

Instructions to Bidders

- This invitation to bid is for Prescription Drugs, Bid No. 09-018.
- Due date: Tuesday, May 05, 2009 at 3:00 P.M. *Late bids will not be accepted.*
- Return bid to: Gregg County Purchasing Dept., 101 E. Methvin St., Suite 205, Longview, Texas 75601.
- Submit three (3)-typed or legible printed originals of your bid in a sealed, labeled envelope.
- Carefully read and follow all instructions, requirements and specifications.
- Fill out all required forms properly and completely.
- Submit all appropriate supplements and or samples with your bid.
- SIGN YOUR BID. *Unsigned bids will be disqualified.*
- The period for acceptance of this bid will be sixty (60) calendar days unless a different period is noted.

Failure to follow these instructions could result in the rejection of your bid.

Gregg County Texas Standard Terms and Conditions

Bids are solicited for furnishing the merchandise, supplies, services and or equipment set forth in this document. By returning this bid with the price(s) submitted, Vendors certify and agree to the following:

1. All delivery and freight charges are to be included, on the basis of deliveries being FOB destination, inside delivery, unless otherwise specified elsewhere in bid document.
2. If applicable, a packing list or other suitable documents shall accompany each shipment and shall show:
 - a. Name and address of Vendor
 - b. Name and address of receiving department
 - c. Gregg County purchase order number
 - d. Description of material shipped, including item numbers, quantity, number of containers and package number (if any)
3. Samples may be requested for testing by Gregg County. Any sample that fails testing shall be considered sufficient reason to reject bid.
4. Non-performance of the bid requirements regarding specifications or non-compliance with terms of this contract shall be basis for termination of the contract by the County. Termination in whole or in part, by the County may be made at its option, without prejudice to any other remedy to which it may be entitled by law or in equity, or elsewhere under this contract, by giving thirty (30) days written notice to the Vendor with the understanding that all work being performed under this Contract shall cease upon the date specified in such notice. The County shall not pay for work, equipment, services or supplies, which are unsatisfactory. The Vendor may be given reasonable opportunity prior to termination to correct any deficiency. This however shall in no way be construed as negating the basis for termination for non-performance.
5. Quantities indicated in the bid are estimates based upon the best available information. The County reserves the right to increase or decrease the quantities by any amount deemed necessary to meet its needs without any adjustments in the bid price.
6. The bid award shall be based on, but not necessarily limited to, the following factors:
 - a. Unit price

- b. Total bid price
 - c. Delivery date
 - d. Results of testing samples
 - e. Any special needs and requirements
 - f. Gregg County's experience with the products bids were submitted on
 - g. Vendor's past performance record with Gregg County
 - h. Vendor's safety record
 - i. Gregg County's evaluation of Vendor's ability
 - j. Estimated costs for supplies, services, maintenance, etc.
 - k. Estimated surplus value
7. Invoices shall be sent directly to the Departments placing order. Invoices must detail the materials/equipment delivered and must reference the Gregg County purchase order number. Payments are processed after the Auditor's Department has been notified that the material or equipment has been delivered in good condition and that no unauthorized substitutions have been made according to specifications.
 8. Whenever an article or material is defined by describing a proprietary product or by using the name of the manufacturer, the term "OR EQUAL" if not inserted shall be implied unless otherwise indicated by "NO SUBSTITUTIONS". The specified article or material shall be understood as descriptive, not restrictive. In case the unit price of an item differs from the extended price for the quantity quoted, the unit price shall govern.
 9. The Vendor shall be considered an independent contractor and not an agent, servant, employee, or representative of the County in the performance of the work. No term or provision, hereof, or act of the Vendor shall be construed as changing that status.
 10. The Vendor shall defend, indemnify, and save whole and harmless the County and all its officers, agents and employees from and against all suits, actions, or claims of the character, name and description brought for or on account of any injuries or damages (including but not restricted to death) received or sustained by any person(s) or property on account of, arising out of, or in connection with the performance of the work, including without limiting the generality of the foregoing, any negligent act or omission of the Vendor in the execution or performance of the Contract.
 11. The Vendor agrees, during the performance of the work, to comply with all applicable codes and ordinances of the appropriate City, County or State, as they may apply, and as these laws may now read or as they may hereafter be changed or amended.
 12. The Vendor shall obtain from the appropriate City, County or State, the necessary permit(s) required by the ordinances of the City, County or State, for performance of the work.
 13. The Vendor shall not sell, assign, transfer or convey this Contract in whole or in part, without the prior written consent of the County.
 14. In case, any one or more, of the provisions, contained in this Contract, shall, for any reason, be held to be invalid, illegal, or unenforceable, in any respect, such invalidity, illegality or unenforceability shall not affect, any other provision, thereof and this Contract shall be considered as if such had never been contained herein.
 15. The parties herein agree that this Contract shall be enforceable in Gregg County, Texas and if legal action is necessary to enforce it, exclusive venue shall lie in Gregg County, Texas.
 16. This Contract shall be governed by and construed in accordance with the laws of the State of Texas and all applicable Federal Laws.
 17. Bids may be withdrawn any time prior to the official opening. Alterations made before opening time must be initialed by Vendor guaranteeing authenticity. Bids may not be amended, altered or withdrawn after the official opening, except upon the explicit recommendation of the Purchasing Agent and the formal approval of the Commissioners Court.

- 18. This Contract embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the parties and relating to matters herein, and except as otherwise provided herein cannot be modified without written agreement of the parties.
- 19. Funding Clause - Gregg County intends to make all payments required to be made under this Agreement. However, in the event, through no action initiated by the End User, its legislative body does not appropriate funds for the continuation of this agreement for any fiscal year after the current fiscal year and it has no funds to continue this Agreement from other sources, this Agreement may be terminated. To effect the termination of this Agreement, Gregg County shall, thirty days prior to the beginning of the fiscal year for which its legislative body does not appropriate funds, send written notice stating that funds have not been appropriated for the next fiscal year. The Vendor will submit a final invoice and coordinate with the Purchasing Agent to remove all property belonging to said Vendor as soon as possible. The final invoice will be verified and approved by the Purchasing Agent. Thereupon, Gregg County will be released from its obligation to make all further payments.
- 20. Insurance Requirements - Gregg County requires the following insurance coverages for Vendors doing business with Gregg County, Texas.

Attached

- a. Workers' Compensation insurance with \$500,000.00 Employer Liability limits under Coverage B (no deductible)
- b. General Liability insurance with limits of \$1,000,000.00 per occurrence/aggregate, including products and completed operations coverage
- c. Auto liability limits \$1,000,000.00
- d. County named as "additional insured" not "additional named insured"
- e. Deductible shall be \$5,000.00 or less on each of the above listed coverage

The Vendor must provide a certificate of insurance conforming to the above listed requirements or a statement from their insurance carrier certifying that the required coverages shall be obtained by the Vendor within ten (10) days of formal award of a contract. In cases where a certification letter from an insurance carrier is attached to the bid in lieu of an insurance certificate, any formal award of a contract shall be contingent upon required coverages being put into force prior to any performance of any duties outlined in the contract.

- 21. Gregg County is exempt from federal excise and state sales taxes, ad valorem taxes and personal property taxes; therefore, tax must not be included in bids tendered. Bid prices offered must be complete and all-inclusive. Gregg County will not pay additional taxes, surcharges or other fees not included in bid prices.
- 22. Disclosure of Private Health Information ("PHI") - Any contractor doing business with Gregg County that may have any potential of disclosing PHI will be required to submit an executed Business Associate Agreement guaranteeing in writing to provide security for PHI at the time the contract is approved and/or awarded. The executed Business Associate Agreement submitted shall also require the contractor to disclose unauthorized releases of PHI to the Gregg County Co-HIPAA Security Compliance Officers.
- 23. Gregg County expressly reserves the right to accept or reject in part or in whole any bids submitted, and to waive any technicalities or formalities, considered to be in the best interest of Gregg County.
- 24. Bonds may be required in accordance with State Statutes and as outlined in the specifications.

MINORITY BUSINESS: Gregg County is wholly committed to developing, establishing, maintaining, and enhancing minority business involvement in the total procurement process.

Company Louis Morgan Drug #04 Address 110 Johnston

Telephone 903-768-664 Facsimile 903-957-1721 E-mail: _____

Print Name Stephen Morgan Signature  Date: 4/29/2009

Bid No. 09-018, Prescription Drugs
Gregg County, Texas

1.0 INTENT

- 1.1 Gregg County, Texas is now accepting sealed bids to contract for the purchase of prescription medicines for patients of various Gregg County agencies. The successful vendor will fill prescriptions at their various retail locations throughout Gregg County.
- 1.2 **BID OPENING** - Sealed Bids will be opened on Tuesday, May 05, 2009 at 3:00 P.M. in the office of the Purchasing Agent, County Courthouse, 101 E. Methvin, Suite 205, Longview, TX 75601.

2.0 GENERAL INFORMATION AND REQUIREMENTS

- 2.1 **TERM OF CONTRACT** - The term of the Contract is for one (1) year and will become effective upon the date of award, by the Commissioner's Court of Gregg County.
- 2.2 **RENEWALS** - Upon mutual consent, by both parties, the Contract may be renewed for two (2) additional, twelve (12) month periods.
- 2.3 **BID BOND** - Each bid must be accompanied by a valid bid bond or cashier's check in amount of three thousand (\$3,000.00) dollars, and should be made payable to "Gregg County". The bonds of unsuccessful bidders will be returned to them, after the final award is made by the Gregg County Commissioner's Court.
- 2.4 **PERFORMANCE RECORD** - Each Vendor must have a proven and favorable performance record, in the Gregg County area, for the past twelve- (12) months. Each Vendor must provide three-(3) business references with which they are currently doing business and have been doing business with, regularly, for the past twelve-(12) months. Bids from Vendors that have previously failed to perform under other contracts will not be considered.

3.0 SPECIFICATIONS

- 3.1 **CATALOGS** - It is mandatory that each Vendor submits, with their bid, a copy of the most current published catalog, available. Bids received without catalogs will be disqualified.
- 3.2 **PRICES** - The prices for an individual medication may fluctuate during the tenure of this agreement, however, the margin above the average wholesale, the discount from the AQP and the dispensing fee, per prescription filled, shall remain constant.
- 3.3 **RETAIL LOCATIONS** - In order to be considered responsive, each Vendor must have various retail service locations, in the Gregg County, Texas area.

- 3.4 **COMPUTER CAPABILITY** – Each Vendor must have the capability of tracking, through a computerized system, patient profiles, to determine, at any time, the eligibility and or approval, of a patient, for County benefits.
- 3.4.1 The successful Vendor's representative(s) will work with various County personnel to assure quick processing, delivery and payment.
- 3.5 **RECORDS** - Each Vendor must provide on an "as needed" basis an accurate and comprehensive listing of each patient serviced, all medications prescribed and received, all charges in detail, including, but not limited to, total medications, over-the-counter medications, jail medications, the prescribing physician and the dates the services were provided.
- 3.6 **REVIEW OF COSTS** - Periodically and upon request by the County, the Vendor must provide an overall review of the services provided and the associated costs.
- 3.7 **"LEAST COSTS" MEDICATION** – Upon the recommendation of the attending physician, and if at all possible, the Vendor shall provide the least costs or least expensive medication available, be it a generic substitute or name brand drug.
- 3.8 **INVOICES** - All invoices are to be addressed to the applicable County agency. This Contract serves three (3) Gregg County agencies, the Gregg County Health Dept. at 405 E. Marshall, Room No. 103, Longview, TX 75601, the Gregg County Sheriff's Office at 101 E. Methvin, Suite 559, Longview, TX 75601, and the Gregg County Juvenile Detention Facility at 310 Turk St., Longview, TX 75601. This is both the billing and shipping addresses for these agencies.
- 3.9 Bid responses should be typed on this bid form. Only responses, which include specific brand names, unit prices and quantities, shall be considered valid.

VENDOR QUESTIONNAIRE

Company & Contact Name Louis Morgan Drug No 4 Years in business? 45

Favorable performance record for the past twelve-(12) months? Yes

Lists three (3) business references (name, contact, address & phone) that you been doing business with for the past twelve-(12) months. Morris Dickson 1030 Hwy 1 South Shreveport La 71113 Doc #1 2/1/64
313-797-7700 Contact Alan P. K...
② Cardinal Health PO Box 847384 Dallas TX 75284 800-561-5831 - Contact

③ BSN Contact PO Box 75176 Charlotte NC 28275 704-551-9933 - Contact Contact

What type of organization is your company? Check all that apply or add if necessary. Dealer Retailer Manufacturer's Rep. Wholesale Other

List all of the sales and service reps (names, address & phone) your company has located in the Gregg County Texas area. Mike Holbert - 110 Johnson Lomax 75601 903-758-6764
Stephen Morgan " " " " " "

What address and phone number will invoices be processed and mailed from? 110 Johnson Lomax 75601 903-758-6764

List any retail outlets in the Gregg County area. 110 Johnson Lomax TX 75601

State your invoice terms.(i.e. 2% 10 net 30) 10 EOM

BID PROPOSAL FORM

Using the "least costs method", from the various methodologies listed below, please submit a bid, to fill prescriptions, for Gregg County, at the lowest possible price. If you have another methodology to submit, which would save Gregg County additional dollars, please write it in on this form.

Example Only: AWP from our catalog less 10%, plus a \$4.00 dispensing fee per prescription or, our usual and customary price, plus a \$4.00 dispensing fee per prescription.

Base Price Costs Method	Plus (+) Dispensing Fee Per Prescription	Method Used (?)	
		Yes	No
AWP from our catalog less (-) a <u>15</u> %	\$ <u>3.50</u>	yes <input checked="" type="checkbox"/>	no <input type="checkbox"/>
Our usual and customary price	\$ <u>3.50</u>	yes <input type="checkbox"/>	no <input type="checkbox"/>
Texas Medicaid EAC list price	\$ <u>3.50</u>	yes <input type="checkbox"/>	no <input type="checkbox"/>
BCBS or PCS MAC list price	\$ <u>3.50</u>	yes <input type="checkbox"/>	no <input type="checkbox"/>
Other Methodology _____			

Using the "least costs method" which you are submitting in your bid, please calculate the costs for the following drugs, to Gregg County.

Alpazolam 0.25 mg. ct. 100	\$ <u>6.91</u>	Paxil 20 mg. ct. 30	\$ <u>28.77</u>
Glucophage 500 mg. ct. 60	\$ <u>9.38</u>	Prozac 20 mg. ct. 30	\$ <u>5.97</u>
Zocor 40 mg. ct. 30	\$ <u>5.53</u>	Zoloft 100 mg. ct.30	\$ <u>5.31</u>

Bid bond or cashier's check for \$3000 payable to "Gregg County"? Yes No

One copy of the most current published catalog? Yes No Not Available

Your signature attests to your offer to furnish and fill all prescription medications for Gregg County from the following catalogs and or manufacturers and at the following discounts in order to provide the least costs available to Gregg County on the items and at the prices offered and that you affirm that you are duly authorized to execute this contract.

Company Louis Morgan Drug No 4 Address 110 Johnston Longview, TX 75601
 Phone 903-758-6644 Fax 903-758-1721 E-Mail _____ Tax ID 75-1402493
 Print Name Stephen Morgan Signature [Signature] Date 4/29/2009

Approved this _____ day of May, 2009

[Signature]
 Commissioner Charles Davis

[Signature]
 County Judge Bill Stoudt

[Signature]
 Commissioner Darryl Primo

[Signature]
 Commissioner Bob Barbee

[Signature]
 Commissioner John Mathis

Attested [Signature]
 Connie Wade, County Clerk



Gregg County Purchasing Department

101 E. Methvin St., Suite 205, Longview, Texas 75601

Phone (903) 237-2684 Fax (903) 237-2682

May 11, 2011

Louis Morgan Drug No. 4, Inc.
110 Johnston St.
Longview, TX 75601
Attn: Mr. Stephen L. Morgan
Via Fax No. 903-758-1721

Re: Renewal of Gregg County Bid No. 09-018, Prescription Drugs

Dear Mr. Morgan,

Please review the following information regarding the captioned contract between Louis Morgan Drug No. 4 and Gregg County Texas ("County"). The County would like to renew the current contract with Louis Morgan Drug No. 4 at the existing rates for an additional twelve (12) month periods.

Pricing: Average wholesale catalog price less (-) 15 % + \$3.50 dispensing fee, applicable on all prescriptions, generic or name brand
Usual and Customary Price
Texas Medicaid EAC List Price
BCBS or OCS MAC Price

Term: May 17, 2011 through May 16, 2012

If you are agreeable to renewing the existing contract for an additional twelve- (12) month term, please indicate your acceptance by executing below and return the original to me.

Accepted and agreed to this ____ day of May, 2011.

Stephen L. Morgan
Louis Morgan Drug No. 4, Inc.

With Best Regards,

Shelia C. Embrey
Gregg County Purchasing Agent