make sure that the quantify needed for that production run is in stock. If there is not sufficient quantity to complete that production run, an order will be made from the wholesaler to ensure next day delivery so that prepacking can continue on schedule. The blister carded inventory will be tracked by the central pharmacy operating system.

All expired and unused medication is returned from facilities to the central pharmacy. These returns are sent through an automated reclamation process. Product is added to inventory if appropriate. A record is created of all returned and destroyed medication.

The system should incorporate inventory tracking through all phases of processing orders. Daily shipments from the wholesaler and direct deliveries from the manufacturer will be electronically invoiced into the inventory system. Medications taken from bulk stock and packaged into blister pack cards will be tracked. Shipments of each blister-pack card and unit-of-use item will be decremented from the inventory. Reclamation returns to the pharmacy that can be reissued will be added into the inventory the same as receipts from the prime vendor wholesaler and direct deliveries.

All computer and operating systems should be coordinated into a single operating system that is easily compatible with GuardianRx Carepoint.

The central pharmacy will support and include automated dispensing cabinet replenishment stations for after hours and emergent stock dispensing of medications. These may be a combination of packaging equipment and carousels intended to create and process orders for the automated dispensing cabinets within the prison facilities. These orders must be transferred to the appropriate facilities and tracked by inventory similar to the process described above for routine patient

prescriptions. The current estimates for the number of automated dispensing cabinets that will be added to all facilities is less than 100 total. This number may grow as facilities and clinical spaces are added. The initial implementation of automated dispensing cabinets will target 1-2 machines per facility for after-hours stock access.

B. INFORMATION REQUIRED IN RESPONSE

The submitted proposal should address each of the requests for information listed in this section, follow the format outlined in Section VII.C and include the additional content required in Section VII.D. Responses should clearly outline the proposed automation solution and equipment in detail. Note any assumed responsibilities or requirements of Maxor/CDCR/CPR to enable the proposed solution. Identify any exceptions to the terms, conditions or deliverables of this RFP.

1. Provide a detailed narrative of the proposed solution addressing all of the requirements in the request. If a required element is not included in the proposed solution, the reason why it is not included should be identified.

2. Provide estimated throughput rates for the line configuration.

3. Provide recommended/required staffing for the facility. (It is optimal to provide estimated cost per script based on staffing requirements).

4. Based on the design elements and concepts provided by Maxor/CDCR/CPR, or the respondents alternative approach, provide a detailed schematic of the new fulfillment line capable of a minimum of 25,000 scripts per shift throughput.

5. Provide a detailed project plan with identification of major milestones, lead time for manufacturing and procurement of equipment, and on-site installation, integration, testing and ramp-up.

6. Provide any desired payment structures, including milestones and exit criteria for these milestones.

7. Provide a detailed, itemized listing of all recurring and non-recurring costs to be borne by Maxor/CDCR/CPR for the system proposal, including but not limited to any applicable consultation, documentation, training, software license fees, shipping charges, installation costs, taxes and other labor hours. Estimates for labor costs should be further itemized by the type of work being performed (project planning, development, design, implementation, etc.). Include and itemize all related costs (travel, expenses, sales tax, and shipping) in your proposal.

8. Identify all included and optional warranties, maintenance schedules, and “follow-on” services available-and the prices of each, as applicable. The listing should include guaranteed service levels and hours of availability including holidays and after-hours rates.

9. The price quotation must fully cover all anticipated costs and document all assumptions used in developing the pricing model.

10. Define the proposed methodology for the system proposal with respect to design, testing, and implementation. Formal documented testing and validation will be required for the following areas:
    a. incoming part and equipment QC,
    b. hardware/software installation,
    c. hardware/software integration,
    d. vendor system testing, and
    e. user acceptance testing (UAT).
        i. Please describe your UAT process.
        ii. Indicate how system modifications are tested and introduced into the production environment.

11. Identify anticipated Maxor/CDCR/CPR resources that will be needed during the proposed system implementation for functions such as project management, design, development, implementation and ramp up.

12. Describe in detail the training process intended, resources needed and time expected to provide training, start-up and post start-up monitoring of the facility operation.

13. Identify the responsibilities of both the vendor and Maxor/CDCR/CPR during the management, design, development, and implementation of the project.

14. Indicate all 3rd party vendor software included within the proposal and the roles and responsibilities the 3rd party vendor will assume in the project life cycle.

C. SOLUTION REQUIREMENTS

Innovative approaches to achieving effective and efficient operation of a central fill facility are encouraged, however the proposed solutions must support all of the requirements outlined in this RFP. If the proposed solution does not meet one or more of the listed requirements, the proposal should indicate which requirements are not met, explain why and outline how the alternative proposal provides for the required services.

1. Fulfillment Requirements – General

    a. Support fulfillment of 25,000 prescriptions per 8 hour shift.
    b. Support growth of at a minimum 10% per year in the 5 years following year one. It is assumed that this additional growth will entail additional hardware and conveyor, but the line should be configured and designed to support this growth. Demonstrate how the system can support this growth, both from a perspective of hardware and line

configuration, and software with minimum reengineering of the proposed configuration and software.

c. Where recommended, the fulfillment line should use the most advanced technology that allows for the most efficient and accurate methods of fulfillment.

d. This automated fulfillment equipment should have the highest degree of accuracy, supported by documented testing. Documentation of a sufficiently high accuracy rate is required such that Maxor/CDCR/CPR may apply for and receive a waiver of current California State Board of Pharmacy regulations requiring final pharmacist verification after an automated prescription fill.

e. The configuration/layout/footprint will need to support a controlled substance room, a prepacking area with applicable equipment and stations and a pharmacist verification room. While it is intended to use the automation to complete the final product check, the design should allow for a manual pharmacist check from a sample of prescriptions. This check should include a process by where the pharmacist scans the final product and a picture is displayed of the drug item. The GuardianRx® system is currently capable of doing this process and may be integrated into the central pharmacy.

f. Fulfillment workflow and line configuration should take into consideration the handling of refrigerated items and the ability to expedite these order types through the normal flow of the line.

g. The fulfillment software should allow for back orders, order splitting, and correcting of minor sig errors without canceling the entire order.

h. The system should allow for orders to be recalled from the Host Order Processing System up until the time the order is shipped.

i. Multiple system consoles should support the display of station production statistics, including prescription process from the station, prescriptions routed to the station, accuracy rate and prescriptions at the station awaiting processing. A system dashboard should be provided to allow line supervisors and managers to view the performance of the line and of the personnel from any PC where the application is launched in the environment.

j. The fulfillment system should support physical inventories, including cycle counts.

k. Fulfillment software should include a large repertoire of predefined reports and screen queries for managing orders, analyzing productivity, and reporting fulfillment trends. Please supply a list of the available standard reports and screen queries, including descriptions.

l. The system should have the ability to expedite any specific orders through fulfillment.

m. The system must be compatible with GuardianRx® (Carepoint) pharmacy operations software.

2. Process Specs

1. Electronic daily invoices from wholesaler and all other invoices directly from drug companies to be automatically loaded to inventory system for perpetual inventory tracking.
2. Support processing of 25,000 orders per day for one 8 hour shift.
    i. Ability to expand this capacity to 50,000 orders per day by lengthening hours of operation.
3. Small item sortation system (SIS) will be able to process multiple size cards (presently 6" x 9" and 5" x 7 ½ ")
    i. Sortation rate to be no less than 200 cards per minute
    ii. Accuracy of bar code check/verification should be no worse than one error per 3 million sorts
    iii. Must have at least 330 shipping lane capacity.
    iv. Must be able to configure multiple wave units on the sorter to accommodate approximately 330 different shipping locations among 33 different facilities.
4. After orders are reviewed by a pharmacist and ready to be released to pharmacy technicians for filling, the orders can be grouped by:
    i. Location on the facility
    ii. Wave
    iii. Drug
5. Processing of orders for fastest moving blister pack drugs (Example drugs #1-253 in volume) by pharmacy technicians can be processed by:
        - Pick to light or
        - Voice recognition
        - Automated release
        - Once the technician pulls these drugs, they "shut off" the light, or deactivate the voice component (pull #100 – ibuprofen 600mg cards and #75 – hydrochlorothiazide 25mg cards)
    i. The technician then places these cards into a hopper.
    ii. The hopper then feeds onto the sorter.
    iii. As cards are fed through the first camera eye position, the sorter recognizes the prepack bar-code readable label.
        1. The sorter then affixes a patient specific label matching that drug to the correct prepack labeled drug.
        2. At the next camera eye position, the prepack drug label is compared to the patient specific drug label:
            a. If they agree, the card is inducted into the correct shipping tote for delivery to the patient
            b. If they do not match, the card is sent to the error tote.
            c. If the card has been placed on the wrong shipping wave, it is sent to that particular tote.
            d. If the card is a no read, it will either go off the end of the sorter or into a specific tote for those cards.
6. Processing of orders for slower moving blister pack drugs (Example drugs with volumes above #253):
    i. These drugs are housed in an area that is not in as close proximity to the sorter as the top volume drugs (#1-253)

ii. Follow the same steps outlined above

7. Unit of use item processing (drugs that are shipped in the manufacturer's packaging - ointments, creams, eye products, contact lens items, patches, etc) - use the bar-code provided by the manufacturer in the verification process
   i. Labels are printed per drug and per facility location for the pharmacy technician to affix to the packaging.
   ii. The order storage retrieval device (OSR device or A-frame) sends the correct tray to the pharmacy technician for the products to be shipped to that particular facility
      1. The pharmacy technician pulls the number of items to fill the order from each tray that is presented. The tray is then automatically returned
      2. The technician affixes the correct patient specific label to the manufacturer's packaging
      3. The technician then scans the patient specific label and the manufacturer's bar-code label to verify a match.
      4. Once verification is completed the technician scans the item into the correct tote for shipment to the facility
8. Fulfillment. There will be a process for all phases of order processing (fast movers, slow movers and UOU items) where before a wave is ended, if any item has not been inducted yet (there is a label yet to be processed), the operator will be flagged.
   i. The operator will have the chance to process that label (order) at that time
   ii. May defer to the next day for whatever reason (drug out of stock, must contact prescriber prior to release of order)
9. Prepacking operation
   i. Need to design a room that conforms to FDA Good Manufacturing Practices.
   ii. Need enough initial prepacking capacity to process 25,000 cards per day.
      1. Capacity must be expandable to meet a level of 50,000 cards per day
   iii. Must purchase the correct mix of prepacking equipment to meet the 25,000 card per day quota.
      1. Advisable to purchase one machine each with the capacity to prepack the following number of cards each hour:
         a. 2,400 cards per hour
         b. 900 cards per hour
      2. Prepacking machines that have been identified that will help meet the above referenced demand:
         a. MTS 500
         b. MTS 400
         c. MTS 350
         d. Uhlmann B-1240
10. Shipping process
   i. Goal is to have as much of the shipping process automated as possible.

ii. Recognizing that the following types of shipments will of necessity be manual
    1. refrigerated items
    2. controlled substances
    3. items requiring dunnage/packing material – glass bottles (psychotropic concentrates)
iii. Initial capacity will be approximately 200-250 boxes per day
iv. Capacity must be readily expandable to meet increased demand
    1. Could be as many as 400 boxes per day if separate boxes are used for each location (estimate that there will be upwards of 330 locations to ship to each day – on the 33 separate facilities)

11. Reclamation processing – An automated process for tracking returns to the pharmacy that will enable all returns to be processed will be developed.
    i. Items that are returned for credit:
        1. Full cards with no doses removed and that have never been in the possession of the patient
        2. Unopened unit of use containers – with all seals intact (tamper evident seal still in place and that have never been in the possession of the patient)
    ii. Items returned that must be destroyed
        1. Quantity being destroyed is tracked by automation also
12. The system should allow for real-time tracking of prescription and order information through the host system:
    i. Where is the order in the system process right now?
        1. RPh review
        2. Being pulled by technician
        3. Being sorted
        4. Sortation complete
        5. Shipping process complete and ready to go to facility
        6. Being Shipped
        7. Received at the facility
    ii. The system should allow for orders to be recalled from any step in the process up until the time it is shipped
    iii. The system should have the ability to expedite any specific orders through the process.
    iv. Multiple system consoles should support the display of station production statistics including:
        1. number of prescriptions processed from the station
        2. Prescriptions routed through the station
        3. Accuracy rate
        4. Prescriptions awaiting processing
    v. System dashboard should be provided to allow line supervisors and managers to view the performance of the line and of the personnel from any PC where the application is launched in the environment

vi. Software should include a large repertoire of predefined reports and screen queries:
    1. Managing orders
    2. Analyzing productivity
    3. Reporting processing trends

13. The system should incorporate inventory tracking through all phases of order processing:
    i. Daily receipt of orders from wholesaler
    ii. Direct orders from manufacturers
    iii. Prepacking process
    iv. Processing of doses in blister pack cards
    v. Processing of unit of use orders
    vi. Shipment to each facility
    vii. Reclaimed medication back from the facility
        1. Credit the facility
        2. Put back into inventory for reissue
14. All computer and operating systems should be tied together into a single operating system – compatible with GuardianRX®.
15. There will be a takeaway conveyor which will deliver product once it has been checked and sorted by the sorter to the area where the shipping process will be completed:
    i. Either by automated method
    ii. Or, by hand for refrigerated products, controlled substances and items requiring dunnage (packing material to keep items from breaking)
16. At the end of the wave, for items that have not been accepted, the following actions can be taken
    i. Skip – items scanned on the sorter, but not in the fulfillment file (missing medications which are resent)
        1. Either on the sorter
        2. Or hand checked
17. Full lane conditions
    i. Primary fill
    ii. Secondary fill – Once passed primary fill, tote can be shuffled to accept more product
18. Processing for automated storage cabinets housed on prison units.
    iii. Purchase prepacking equipment that can package unit dosed medications to be used to fill automated storage cabinets on the units.
    iv. Machine will strip pack correct drugs based on orders received from the units.
19. Will use OSR device noted above for unit of use items needed in automated storage cabinets

3. Appendix

Appendix A – Concept Model is attached to illustrate workflow.

D. WORK PLAN AND SCHEDULE

Applicants should submit a work plan and a schedule consistent with the above requirements and concept of operations. The work plan must include:

1. Proposed project schedule
2. Key project milestones
3. Identification of project team members and staffing
4. A complete list of project deliverables
5. Project Costs
6. Performance measures

E. ORGANIZATION AND DIRECTION

The contractor will work at the direction of the Receiver or the Receiver's designee. All work of contractor's staff will be at the day-to-day direction of a Project Executive or Project Director designated by the contractor.

IV. DELIVERABLES

The deliverables required will be stipulated in conjunction with the approved goals, measures, work plan, and associated staffing plans and schedules. **ALL DELIVERABLES CREATED BY THE CONTRACTOR UNDER THE AGREEMENT, WHETHER OR NOT IDENTIFIED AS CONTRACTUAL DELIVERABLES, WILL BE THE PROPERTY OF CPR OR THE CDCR.**

V. SELECTION AND CONTRACTING PROCESS

A Bidder's Conference will be held on June 3, 2008 at 9:00 a.m. to respond to questions about the RFP that have been submitted in advance. For a proposal to be considered valid, the respondent must have a representative attend this conference in person. Questions must be submitted via email to the designated RFP contact person not later than 5:00 p.m. on May 21, 2008.

An Evaluation Committee (the "Committee") will review the submitted proposals in accordance with submittal requirements and evaluation criteria set forth below and will recommend to the Receiver a short list of firms for further consideration. Upon acceptance of the short list, the Receiver may invite short-listed firms to make oral presentations to the Committee.

If the Receiver elects to conduct oral interviews, the entire proposed Key Staff of any short-listed teams must be available to participate in these interviews. The

Committee will then make a final evaluation and submit its recommendation to the Receiver. The Receiver will make a final determination and authorize negotiations with one or more of the firms that have submitted their qualifications and whose responses are most advantageous to the Receiver.

The Receiver reserves the right to seek clarification of information submitted in response to this RFP and/or request additional information during the evaluation process. The Receiver reserves the right to accept or reject any or all qualifications and selections when it is determined, in the sole discretion of the Receiver, to be in the best interest of the Receiver.

The Receiver intends enter into a services agreement ("the Agreement") with the selected Respondent promptly upon selection. Prior to commencing the Services, the selected contractor must sign the Agreement and provide proof of insurance. The Agreement will include the General Provisions set forth at:

http://www.documents.dgs.ca.gov/pd/modellang/GPIT0407.pdf

The Agreement is anticipated to be for a period of not more than 18 months.

VI. EVALUATION CRITERIA

The Committee will review the proposal in accordance with the following criteria:

A. Respondent's proven experience, capabilities and resources, at both the corporate and individual levels, in providing design, technical assistance, and automation equipment to programs comparable in size, scope of work, and urgency.

B. Qualifications, availability and commitment of key staff involved in the design and installation of the automation solutions.

C. Proven systems, management techniques, required expertise and resources designed to facilitate timely and effective project implementation.

D. Cost or relative value of automation design and installation services provided.

E. Overall effectiveness of the designed automation solution in meeting the requirements outlined in Section III of this RFP.

F. Completeness and comprehensiveness of response to this RFP and compliance with the submittal requirements.

G. Quality of oral interviews including technical analysis and presentation (if requested by the Receiver).

H. Legal actions that might affect Respondent's ability to perform as contracted.

I. Absence of any relationship that could constitute a conflict of interest or otherwise impede the ability of the Respondent to protect the interests of the Receiver.

VII. SUBMITTAL REQUIREMENTS

A. RFP Schedule

Event	Date
RFP Issued	May 8, 2008
Deadline for Questions on RFP	May 21, 2008
Mandatory Attendance Bidder's Conference	June 3, 2008
Proposals Due and Last Date to Respond to RFP	June 20, 2008
Estimated Date Selection Announced	July 3, 2008
Estimated Project Start Date	August 4, 2008

B. Addenda

Any questions regarding the RFP should be submitted by e-mail to Dick Cason, Senior Pharmacy Consultant. CPR will, at its discretion, respond to questions in an addendum. Any necessary information not included in this RFP that CPR deems necessary and relevant to responding to the RFP will also be issued in an addendum. CPR makes no guarantee that all questions submitted will be answered.

C. Format

Proposals should be clear, concise, complete, well organized.

4 (four) bound copies of the Proposal should be provided, with all materials spiral bound into books of approximately 8-1/2" x 11" format. At least one (1) copy must contain original signatures and be marked ORIGINAL and one electronic copy in a PDF format forwarded to the RFP Contact Point.

The Proposal shall be placed in a sealed envelope with the submitting firm's name on the outside of the envelope.

The Receiver reserves the right to waive any informality in any submittal and/or to reject any or all submittals. The Receiver reserves the right to seek clarification of information submitted in response to this RFP during the evaluation and selection process. The Receiver may solicit relevant information concerning the firm's record of past performance from previous clients or consultants who have worked with the Respondent.

D. Additional Contents

In addition to addressing the submittal requirements in Section III.B of this RFP, the Proposal must include the following items:

1. A cover letter signed by an officer of the firm submitting the Proposal, or signed by another person with authority to act on behalf of and bind the firm. The cover letter must contain a commitment to provide the required automation solution. The letter should certify that the information contained in the Proposal is true and correct. Please also indicate the contact person(s) for the selection process along with contact information.

2. Executive Summary: The Executive Summary must include a clear description of the primary advantages of contracting with your organization for the requested automation solution. It should also include a brief explanation of how the Respondent satisfies the evaluation criteria, and a brief statement that demonstrates Respondent's understanding of the anticipated scope of work.

3. Demonstration of the Respondent's Qualifications: Please provide the following information:

   (a) Your company's name, business address and telephone numbers, including headquarters and local offices.

   (b) A brief description of your organization, including names of principals, number of employees, longevity, client base, and areas of specialization and expertise.

   (c) A description of your company's prior experience related to pharmacy distribution, correctional and healthcare facilities.

   (d) A description of your company's prior experience in California.

   (e) A description of your company's specific areas of technical expertise as they relate to this RFP.

   (f) Professional references: Describe previous work on no more than three projects of comparable scope and magnitude for which you provided similar types of automation services. Provide reference information including project name, location, client reference (contact name, current position and e-mail address), and a brief project description**.**

   (g) Qualifications of Key Staff: Include a brief (one paragraph) summary of key staff that includes their current position in the firm and a discussion of their expertise, experience and education that is relevant to the requirements of this and similar projects.

   (h) Legal action: Respondent must provide a listing and a brief description of all material legal actions, together with any fines and penalties, for the past five (5) years in which (i) Respondent or any division, subsidiary or parent

company of Respondent, or (ii) any member, partner, etc., of Respondent if Respondent is a business entity other than a corporation, has been:

(1) A debtor in bankruptcy;

(2) A defendant in a legal action alleging deficient performance under a services contract or in violation of any statute related to professional standards or performance;

(3) A respondent in an administrative action for deficient performance on a project or in violation of a statute related to professional standards or performance;

(4) A defendant in any criminal action;

(5) A principal of a performance or payment bond for which the surety has provided performance or compensation to an obligee of the bond; or

(6) A defendant or respondent in a governmental inquiry or action regarding accuracy of preparation of financial statements or disclosure documents.

(i) Default Termination: Disclosure whether your company has defaulted in its performance on a contract in the last five years, which has led to the termination of a contract.

(j) Conflict of Interest: Identify any existing financial relationships with other vendors that may be a part of your proposal, and explain why those relationships will not constitute a real or perceived conflict of interest.

E. Modification or Withdrawal of Proposal.

Prior to the Proposal due date, Respondents may modify or withdraw a submitted Proposal. Such modifications or withdrawals must be submitted to CPR in writing. Any modification must be clearly identified as such and must be submitted in the same manner as the original (e.g., appropriate copies, paper size, etc.). No modifications or withdrawals will be allowed after the Proposal due date.

F. Public Opening

There will be no public opening of responses to this RFP. However, after a contract is awarded all Proposals may be available for public review. CPR makes no guarantee that any or all of a Proposal will be kept confidential, even if the Proposal is marked “confidential,” “proprietary,” etc.

G. General Rules

1. Only one Proposal will be accepted from any one person, partnership, corporation or other entity.

2. Proposals received after the deadline will not be considered.

3. This is an RFP, not a work order. All costs associated with a response to this RFP, or negotiating a contract, shall be borne by the Respondent.

4. CPR’s failure to address errors or omissions in the Proposals shall not constitute a waiver of any requirement of this RFP.

H. Reservation of Rights

The Receiver reserves the right to do the following at any time, at the Receiver’s discretion:

1. Reject any and all Proposals, or cancel this RFP.

2. Waive or correct any minor or inadvertent defect, irregularity or technical error in any Proposal.

3. Request that certain or all candidates supplement or modify all or certain aspects of their respective Proposals or other materials submitted.

4. Procure any services specified in this RFP by other means.

5. Modify the specifications or requirements for services in this RFP, or the required contents or format of the Proposals prior to the due date.

6. Extend the deadlines specified in this RFP, including the deadline for accepting Proposals.

7. Negotiate with any or none of the Respondents.

8. Terminate negotiations with a Respondent without liability, and negotiate with other Respondents.

9. Award a contract to any Respondent.

Inquiries in regard to this RFP should be addressed to:

Dick Cason
Senior Pharmacy Consultant
Maxor CPR Project
dcason@maxorcorrections.com

APPENDIX A

CONCEPT MODEL

CDCR Pharmacy Model Concept

Central Pharmacy Operations

1

Facility pharmacists review medication orders, assure safety, optimal therapy and release non acute medications to central pharmacy for filling. Central pharmacists may also review orders for approval including 1st dose review for medication night cabinet access or automated dispensing cabinets for receiving or discharge after hours. Medication may also be filled and dispensed locally

Computer assesses inventory and creates pick list of medication needed to fill prescriptions

2

Technicians pull medication from pick list and place on automated sorter. Unit-of-use items are hand labeled by technician

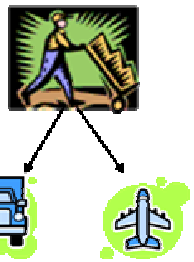
3

4

Sorter reads barcode and compares to prescriptions waiting to be filled. Label is printed and affixed to cards automatically. Scanners verify correct drug, strength and patient. Equipment sorts to correct shipping location and creates electronic manifest for items to be shipped

5

Product is sealed in shipping container with manifest and shipped via ground or air carrier..



Drug is packaged into blister cards. Each packaging run has a unique tracking number to identify lot#, , manufacturer and expiration date. Each cards is bar-coded and quality checked .

7

Product is sent through automated reclamation. Product is added to inventory if appropriate. A record is created of all returned and destroyed medication

6

All expired and unused medication is returned from facilities to the central pharmacy