

# SSDC OFFER SUBMISSION FAQ

## **1. How many states are members of the SSDC Pool?**

As of September 11, 2023, there are fifteen (15) states participating in the SSDC pool. These states include Delaware, Iowa, Kentucky, Maine, Mississippi, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, Utah, Vermont, West Virginia, and Wyoming. That number may change as the Sovereign States Drug Consortium encourages the participation of new states. Change Healthcare will notify all manufacturers with current submitted offers when a new state has joined, and all current offers will be extended to that state.

## **2. Is there just one bidding process for all the states?**

During bid negotiations and prior to contracting, Change Healthcare will discuss any state-specific terms with the manufacturer.

Only one offer needs to be submitted. Manufacturer offers are extended to all SSDC states that are interested at the onset or any time in the rebate calendar year.

## **3. How do I submit a bid?**

Manufacturers may submit an offer through our attached SSDC Offer Spreadsheet.

## **4. Who do I contact if I have questions about offer submissions or the process?**

If you have any questions, contact Change Healthcare via email at [rxoffers@rxssdc.org](mailto:rxoffers@rxssdc.org). One of our Supplemental Rebate team members will respond within 48 business hours.

## **5. What do the tiers represent?**

The tiers are the equivalent of preferred brand levels in a Therapeutic Category. Offers should be made assuming that a state would manage products as follows:

- Tier Level 1: One exclusive product
- Tier Level 2: Two co-preferred products
- Tier Level 3: Three co-preferred products
- Tier Level 4: Four or more preferred products.

## 6. How do I fill out the offer form?

A completed example of the offer form is located on the last page of this document.

Column Name	Instructions
<b>Product Description</b>	List the description of your product along with the package size.
<b>AWP and WAC columns</b>	List the AWP or WAC per unit. For test strips and lancets, divide the box AWP and WAC by the number of individual units in the box. States require the calculation to be completed in this way because they process these products through their POS at the unit rates.
<b>% WAC or GNP Offer Rate</b>	List the offer percent as a decimal or the GNP being offered for that tier. %WAC offers are entered at two decimal places, while GNP offers are entered at four decimal places.
<b>Calculated Offer Unit Amount</b>	Calculate the unit amount using the formula chosen for the offer submission. Example: If you submitted a five percent of WAC offer, then calculate the amount using the following formula: WAC (most recent reported WAC) x .05 = calculated offer unit amount.
<b>Offer Comments</b>	This field should be used to convey offer details, such as: <ul style="list-style-type: none"><li>• Meter procurement methods available;</li><li>• If your company needs additional documents to set up procurement methods (call centers/ websites); and</li><li>• Any offer enhancements or restrictions that States will need to consider when evaluating the offer.</li></ul>

No additional contingencies may be added once the negotiations are completed. Be sure to note any restrictions related to your bid in the offer comment field.

## 7. What are the Supplemental Rebate offer contingencies?

The SSDC guarantees that all offers submitted will be treated accordingly:

1. SSDC member state populations will be limited to Medicaid.
2. Except as otherwise may be required to be disclosed by law or judicial process, offers will be held confidential, whether accepted or not.
3. Offers accepted by SSDC States as of the close of negotiations are binding between the Offeror and an SSDC State once approved by said State's drug review committee and/or said State's Medicaid Director or other designee.
4. Offers that are received from Manufacturers that are currently not in good standing due to either nonpayment or substantial underpayment of rebates (Federal and/or State Supplemental) shall not be considered.
  - a. Nonpayment of rebates means the failure to pay any rebates to an SSDC State for the calendar year in which the offer was due.
  - b. An underpayment of rebates is substantial if it exceeds the lower of either:
    - i. Ten (10%) percent of any quarter's rebates invoiced amount by any SSDC State or
    - ii. Fifty thousand (\$50,000.00) dollars in aggregate owed to any SSDC State at the time that the offer was due.

5. All offers are made with the understanding that the individual terms and conditions of the SSDC Member States' Supplemental Rebate Agreements apply.
6. The unit rebate amount is confidential and will only be disclosed in accordance with the contract terms.

#### **8. What am I agreeing to by submitting a Supplemental Rebate offer?**

By submitting this offer, you confirm that, regarding your offer:

1. You have reviewed the values in all data cells for accuracy.
2. You affirm and certify the accuracy of the values displayed.
3. You are authorized to make all offers presented in the submission.
4. You agree that all offers are made with the understanding that the individual terms and conditions of the SSDC member states Supplemental Rebate Agreements apply.
5. You agree that any agreement with a SSDC State shall be governed by the law of said State and that any legal action may only be brought and maintained in the courts of said State as identified here:
  - Delaware – The Superior Court of the State of Delaware, New Castle County, Delaware
  - Iowa – Polk County District Court for the State of Iowa, Des Moines, Iowa, or in the United States District Court for the Southern District of Iowa, Central Division, Des Moines, Iowa, wherever jurisdiction is appropriate.
  - Kentucky – Circuit Court of Franklin County, Frankfort, Kentucky.
  - Maine – Maine Superior Court, Kennebec County, Maine.
  - Mississippi – Circuit Court of First Judicial Court of Hinds County, Mississippi.
  - North Dakota – District Court of Burleigh County, North Dakota.
  - Ohio – A court of competent jurisdiction in Franklin County, Ohio.
  - Oklahoma – Oklahoma County District Court or United States District Court for the Western District of Oklahoma.
  - Oregon – Oregon Circuit Court of Marion County for the State of Oregon.
  - South Dakota – Circuit Court, Sixth Judicial Circuit, Hughes County, South Dakota
  - Utah – Third District Court, Salt Lake County, Utah.
  - Vermont – Vermont Superior Court, Washington Civil Division
  - West Virginia – Circuit Court of Kanawha County, Charleston, West Virginia or United States District Court for the Southern District of West Virginia, Charleston, West Virginia.
  - Wyoming – Wyoming District Court for the First Judicial District, Laramie County, Wyoming.
6. You agree that an agreement with a State shall be reduced to writing with said State consistent with the contract terms that have been published by said State.
7. You agree to keep the unit rebate amount confidential in accordance with the contract terms.

#### **9. How do I know if my offer was accepted?**

Change Healthcare will send out an email notification to all manufacturers that submitted an offer

## SSDC Medicaid Supplemental Rebate Offer Spreadsheet Example

Only one formula can be used for each category; for example, you may select Formula 1 for Meters and Formula 2 for Test Strips, but you may not use Formula 1 for half of your test strip NDCs and Formula 2 for the other half.

You can bid for one tier, all tiers or any combination of tiers.

Enter comments relevant to your bid here, such as procurement of free meters or any conditions. These comments will be used on the contracts.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
<b>Bidder Name</b>	Ms. Example													
<b>Bidder Phone No.</b>	111-111-1111	<b>SSDC DME Special Rebate</b>												
<b>Bidder Email</b>	example@example.com													
Manufacturer Name	NDC/HRI	Product Description	AWP (1Q2010)	WAC (1Q2010)	FORMULA (1 or 2)	Tier One		Tier Two		Tier Three		Tier Four		Offer Comment
						%WAC or GNP Offer Rate	Calculate d Offer unit amount	%WAC or GNP Offer Rate	Calculate d Offer unit amount	%WAC or GNP Offer Rate	Calculate d Offer unit amount	%WAC or GNP Offer Rate	Calculate d Offer unit amount	
EG DIABETICSUPPLIES	1111111111	Test Strips (pack of 50)	0.4	\$0.32	1	0.50	\$0.16							Free meter available with acceptance of bid
EG DIABETICSUPPLIES	1111111222	Meters	26	\$23.50	1	1.00	\$23.50							Procurement of meters through website, toll free line and POS transactions.
EG DIABETICSUPPLIES	1111113333	Glucose Solution	4	\$3.25	1	0.10	\$0.33							
EG DIABETICSUPPLIES	1111114444	Lancets (box of 50)	0.5	\$0.40	1	0.40	\$0.16							
EG DIABETICSUPPLIES	1111114443	Lancets (box of 25)	0.52	\$0.41	1	0.40	\$0.16							

Please enter an 11-digit code for each NDC/HRI

**Important:** AWP and WAC should be **per unit**. For strips and lancets, divide the AWP and WAC per box by the number of units in the box to get the per unit figure.

% of WAC figures should be entered as decimals; for example, 50% would be 0.50 and 100% (or Free) would be 1.00

Please enter the appropriate formula for your offer to calculate the offer unit amount

Formula 1:  $WAC * \% \text{ of WAC} = \text{Offer Unit Amount}$

Formula 2:  $WAC - GNP = \text{Offer Unit Amount}$