

12 June 2018

Dear Service Provider

REQUEST FOR PROPOSALS – DELIVERY of an EQUITY OUTCOMES AND MONITORING FRAMEWORK

PHARMAC invites proposals for the supply of evaluation expertise to deliver an Equity Outcomes and Monitoring Framework to PHARMAC.

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

- Schedule 1 specifies the services for which PHARMAC is requesting proposals and sets out the background to the RFP;
- Schedule 2 describes the process that PHARMAC expects to follow in relation to the RFP; and
- Schedule 3 specifies the information you need to include with your proposal.

If you wish to submit a proposal, please submit it to PHARMAC no later than 5.00 p.m. on Monday 9 July 2018.

If you have any questions about this RFP, please submit these through the GETS webpage.

We look forward to receiving your proposal.

Yours sincerely



Sarah Fitt
Chief Executive

Schedule 1: Description of services and background to RFP

1. Description of services

PHARMAC is interested in partnering with an evaluation service provider to support the work PHARMAC is doing to improve equity. There are two main requirements, in the first instance:

1. Development of a Medicines Access Equity Outcomes and Evaluation Framework; and
2. Undertaking a targeted evaluation of our existing approach working with Whānau Ora Collectives.

We would prefer to receive proposals that cover both requirements, as they are synergistic.

The successful provider will require:

- Extensive experience and expertise in the development of outcomes frameworks and strategies and developmental evaluation in complex and emerging policy areas, preferably in the health sector
- The ability to cogently present findings and recommendations to senior leadership
- Expertise in developing and providing methodological advice on outcome and process measures, particularly in the absence of ready-made datasets
- A demonstrated understanding of health inequities and how these play out in the New Zealand context
- Familiarity with Te Ao Māori and Pacific world views/models of health
- Experience with kaupapa Māori and Pacific evaluation and research methodologies.

Equity Strategic Outcomes Framework

PHARMAC wishes to commission a Medicines Access Equity Outcomes and Evaluation Framework to ensure we are clear about the outcomes we hope to achieve, and are able to monitor and measure our progress towards eliminating inequities in access to medicines in New Zealand. The Framework would be required to pull together the threads from three existing areas of PHARMAC's work related to equity, which are at different stages of planning and implementation:

1. Te Whaioranga, PHARMAC's Māori Responsiveness Strategy (2013 – 2023)
2. PHARMAC's Pacific Responsiveness Strategy (PRS, 2017 – 2026)
3. Emerging cross-organisation work to implement PHARMAC's new strategic goal of 'eliminating inequities in access to medicines by 2025'.

We anticipate that Framework and associated documentation would:

- Articulate the overarching and intermediate and short-term outcomes that PHARMAC is seeking to affect, with regard to medicines access equity. How will we know what success looks like?
- Articulate how aspects of Te Whaioranga and the PRS (as well as other streams of work) can contribute to our overall goal of eliminating inequities in access to medicines
- Help to clarify which issues require a specific solution or way of working in order to meet the needs of a particular population group, and which issues are better addressed at an all-of-system level
- Identify a set of outcome and process measures which can be used to report on progress to the Minister of Health and PHARMAC's Board over time
- Provide specific methodologic advice on establishing and implementing this set of measures.

The provider of the services would need to work closely with PHARMAC staff and senior management while developing the Framework, some of whom will have limited experience of working with evaluators.

Whānau Ora Collectives Evaluation

Since 2014, PHARMAC has strengthened its relationships with Māori communities through formally signed Memorandum of Agreements with Whānau Ora Collectives (WOC). PHARMAC has provided annual seed-funding for WOC events guided by the Māori community selected Māori Health Areas of Focus.

PHARMAC has signed thirteen Memorandum of Agreements with Whānau Ora Collectives/Alliances since 2014. Each Whānau Ora Collective has different needs and ability in terms of capacity, time and know-how with annual planning and implementation of activities that are seed funded by PHARMAC. The administration of the thirteen MoA and annual activity plans is high and there is a recent move to a more strategic approach by working through the commissioning agencies.

Examples of the community activities under taken by the Collectives are:

- Respiratory health workshops in Tauranga
- Gout workshops in Opotiki
- He Rongoa Pai He Oranga Whanau activities in the community.

Locations include: Kaikohe, Henderson, Papakura, Hamilton, Tauranga, Rotorua, Opotiki, Christchurch, Levin, Palmerston North, Porirua, and Masterton.

Evaluation Questions:

- 1) What is PHARMAC's return on investment for these relationships? (\$278k expenditure between 2014-18)
- 2) What impact/influence/improved Māori Health Outcomes have occurred in part due to these PHARMAC-WOC relationships (2014-2018)?
- 3) What is the benefit to PHARMAC of having these partnerships with Whānau Ora Collective alliances and collectives?4) What value does PHARMAC add to the Whānau Ora Collectives/alliances aims for hauora Māori?
- 4) What further opportunities might exist for PHARMAC to work differently with the Whānau Ora Collective alliances and collectives to give effect to our overall goal of eliminating inequities in access to medicines?

2. Background to RFP

In July 2017 PHARMAC launched its updated strategy which included the Bold Goal to eliminate inequities in access to medicine. Since that time, PHARMAC has created an Access Equity team to help coordinate and drive the work to address the Bold Goal.

Prior to July 2017, PHARMAC had already been doing some work in addressing inequities in medicine through other workstreams within the organisation, including within the Māori Responsiveness and Pacific Responsiveness Strategies. It has become clear that there needs to be an overarching approach to measuring the impact and outcomes of the work that PHARMAC is doing around equity so that there is a cohesive plan and approach to our work. Likewise, there is an increasing focus on equity within the broader health sector, with equity being one of four Ministerial priorities for health.

PHARMAC is committed to improving Māori health by supporting and working alongside key partners. These relationships ensure that Māori cultural values and practices are recognised and affirmed by the principles of Partnership, Protection and Participation underpinning Te Tiriti o Waitangi/The Treaty of Waitangi. In the spirit of mutual cooperation these cultural values of practice align to professional accountability, consistency and transparency intended to realise our efforts to service the health needs of Māori whānau, hapū and iwi.

Current context

There are a range of activities that PHARMAC is currently undertaking and/or initiating that explicitly or implicitly relate to issues of equity. There is considerable cross-over in some areas, and little in others. Below provides an overview of the different work programmes and their current status:

Access Equity

The Access Equity team was created in response to PHARMAC's updated strategy, launched in July 2017. The team of four has been fully staffed since February 2018. As presented at the February 2018 Board meeting, there are six initial streams of activity the Access Equity work stream will be focussing on during its establishment phase:

- Research and Evidence
- Community-based pilots
- Policy and Sector Influence
- Organisational Capability
- Internal Systems and Decision-making
- Monitoring and Evaluation.

These workstreams are also underpinned by ongoing Communication and Stakeholder Engagement activity.

The Access Equity team has also set out an emerging theory of change, utilising a Quality Improvement methodology Driver Diagram (see Appendix One). Our working definition of Medicine Access Equity is:

“The absence of avoidable, unfair, or remediable differences in medicine access among groups of people, whether those groups are defined ethnically, socially, economically, demographically or geographically or by other means of stratification.”

Māori Responsiveness Strategy – Te Whaioranga

The first version of the Māori Responsiveness Strategy was developed in 2002. It was subsequently revised in 2007, and the current version three was launched in 2013 and lasts through to 2023.

The primary goal of Te Whaioranga is to ensure that Māori have access to subsidised medicines and use these medicines appropriately and safely, with this work occurring across 5 approaches (‘Pou’):

- 1) Advance tino rangatiratanga with whānau in health interventions;
- 2) Establish and maintain authentic strategic connections;
- 3) Champion evidence based Māori medicine management;
- 4) Support and engage in indigenous research and development about pharmaceutical management; and
- 5) Enhance and enable internal expertise and capability in te ao Māori

At present, we are midway through a two-year action plan which goes through to end-June 2019. For more information, see <https://www.pharmac.govt.nz/maori/>

Pacific Responsiveness Strategy

The first version of PHARMAC’s Pacific Responsiveness Strategy was published in 2010. The current Pacific Responsiveness Strategy was launched in early 2017, after work to start redeveloping it began in 2015.

The purpose of the PRS is to support Pacific people in New Zealand to live healthy lives through improved and timely access to, and use of, medicines and medical devices, with work occurring at three levels: connecting with Pacific communities directly; embedding Pacific

perspectives into PHARMAC as an organisation; and, influencing change elsewhere in the health system.

Alongside the strategy is a three-year action plan which goes through to December 2019. This first three-year action plan is about 'planting the seed' and focusses on building relationships, developing effective communication channels, increasing PHARMAC's awareness and knowledge of Pacific Peoples, and working with others to reduce cultural, system and language barriers to medicine use and access. For more information, see <https://www.pharmac.govt.nz/pacific/>

Schedule 2: RFP Process

PHARMAC expects to follow the process set out below in the sequence indicated.

1. Submission

- a) You may submit more than one proposal. Each proposal will be considered as a separate proposal.
- b) Proposals must be submitted no later than 5.00 p.m. (New Zealand time) on 9 July 2018. Late proposals will only be considered at PHARMAC's discretion.
- c) You cannot withdraw your proposal, once submitted, while the RFP process is continuing.
- d) All proposals must be submitted to PHARMAC to the attention of Catherine Proffitt, Manager, Access Equity, by email to catherine.proffitt@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 basis on which the Evaluation Committee will evaluate proposals, and the weight to be given to the criteria and other matters that it considers, are to be determined by the Evaluation Committee at its sole discretion. The matters to be taken into account by the Evaluation Committee will, however, include:
 - i. information required to be included with your proposal, as specified in Schedule 3;
 - ii. any other matters that the Evaluation Committee considers to be relevant.
- c) 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 you are able to offer. If you do not put forward your best terms you risk having your proposal excluded at the evaluation stage.
- d) PHARMAC is not bound to select the lowest priced proposal or any proposal.

3. Negotiation

- a) PHARMAC may negotiate with the submitter(s) of one or more preferred proposals.
- b) Negotiations will proceed on the basis that PHARMAC's standard terms and conditions for provision of services, which are available on request from PHARMAC, 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 a provisional agreement with a preferred service provider(s) on whatever special terms, in addition to PHARMAC's standard terms and conditions, PHARMAC considers appropriate.
- e) If PHARMAC and the service provider(s) are unable to reach a provisional agreement within what PHARMAC considers to be a reasonable time, PHARMAC may terminate those negotiations and negotiate with a different service provider(s).

4. Consultation and approval

- a) Any provisional agreement will be conditional on Board approval (or approval by the Board's delegate acting under delegated authority).
- b) PHARMAC will not consider any counter-offers received during consultation.
- c) The provisional agreement and responses to any consultation will be considered by PHARMAC's Board (or its delegate acting under delegated authority) in accordance with the decision criteria in PHARMAC's then current OPPs.
- d) If the Board or its delegate does not approve the provisional agreement, then PHARMAC may initiate negotiations for a provisional agreement with any other service provider(s).
- e) The RFP process will be complete once PHARMAC has notified service providers of either:
 - i. the Board's or its delegate's decision to accept a negotiated agreement; or
 - ii. the termination of the RFP process.

5. Miscellaneous

- a) PHARMAC reserves the right:

- i. to make such adjustments to the above RFP process as it considers appropriate, at any time during the process, provided that it notifies service providers affected by those changes;
 - ii. to meet with any submitter of a proposal at their place of business to discuss their proposal and to gain an understanding of their work environment;
 - iii. not to accept any proposal;
 - iv. to seek clarification of any 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 service providers who submitted proposals, and, following termination, to negotiate with any service provider(s) on whatever terms PHARMAC thinks fit;
 - viii. to readvertise for proposals.
- b) You must not initiate or engage in any communication with other service providers in relation to the RFP whether before or after submitting proposal(s), until such time as a provisional agreement is accepted by PHARMAC's Board or its delegate.
 - c) You must not at any time initiate any communication with PHARMAC's directors or officers, the Ministry of Health, the Minister of Health or District Health Boards, 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) Proposals are submitted in reliance on your own knowledge, skill, and independent advice, and not in reliance on any representations made by PHARMAC.
 - f) Your submission of a proposal will be taken as acceptance of the terms contained in this RFP letter. PHARMAC may exclude your proposal if you do not comply with any of the terms contained in this RFP letter.
 - g) 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 evaluation services by PHARMAC's apparent acceptance and instead a separate agreement needs to be negotiated.
 - h) 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.

- i) 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 service provider; 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.

6. Anticipated timetable:

Deadline for Questions from providers:	27 June 18
Deadline for the Buyer to answer suppliers' questions:	04 July 18
Deadline for Proposals:	5:00pm 09 July 18
Unsuccessful Respondents notified of award of Contract:	20 July 18
Anticipated Contract start date:	27 July 18

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.

Schedule 3: Information to be included in the proposal

- a) name of service provider;
- b) contact person;
- c) contact details (address, telephone, fax etc.);
- d) a proposed design and methodology for a) the Outcomes Framework and b) evaluation of the Whanau Ora Collectives. This should include:
 - i. indicative timeframes;
 - ii. An outline of your approach for working with PHARMAC;
 - iii. Proposed reporting and project management elements;
 - iv. supporting organisational infrastructure to help facilitate the delivery of the services, or an ability to initiate facilitation services in a short time frame.
- e) A detailed budget (GST exclusive), including any assumptions, related conditions or proposed terms affecting cost for PHARMAC;
- f) reliability/resourcing/ability to ensure continuity of supply of services;
- g) relevant expertise, experience and evidence required:
 - Extensive experience and expertise in the development of outcomes frameworks and strategies and developmental evaluation in complex and emerging policy areas, preferably in the health sector
 - The ability to cogently present findings and recommendations to senior leadership
 - Expertise in developing and providing methodological advice on outcome and process measures, particularly in the absence of ready-made datasets
 - A demonstrated understanding of health inequities and how these play out in the New Zealand context
 - Familiarity with Te Ao Māori and Pacific world views/models of health
 - Experience with kaupapa Māori and Pacific evaluation and research methodologies.

Evidence of:

- i. collaboration with key stakeholders and academic/university
- ii. how you would collaborate with health professional groups e.g. nurse prescribers, pharmacists, midwives, primary and secondary care divisions;

- iii. how you envisage working with PHARMAC and other key stakeholders in the development and provision of the services;
- iv. how you would manage national delivery of the services described in clause 1 of Schedule 1;
- v. an indicative budget for undertaking the services specified in clause 1 of Schedule 1, itemised to each specific service where applicable;

(Insert the above examples as applicable)

- h) the service provider's own rationale for why it considers PHARMAC should accept its proposal;
- i) any particular information that the service provider considers PHARMAC should take into account when evaluating the proposal;
- j) a declaration of any conflicts of interest that you or an associated person or organisation may have that could affect or compromise you or PHARMAC in relation to your participation in this RFP process or performance or any agreement if successful.

Appendix One: Access Equity Driver Diagram (Draft)

