PHARMAC
Pharmaceutical Management Agency

Level 9, 40 Mercer Street, Wellington 6011
PO Box 10-254, Wellington 6143, New Zealand
Phone 64-4-460-4990
Fax 64-4-460-4995
Information line **0800 66 00 50**
enquiry@pharmac.govt.nz
www.pharmac.govt.nz

30 June 2016

Dear Supplier

REQUEST FOR PROPOSALS – SUPPLY OF STERILE SURGICAL GLOVES

PHARMAC invites proposals for the supply of sterile surgical gloves to District Health Board hospitals in New Zealand ("DHBs").

This request for proposals (**RFP**) letter incorporates the following schedules:

- Schedule 1 sets out the background to the RFP, description of the proposals sought, and details the scope of this RFP;
- Schedule 2 describes the process that PHARMAC expects to follow in relation to the RFP;
- Schedule 3 specifies the information a supplier needs to include with its proposal;

All proposals must be submitted to PHARMAC via the New Zealand Government Electronic Tenders Service (GETS) no later than **5.00 p.m.** on **Thursday 11 August 2016.**

Any enquiries/questions relating to this RFP, must be submitted through GETS: www.gets.govt.nz

The contact for this RFP is Rob Turner by email: rob.turner@pharmac.govt.nz

We look forward to receiving your proposal.

Yours sincerely

Sarah Fitt

Sarah Fitt
Director of Operations

Schedule 1: Medical Devices, background to RFP and types of proposals sought

1. Background to RFP

1.1 PHARMAC's role in medical devices

PHARMAC is taking a greater role in medical devices to manage the assessment, standardisation, prioritisation and procurement of medical devices for the DHB's. The objective of this activity is to help achieve national consistency in managing medical devices, improve transparency of decision-making and improve the cost-effectiveness of public spending to generate savings for re-investment into health.

1.2 Reasons for running this RFP

PHARMAC sought feedback from stakeholders on a number of medical device categories to commence initial procurement.

Sterile surgical gloves were identified as one of these categories as they had been excluded from the health sector's previous national procurement activity for personal protective equipment.

Over the last three years, PHARMAC has taken a phased approach to its activity in medical devices and has now commenced activity in all of the identified categories.

1.3 Expected outcomes of this RFP

a) PHARMAC intends to establish agreements with suppliers to:

   i. list a range of sterile surgical gloves, available for use in New Zealand DHB hospitals, in Part III of Section H of the Pharmaceutical Schedule;

   ii. gain the best price for sterile surgical gloves that are suitable for use in DHB hospitals;

   iii. secure future supply of sterile surgical gloves used by DHB hospitals at competitive prices;

   iv. ensure access to an appropriate level of clinical support, education and training for relevant health professionals; and

   v. engage and establish relationships with new and current suppliers of sterile surgical gloves.

b) PHARMAC recognises that the use of medical devices touches a wide group of health professionals; therefore, in the event an agreement is entered into with a supplier as an outcome of this RFP process and the sterile surgical gloves are listed in Part III of Section H of the Pharmaceutical Schedule:

   i. the listing shall be non-exclusive and will include pricing and details of the sterile surgical gloves;

ii. it will be discretionary for DHBs to purchase the sterile surgical gloves from the supplier, however where they do, DHB hospitals will be expected to purchase these sterile surgical gloves under the PHARMAC agreement; and

iii. it is anticipated that multiple suppliers of sterile surgical gloves will be listed, where appropriate.

iv. any resultant listing agreement will be between the supplier and PHARMAC. DHBs will be able to purchase under the PHARMAC listing agreement, effective from the listing date, and will not be required to individually approve the agreement for it to come into effect.

v. Under the New Zealand Public Health and Disability Act 2000, as well as under DHBs' Operational Policy Framework, DHBs are required to act consistently with the Pharmaceutical Schedule.

2. Types of Proposals Sought

2.1 PHARMAC is willing to consider the following types of proposals for listing in Part III of Section H of the Pharmaceutical Schedule for use by DHB hospitals:

(a) Proposals for sterile surgical gloves as described in clause 4.1.

(b) PHARMAC is also willing to consider proposals that include pricing options, with a supplier including:

i. volume based discount arrangements; and

ii. arrangements that guarantee listing in the Pharmaceutical Schedule for a set period of time (to a maximum of three years).

2.2 PHARMAC is not willing to consider proposals that are submitted in response to this RFP for any other medical devices, including the medical devices set out in clause 4.1 as out of scope.

2.3 Proposals must meet all the requirements as set out in Schedule 3.

3. Scope for the Sterile Surgical Gloves Category

3.1 In Scope

PHARMAC invites suppliers of sterile surgical gloves to submit its range of products as applicable to this category.

The scope of this category is limited to single-use sterile surgical gloves that meet the specifications of AS/NZS 4179:2014.

A full list of product details required, specifications and pricing requirements, and in-scope descriptions, are listed in Appendix 2.

3.2 Out of Scope

PHARMAC is not seeking proposals for products in these areas as part of this RFP process, but may consider them at a later date.

(a) Examination Gloves;

(b) Non Sterile Gloves

Schedule 2: RFP process

1. Submission

(a) Proposals must be submitted to PHARMAC via the New Zealand Government Electronic Tenders Service (GETS).

(b) You may submit more than one proposal. Each proposal will be considered as a separate proposal.

(c) Proposals must be submitted no later than **5pm** (New Zealand time) on **11 August 2016**. Late proposals will only be considered at PHARMAC's discretion, taking into account the need for fairness to other suppliers and integrity of the RFP process.

(d) You cannot withdraw your proposal, once submitted, while the RFP process is continuing.

(e) Any enquiries about this RFP **must** be submitted through GETS www.gets.govt.nz.

(f) PHARMAC's Devices Category Manager for this RFP is Rob Turner rob.turner@pharmac.govt.nz

2. Evaluation

(a) Following the deadline for submitting proposals an Evaluation Committee comprising PHARMAC staff will evaluate each proposal to select its preferred proposal(s).

(b) The Evaluation Committee will evaluate proposals in light of PHARMAC's statutory objective which is "to secure for eligible people in need of pharmaceuticals, the best health outcomes that are reasonably achievable from pharmaceutical treatment and from within the amount of funding provided". In doing so the Evaluation Committee will be guided by the Factors for Consideration (FFC) that from 1 July 2016 will form part of PHARMAC's then current Operating Policies and Procedures (OPPs), as published on PHARMAC's website (www.pharmac.govt.nz), to the extent applicable. Please note that the FFC reflect a change in the way in which PHARMAC makes decisions, replacing PHARMAC's existing Decision Criteria from 1 July. Please be aware of the FFC. More information on the FFC can be found at www.pharmac.health.nz/factors-for-consideration.

(c) The requirement for PHARMAC to pursue its statutory objective means that particular emphasis will be given to those aspects of proposals which demonstrate "health outcomes", and those aspects of proposals which demonstrate the impact on the "funding provided" for pharmaceuticals. Those Factors for Consideration which relate directly to these aspects will be given the greatest weight by the Evaluation Committee but all FFC are important.

(d) The information to be taken into account in applying the decision mechanism will include, in particular:

(i) information provided by you in accordance with Schedule 3 of this RFP;

(ii) product information requirements as set out in Schedule 3 and Appendix 2 of this RFP;

(iii) ability to provide the appropriate level of clinical support needed for these products, including but not limited to:

(A) training and education in the use and handling of products;
(B) supply chain to support sustainable provision of the goods;

(iv) provision of DHB usage data where applicable and reference sites;

(v) any advice received from relevant clinicians and/or DHB staff; and

(vi) any other matters that the Evaluation Committee considers to be relevant (provided that PHARMAC will notify such matters and allow an opportunity for submitters of proposals to address them).

(e) Each proposal will be evaluated on the basis that the price offered, the expenditure entailed, and any other terms included in the proposal, are the best that the supplier is able to offer. If you do not put forward your best terms you risk having your proposal excluded at the evaluation stage.

(f) PHARMAC is not bound to select the lowest priced proposal or any proposal.

3. **PHARMAC may request further information**

(a) PHARMAC may request such further information as it considers necessary from or about you for the purposes of clarifying or evaluating your proposal, including (but not limited to):

(i) product samples, in which case you must supply the requested sample within 10 business days of PHARMAC's request; and

(ii) detailed information about your company structure, credit status and any other relevant company information.

(b) If PHARMAC requests further information from or about you, it is not obliged to request the same or any other information from or about any other party, provided that in PHARMAC's judgment this would not be unfair to any other party.

4. **Negotiation**

(a) PHARMAC may negotiate with the suppliers of one or more preferred proposals, in the latter case whether or not the acceptance of either supplier's proposal would exclude acceptance of the other proposal.

(b) Negotiations will proceed on the basis that PHARMAC's standard terms and conditions for supply of medical devices, which are available on GETS, will apply.

(c) Given that PHARMAC expects your proposal to be the best you can offer, PHARMAC does not intend to initiate negotiation with you on price. However, PHARMAC does not exclude the possibility that the final price agreed will be different from the price put forward in your proposal, as a result of the impact that other negotiated terms may have on price.

(d) PHARMAC may negotiate and enter into provisional agreement(s) with a preferred supplier(s) on whatever special terms, in addition to PHARMAC's standard terms and conditions, PHARMAC considers appropriate.

(e) If PHARMAC and the supplier(s) are unable to reach a provisional agreement within what PHARMAC considers being a reasonable time, PHARMAC may terminate those negotiations and negotiate with a different supplier(s).

5. Consultation and approval

(a) Any provisional agreement will be conditional on consultation with suppliers and other interested parties, to the extent PHARMAC considers consultation to be necessary or appropriate, and on Board approval (or approval by the Board's delegate acting under delegated authority).

(b) The provisional agreement and responses to consultation will be considered by PHARMAC's Board (or by the Board's delegate acting under delegated authority) in accordance with the decision mechanism in PHARMAC's then current OPPs.

(c) If the Board or its delegate does not approve the provisional agreement, then PHARMAC may initiate negotiations for a provisional agreement with any other supplier(s).

(d) The RFP process will be complete once PHARMAC has notified suppliers of either:

(i) the Board's or its delegate's decision to accept a negotiated agreement(s); or

(ii) the termination of the RFP process.

6. Miscellaneous

(a) PHARMAC reserves the right, having regard to probity principles:

(i) to make such adjustments to the above RFP process as it considers appropriate, at any time during the process, provided that it notifies suppliers affected by those changes;

(ii) not to accept any proposal;

(iii) to seek clarification of any proposal;

(iv) to meet with any supplier in relation to its proposal;

(v) to enter into an agreement or arrangement that differs in material respects from that envisaged in this RFP letter;

(vi) to suspend this RFP process. For example, if during the RFP process (and before a provisional agreement is entered into) it becomes apparent to PHARMAC that further consultation is appropriate or required we may suspend the RFP process in order to consult. In this situation we may ask you to adapt and resubmit your proposal in light of consultation, or alternatively we may request that new proposals be submitted;

(vii) to terminate this RFP process at any time, by notifying suppliers who submitted proposals, and, following termination, to negotiate with any supplier(s) on whatever terms PHARMAC thinks fit; and

(viii) to re-advertise for proposals.

(b) You must not initiate or engage in any communication with other suppliers in relation to the RFP, whether before or after submitting their proposal(s), until such time as a provisional agreement is accepted by PHARMAC's Board or the Board's delegate.

(c) You must not at any time initiate any communication with PHARMAC's directors or officers, the Ministry of Health (including its operating unit Medsafe), the Minister of Health (or any Associate Ministers) or District Health Boards or advisors to PHARMAC, with a view to influencing the outcome of this RFP process.

(d) You must pay your own costs for preparing and submitting your proposal.

(e) You must limit the information provided to that which is requested in Schedule 3 and provide it succinctly and clearly.

(f) Proposals are submitted in reliance on your own knowledge, skill, and independent advice, and not in reliance on any representations made by PHARMAC.

(g) Your submission of a proposal will be taken as acceptance of the terms contained in this RFP. PHARMAC may exclude your proposal if you do not comply with any of the terms contained in this RFP.

(h) This is an RFP and not a tender. Your proposal is not an offer capable of being converted into a contract for the supply of sterile surgical gloves by PHARMAC's apparent acceptance and instead a separate agreement needs to be negotiated.

(i) PHARMAC is not liable in any way whatsoever for any direct or indirect loss (including loss of profit), damage or cost of any kind incurred by you or any other person in relation to this RFP.

(j) It is possible that more than one supplier may be awarded a contract as a result of this RFP. Nothing in this RFP prevents PHARMAC from entering into agreements with other suppliers in respect of sterile surgical gloves or restricts the terms that may be agreed with any other supplier.

(k) PHARMAC will consider your proposal and information exchanged between us in any negotiations relating to your proposal, excluding information already in the public domain, to be confidential to us and our employees, legal advisors and other consultants, the Ministry of Health and DHBs (**Confidential Information**). However, you acknowledge that it may be necessary or appropriate for PHARMAC to release Confidential Information:

(i) pursuant to the Official Information Act 1982; or

(ii) in the course of consultation on a provisional agreement entered into with a supplier; or

(iii) in publicly notifying any approval by the PHARMAC Board of that agreement; or

(iv) otherwise pursuant to PHARMAC's public law or any other legal obligations.

PHARMAC may consult with you before deciding whether to disclose Confidential Information for the purposes described in sub-clauses (i) to (iv) above. You acknowledge, however, that it is for PHARMAC to decide, in its absolute discretion, whether it is necessary or appropriate to disclose information for any of the above purposes, provided that PHARMAC shall act in good faith in disclosing any Confidential Information.

7. **Anticipated timetable**

(a) Following receipt of proposals, PHARMAC anticipates:

(i) evaluating proposals in August/September 2016;

(ii) negotiating with submitter(s) of preferred proposal(s) in September/October 2016;

(iii) consulting on provisional agreement(s) from October/November 2016;

(iv) PHARMAC's Board, or the Board's delegate, considering provisional agreement(s) in or after November 2016,

provided that the above time frames are only approximate and may be extended, without notice being required from PHARMAC, if any stages of the RFP process take longer than anticipated.

(b) Under this indicative timetable, the earliest that changes to the Pharmaceutical Schedule could be implemented is 1 December 2016.

8. **Governing Law**

This RFP is governed by New Zealand law, and the New Zealand courts have exclusive jurisdiction in all matters relating to this RFP.

Schedule 3: Information to be included in your proposal

1. Supplier Proposal Form

A supplier proposal form (available on GETS and attached as Appendix 1 to this RFP) requires completing and submitting as part of this RFP process.

2. Schedule of sterile surgical gloves products - Spreadsheet

Appendix 2 is a spreadsheet outlining the product information required and is a separate attachment on GETS that must be completed and submitted as part of a supplier's response.

When completing Appendix 2, please ensure the instructions below are followed:

- Please do not alter the spreadsheet format.
- In the submission please list all models, versions or sizes in the range of products on a separate line.
- All prices to be submitted in $NZ
- Please submit the spreadsheet in an excel format document (not pdf).

APPENDIX 1

SUPPLIER PROPOSAL FORM – STERILE SURGICAL GLOVES RFP

An electronic version of this form is available on GETS.
You should expand the boxes as necessary.

All information is mandatory unless stated otherwise.

You must also include information as outlined in Schedule 3 and Appendix 2 (Excel spreadsheet) as part of your proposal.

[Supplier to insert date]

Rob Turner
Devices Category Manager
PHARMAC
By electronic transfer using GETS (www.gets.govt.nz)

Dear Sir/Madam

Proposal for the supply of sterile surgical gloves

In response to your request for proposals (**RFP**) dated 30 June 2016, we put forward the following proposal in respect of sterile surgical gloves.

Set out below is further information in support of our proposal. Note that additional information is set out in the spreadsheet.

a) Organisation details

i) full legal name of supplier;	
ii) contact person;	
iii) physical address	
telephone	
email addresses	
iv) organisational infrastructure, including legal status;	

b) Product specifications and usage details

i) Details

Complete Appendix 2 (spreadsheet)

***ii)* DHB Experience (if any)**

Volumes for period 1 July 2015 to 30 June 2016	See Appendix 2 (spreadsheet)
Details of any existing DHB contracts, including expiry dates	

iii) Current Pricing (GST exclusive)

Details of your current pricing model(s), and which DHBs have accessed the pricing model(s) in the period 1 July 2015 to 30 June 2016 (if any)
See also Appendix 2 (spreadsheet)

iv) Proposed Pricing (GST exclusive)

Details of your proposed pricing model(s), include any related conditions or proposed terms;
Include on Appendix 2(spreadsheet) where appropriate
Alternative pricing models (if any)
Include on Appendix 2 (spreadsheet) where appropriate

v) Impact Analysis

Provide financial impact analysis of your proposal by DHBs based on current usage patterns.
Include in Appendix 2 (spreadsheet) where appropriate

vi) Quality/Standards Compliance

A copy of documentation to confirm that the gloves meet or exceed the requirements of AS/NZS 4179:2014	
A copy of registration in one of the following foreign jurisdictions: Europe, the United States, Canada, Australia. *For example, if product is registered in Australia, a copy of the Australian Register of Therapeutic Goods (ARTG) certificate;*	
All products would require WAND notification before being considered. WAND registration number must be provided. Where it is not currently held suppliers must agree to register prior to any agreement being entered into.	See Appendix 2 (spreadsheet)

c) ***Operational Details***

i) Supply arrangements

Information relating to continuity of supply of sterile surgical gloves in New Zealand. This should include information on	
• *Stockholding in New Zealand, to support DHB hospital requirements*	
• *Country of origin* o *Raw materials* o *Manufacture* o *Packaging*	
• *Minimum order size for DHB hospitals*	
• *delivery frequency and lead times:* o *for a stable demand situation,* o *in the event of supply disruptions, and* o *when there is an unexpected surge in demand for your product.*	
• *Please include any specific measures you will take to secure stock for New Zealand from international production;*	
• *Other*	
Describe your current supply arrangements, and supply volumes in other major markets including recent tenders awarded (in New Zealand and/or other countries);	
Describe proposed distribution and supply arrangements for the sterile surgical gloves (this includes any information regarding freight or delivery costs to DHBs)	

ii) Complaints and Recalls

Explain your current or proposed complaints management processes, including ability to recall stock, refund or credit for damaged or faulty goods

iii) Business Continuity Plan

Brief summary, including confirmation that any parties who will be supplying sterile surgical gloves have a business continuity plan(s) with a brief summary of the plan(s)

iv) Experience (if any)

Demonstration of experience and knowledge within the healthcare sector, and specifically with New Zealand District Health Board hospitals
[OPTIONAL]

Details of any overseas market. *Please indicate which sterile surgical gloves are supplied to these sites, if any* *Site referees are required to support experience cited here.*
[OPTIONAL]

v) Sustainability

Details of relevant programmes for: o *Waste reduction* o *Recycling* o *Other sustainability programmes*
[OPTIONAL]

vi) Associated Services

Availability of training, education and product support

d) ***evidence of how the supplier envisages working with PHARMAC and other key stakeholders;***

e) ***the supplier's own rationale for why it considers PHARMAC should accept its proposal;***

f) ***any particular information that the supplier considers PHARMAC should take into account when assessing its proposal; and***

g) ***a declaration of any conflicts of interest that the supplier or an associated person or organisation may have that could affect or compromise the supplier or PHARMAC in relation to this RFP process or performance under any listing agreement if successful.***