

NATIONAL HEALTH FUND

BACKGROUND

The National Health Fund (NHF) was established by an ACT of Parliament in 2003, to provide financial support to the national healthcare system, thereby improving the health of the Jamaican population.

Effective March 31, 2011, the Government of Jamaica took the decision to cease the operations of Health Corporation Limited (HCL) and that the NHF assumes the functions previously performed by HCL. The NHF ACT was amended on March 8, 2011 to facilitate these changes.

The NHF Pharmaceutical Division, located at 78 Marcus Garvey Drive, Kingston 13, now has responsibilities for the procurement, warehousing and distribution of pharmaceuticals and medical supplies for the state-owned hospitals and health centers, as well as the Drug Serv pharmacies.

The Schedule of Requirements for pharmaceuticals is based on the Ministry of Health's Vital, Essential and Necessary (VEN) List, as well as items used in the Jamaica Drug for the Elderly Programme (JADEP).

The contract period is for twenty-four (24) months from March 1, 2012 to February 28, 2014. Bids are invited approximately eight (8) months before the start of the contract period.

Tendering System

NHF has adopted a sophisticated tendering system which allows it to purchase pharmaceuticals not only from well established brand-name companies, but also from proven and reliable generic companies around the world. The company also procures by way of international limited tender.

Criteria for Selection

NHF aims to obtain quality pharmaceuticals at the best prices. The company does not bind itself to accept the lowest or any bid and is influenced by other factors including registration of pharmaceutical products, lead time, payment terms and past performance of suppliers.

The company has implemented a Supplier Performance Evaluation System which monitors each supplier's performance in relation to the terms contained in the tender documents.

Standards

National Health Fund insists that all its pharmaceutical imports conform with the international standards set out by (i) the United States Pharmacopoeia and/or (ii) the British Pharmacopoeia, which are internationally recognized as indicators of the standard and efficacy of all ethical pharmaceuticals. Additionally, all pharmaceutical products must be registered with the Ministry of Health in keeping with the requirements of the Food and Drug Act of Jamaica.

Registration

Only bids for pharmaceuticals registered in accordance with the Food and Drug Act 1964 of the laws of Jamaica are considered. The registration of pharmaceuticals takes approximately six months. A sample of the registration form can be seen on pages four (iv), five (v) and six (vi).

Potential Bidders with pharmaceutical products not registered with the Ministry of Health in Jamaica, are advised to start the registration process to ensure eligibility for future tenders.

Patent

Where a patent exists, bidders are required to prove that such patent is lodged in Jamaica and is currently in effect.

Advertising Invitations to Bid

To ensure wide participation, the Invitation to Bid is advertised in local newspapers and is also sent to locally represented embassies and suppliers on NHF's mailing list. Companies wishing to be included on NHF's mailing list may contact, The Purchasing Manager, National Health Fund Pharmaceutical Division, 78 Marcus Garvey Drive, Kingston 13, Jamaica, West Indies, Telephone (876) 923-6926-8, 923-6920, 757-8413, Telefax (876) 923-7159/757-3690, E-Mail: imcintosh@nhf.org.jm

Tender Process

Bid documents, comprised of the Instructions to Bidders, General Conditions of Contract, Special Condition of Contract, Tender Form, Schedule of Estimated Requirements, Payment Form and Form for Registration of a New Drug, give clear guidelines for the supply of pharmaceuticals. Bidders wishing to participate in the tender are required to purchase a set of bidding documents.

Bid submissions are opened in the presence of a Procurement Tender Committee, as well as bidders' representatives who chose to attend.

National Health Fund's technical staff performs a preliminary evaluation of the bids and compiles a Schedule of Recommended Awards which is presented to the Tender Committee for their approval. Awards are made on an item-by-item basis. Awards valued under JAS\$10 million are approved by the Tender Committee. Awards valued JAS\$10 million and below JAS\$30 million are endorsed by the National Contracts Commission and approved by the Minister of Health. Awards valued over JAS\$30 million are approved by Cabinet.

All bidders are notified of acceptance and/or rejection of bids.

Further information may be obtained from National Health Fund Pharmaceutical Division or on the company's website www.nhf.org.jm

**VP Pharmaceutical Division
March 29, 2012**