**Attachment K – Scope of Work**

**RFP 26-84336 Pharmacy Management Services**

**Background**

The Indiana State Psychiatric Hospital Network (ISPHN) is soliciting proposals for comprehensive operational and clinical pharmacy management services across three Joint Commission-certified facilities: Evansville Psychiatric Children’s Center (EPCC), Evansville State Hospital (ESH), and Richmond State Hospital (RSH). The two Evansville campuses are served by a single pharmacy and therefore will be contracted with one management provider. Offerors may bid for: (a) EPCC and ESH only, (b) RSH only, or (c) all three facilities (EPCC, ESH, and RSH).

Required services include, but are not limited to daily operations management, staffing, clinical pharmacy consultation, cost containment, productivity measures, patient safety, medication management, and regulatory compliance. Support for ISPHN initiatives, such as participation in the Systems Integration Council, is within the scope of this work.

Contractor(s) must adhere to all applicable healthcare regulations, including but not limited to, standards established by The Joint Commission and the Centers for Medicare and Medicaid Services (CMS), as well as ISPHN-wide and facility-specific policies and operating procedures.

Offerors must submit a preliminary System Integration Statement describing how their proposed solution will integrate with ISPHN workflows and facility protocols. Offerors must also submit a detailed work plan, including a staffing plan.

**Contractor Requirements**

The Contractor(s) shall furnish all necessary personnel, equipment, supplies, and supervision to perform the following services:

1. **Pharmacy Operations Management**
   * Manage day-to-day pharmacy operations, including prescription processing, dispensing, labeling, and medication distribution.
   * Provide 24/7 on-call pharmacy coverage for after‑hours, weekends, and State holidays in addition to normal business hours of Monday through Friday 8:00 a.m. to 4:30 p.m. local time (<https://www.in.gov/spd/benefits/state-holidays/>). Coverage must be provided by the Director of Pharmacy or a Registered Pharmacist.
   * Ensure ongoing compliance with hospital, Network, and regulatory standards.
   * Maintain accurate, contemporaneous patient medication records and required documentation.
   * Utilize the ISPHN’s electronic health record (EHR) system to document and coordinate medication management activities.
   * Maintain regular, documented communication with hospital administration, medical staff, nursing leadership, and other departments as required.
   * Participate in medical staff and hospital committees, as well as designated Network-level work groups (examples include Infection Control, Antibiotic Stewardship, Pharmacy & Therapeutics, and the ISPHN System Integration Council).
   * Demonstrate continuous efforts to maximize the efficient use of state funds while maintaining the highest standards of quality patient care.
2. **Staffing & Training**
   * Provide appropriately licensed pharmacists and certified pharmacy technicians in numbers sufficient to meet all service requirements and applicable regulations.
   * Maintain staffing levels required to meet patient care needs and regulatory obligations; include contingency staffing plans for absences and surge demands.
   * Deliver ongoing staff training on psychiatric pharmacotherapy, medication safety, documentation standards, and regulatory compliance.
   * Complete hospital-assigned training within designated timeframes, in accordance with hospital policy.
3. **Clinical Pharmacy Services**
   * Provide medication therapy management (MTM) tailored to the needs of psychiatric patient populations.
   * Collaborate with medical and behavioral health providers to develop and implement patient treatment plans.
   * Participate in multidisciplinary patient treatment teams and documented care conferences.
   * Perform drug utilization reviews (DURs) and medication reconciliation at transitions of care.
   * Provide education to hospital staff on psychotropic medications, monitoring requirements, and best practices.
4. **Medication Procurement & Inventory Control**
   * Procure pharmaceuticals, medical supplies, and equipment exclusively from State‑approved vendors or other sources specifically authorized by the State.
   * Implement and maintain inventory controls to prevent shortages and avoid excess stock; establish minimum and maximum par levels and reorder triggers.
   * Ensure secure storage of all medications in compliance with DEA and State requirements; implement chain‑of‑custody protocols and controlled substance diversion prevention measures.
   * Maintain complete and accurate records documenting the receipt, storage, dispensing, and disposal of controlled and non‑controlled medications.
5. **Regulatory Compliance & Quality Assurance**
   * Comply fully with HIPAA, DEA, FDA, DSCSA, applicable State pharmacy laws and regulations, and standards established by The Joint Commission and CMS.
   * Conduct routine internal audits and inspections; document and report findings and corrective actions to designated hospital representatives.
   * Establish and maintain comprehensive medication safety programs that include adverse drug event surveillance, root cause analysis, and corrective action planning.
   * Maintain complete documentation required for regulatory reporting and inspections.
6. **Reporting & Documentation**

* Submit all required reports electronically to designated hospital representatives.
* Provide monthly operational reports that include, at minimum: prescription volume, pharmacy productivity metrics, inventory status, controlled substance reconciliations, and compliance metrics.
* Provide quarterly audit reports and compliance assessments, including identified corrective actions and implementation timelines.
* Maintain and produce staff training records and competency evaluations upon request.
* Provide strategic recommendations for pharmacy program improvements and a timeline for implementation.

1. **Financial & Billing Management**

* Manage pharmacy billing, claims submission, and reimbursement processes in full compliance with Medicaid, Medicare, and private payer requirements.
* Reconcile revenue and provide regular financial reports and detailed cost analyses.
* Provide budget recommendations and identify opportunities for cost containment that do not compromise patient care.

1. **Travel**

* Contractor staff may be required to travel for hospital business. All travel shall adhere to State Travel Policies and Procedures and be processed through the contract purchase order.

**Adaptability and Change Management**

1. **Operational Efficiency**
   * The Contractor shall recommend and implement staffing, workflow, and technology changes designed to improve operational efficiency and ensure regulatory compliance. Any proposed change that materially impacts cost, staffing levels, or patient care delivery must follow the Notification & Approval Process outlined in this Scope of Work.
2. **Regulatory Adjustments**
   * In the event of changes to regulatory or industry standards that require operational or staffing changes, the Contractor shall promptly notify the Hospital and initiate the Notification & Approval Process defined herein.
3. **Technological Advancements**
   * The Contractor may propose adoption of new technologies or automation solutions that comply with applicable regulatory standards and maintain or enhance service quality. Each proposal must include a vendor summary and qualifications, security and privacy risk assessment, implementation timeline, and estimated total cost of ownership.
4. **Performance‑Based Staffing**
   * The Hospital will define service expectations, compliance benchmarks, and performance metrics. The Contractor shall staff and organize operations to meet or exceed these benchmarks and shall provide a detailed implementation plan and timeline outlining responsibilities of both parties.
5. **Periodic Review & Adjustments**
   * The Hospital and Contractor shall conduct scheduled performance reviews (e.g., quarterly) to evaluate performance and determine whether operational structures and staffing models require modification. Agreed changes and associated timelines shall be documented in official meeting minutes.
6. **Notification & Approval Process**
   * For any proposed adjustment that materially impacts costs, staffing levels, or patient care delivery, the Contractor shall submit a formal proposal including rationale, anticipated impact, and an implementation plan to designated hospital representatives for review and approval prior to any implementation of the proposed adjustment.
7. **Cost Containment & Efficiency**
   * The Contractor shall implement best practices in inventory management, staffing, and technology to maximize efficiency while maintaining or improving service quality and regulatory compliance.
8. **Continuous Growth & Innovation**
   * The Contractor shall continuously monitor developments in the pharmaceutical and healthcare industries and identify opportunities to enhance service delivery and operational efficiency. The Contractor must describe its methodology for staying current with industry advancements and for proposing process improvements that address key government priorities, such as enhancing patient outcomes, mitigating risk, and achieving greater operational effectiveness. Efforts should focus on leveraging the Contractor's expertise and industry knowledge to provide increased value at equal or reduced costs.

**Performance Metrics & Evaluation**

1. Contract performance will be evaluated against, at minimum, the following metrics:

* Compliance with applicable regulatory requirements and ISPHN/policy standards.
* Efficiency in inventory management and demonstrated cost control.
* Staff competency, training completion rates, and documented competencies/qualifications.
* Timeliness, accuracy, and completeness of required reporting.

**Hospital Responsibilities**

1. The Hospital shall:

* Provide the necessary infrastructure, workspace, and physical facilities required to support pharmacy operations.
* Facilitate effective collaboration and communication between pharmacy and clinical staff to ensure coordinated patient care.
* Provide applicable policy and procedure manuals, electronic systems and tools, and other resources essential for the efficient and compliant operations of pharmacy services.

**Conclusion**

All requirements outlined in this Scope of Work are mandatory unless otherwise specified. The State encourages the Contractor to propose innovative and cost‑effective solutions that advance project objectives and operational needs. The Contractor remains fully responsible for delivering all described services in strict compliance with applicable specifications, performance standards, and regulatory requirements. The State reserves the right to enforce all provisions of this contract and to evaluate Contractor performance accordingly.

**Exhibit 1**

**Hospital Information**

**Evansville Campuses**

Evansville Psychiatric Children’s Center (EPCC)

A 20-bed child and adolescent behavioral health facility located at 3300 E. Morgan Avenue, Evansville, IN 47715.

Evansville State Hospital (ESH)

A 168-bed inpatient psychiatric hospital located at 3400 Lincoln Avenue, Evansville, IN 47714.

EPCC/ESH Pharmacy

Located within ESH and provides services to both EPCC and ESH. The Contractor selected for the Evansville campuses shall be responsible for the comprehensive operational and clinical management of this single pharmacy facility, ensuring service delivery across both campuses.

Business hours are Monday through Friday, 8:00 a.m. to 4:30 p.m. Central Time, excluding State-recognized holidays. The current list of State holidays is available at <https://www.in.gov/spd/benefits/state-holidays/>.

At the time of the Request for Proposal, the following staffing levels are anticipated:

* One (1) Director of Pharmacy with psychiatric/mental health services experience preferred.
* Two (2) full-time registered Pharmacists with psychiatric/mental health services experience preferred.
* One (1) Pharmacy Technician.

Staffing requirements are subject to modification based on final scope of services, patient census, and utilization trends.

**Richmond State Hospital**

Richmond State Hospital (RSH)

A 190-bed inpatient psychiatric hospital located at 498 N.W. 18th Street, Richmond, IN 47374.

Business hours are Monday through Friday, 8:00 a.m. to 4:30 p.m. Eastern Time, excluding State-recognized holidays.

At the time of the Request for Proposal, the following staffing levels are anticipated:

* One (1) Director of Pharmacy with psychiatric/mental health services experience preferred.
* Three (3) full-time registered Pharmacists with psychiatric/mental health services experience preferred.
* One (1) Pharmacy Technician.

**Exhibit 2**

**Deliverables**

Exhibit 2 is provided to IDOA as guidance for completion of the Cost Proposal document.

Each Offeror is required to submit a preliminary System Integration Statement, detailing how its proposed solution will align with ISPHN workflows and facility protocols. Each proposal must include a detailed work plan that addresses its continuous improvement strategy and a staffing plan that supports operational and clinical objectives. Offerors may submit proposals for the Evansville campuses (EPCC and ESH) only, the Richmond Hospital (RSH) only, or all of the Hospitals (EPCC, ESH, and RSH). The State Fiscal Year (SFY) runs from July 1 through June 30. The selected Pharmacy Management Company will be responsible for directing the work of State employees assigned to the pharmacy. At the time of the Request for Proposal, two State-employed Pharmacy Technicians are assigned to the Evansville campuses.

The ISPHN strongly encourages each potential Offeror to take advantage of the IDOA process for visiting the Hospitals for which it intends to submit a proposal.

**Rate Chart: Evansville Campuses**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Deliverable** | **Unit of Measure** | **SFY2028** | **SFY2029** | **SFY2030** | **SFY2031** |
| Pharmacy Management | Monthly | $ | $ | $ | $ |
| Director of Pharmacy | Hourly | $ | $ | $ | $ |
| Registered Pharmacist | Hourly | $ | $ | $ | $ |
| Pharmacy Technician | Hourly | $ | $ | $ | $ |
| On Call | Monthly | $ | $ | $ | $ |

**Projected Annual Totals: Evansville Campuses**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Deliverable** | **SFY2028** | **SFY2029** | **SFY2030** | **SFY2031** |
| Pharmacy Management | $ | $ | $ | $ |
| Director of Pharmacy | $ | $ | $ | $ |
| Registered Pharmacist | $ | $ | $ | $ |
| Pharmacy Technician | $ | $ | $ | $ |
| On Call | $ | $ | $ | $ |
| *Totals* | *$* | *$* | *$* | *$* |

**Projected Evansville Contract Total: $**

**Rate Chart: Richmond State Hospital**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Deliverable** | **Unit of Measure** | **SFY2028** | **SFY2029** | **SFY2030** | **SFY2031** |
| Pharmacy Management | Monthly | $ | $ | $ | $ |
| Director of Pharmacy | Hourly | $ | $ | $ | $ |
| Registered Pharmacist | Hourly | $ | $ | $ | $ |
| Pharmacy Technician | Hourly | $ | $ | $ | $ |
| On Call | Monthly | $ | $ | $ | $ |

**Projected Annual Totals: Richmond State Hospital**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Deliverable** | **SFY2028** | **SFY2029** | **SFY2030** | **SFY2031** |
| Pharmacy Management | $ | $ | $ | $ |
| Director of Pharmacy | $ | $ | $ | $ |
| Registered Pharmacist | $ | $ | $ | $ |
| Pharmacy Technician | $ | $ | $ | $ |
| On Call | $ | $ | $ | $ |
| *Totals* | *$* | *$* | *$* | *$* |

**Projected Richmond Contract Total: $**