**Ministry of Health**

**Request for Proposal**

**National Telehealth Service**

**Part 3 – Supplier’s Price Response**

**Date RFP Issued: Monday, 12 January 2015**



**What’s inside?**

Introduction: Mandatory, Optional, Pricing Information

Part 3a – Forecast financial statements

Part 3b – Pricing information 1 November 2015 to 30 June 2016

Part 3c – Pricing information 1 July 2016 to 30 June 2021

Part 3d – Milestone payments (if any) prior to 1 November 2015

Part 3e – Pricing innovations

Supplier’s Checklist

**Supplier’s Price Proposal**

## RFP: National Telehealth Service

# Introduction

## Supplier’s Price Proposal – Part 3 is comprised of five parts:

## Mandatory

* **Part 3a** – Forecast financial statements (parent and group).
* **Part 3b** – The Supplier’s pricing for services between 1 November 2015 and 30 June 2016.
* **Part 3c** – The Supplier’s pricing for services between 1 July 2016 and 30 June 2021.

## Optional

* **Part 3d** – Potential milestone payment(s) (if any) prior to 1 November 2015.
* **Part 3e** – Potential innovations in the way services are charged that may better align with the Buyer’s investment objectives.

## Pricing Information

Suppliers are to provide their pricing information in accordance with the following guidance:

1. Suppliers are to use the template **“Supplier’s Price Proposal – Part 3”.**
2. The tendered price must include all costs and charges associated with full delivery against the Buyer’s Requirements. Where the tendered price does not include full delivery of the Buyer’s Requirements for the full **or** part-year, this must be clearly stated in the description field.
3. Prices should be quoted in NZD. The Buyer will arrange contractual payments in NZD.
4. Prices should be quoted GST exclusive.
5. The total contract price must be stated for all fields.
6. The pricing structure must be transparent, with all assumptions clearly stated. The impact of any assumptions must be clearly stated where assumptions may affect the price. Any pricing exclusions must be clearly stated to ensure that there are no hidden costs.
7. Where a Supplier would like to use an alternative method of pricing (i.e. a pricing approach that is different to the pricing template described in Paragraph One), this can be submitted in addition to the pricing template described in Paragraph One.

# Part 3a – Forecast Financial Statements

## Introduction

The purpose of this section is to assess the financial viability and sustainability of the Supplier, and to assess the impact that the National Telehealth Service will have on the Supplier’s statements of financial performance and position.

**Information Requested**

Please provide forecast consolidated financial statements, prepared in accordance with New Zealand equivalents to International Financial Reporting Standards. Consolidated financial statement should take into account specific disclosure requirements for the Supplier (e.g. differential reporting).

* Forecast financial statements for the 2015 to 2017 (3 years) or other prospective information if available.

Please ensure that all assumptions and material variances between years are explained.

# Part 3b – Pricing information 1 November 2015 to 30 June 2016

Please describe your proposed pricing for each Service Item listed below. Where possible, each Service Item should have all direct costs assigned to it (e.g. personnel, service marketing, infrastructure etc.).

All other costs, such as those shared between services (e.g. managerial functions, IT infrastructure etc.), should be assigned to each Service Item on a proportional, pro-rata basis.[[1]](#footnote-1) Otherwise, please indicate any additional items by adding rows at the bottom of this table.

The ‘total’ cell is your proposed price for services between 1 November 2015 and 30 June 2016.

| **Commentary** | | | **Pricing Information** | |
| --- | --- | --- | --- | --- |
| **Mandatory or optional** | **Service Item** | **Description (e.g. dates services come on board)** | **Total (excl. GST)** | **Assumptions[[2]](#footnote-2)** |
| Mandatory | Clinical (Nurse) triage |  |  |  |
| Ambulance additions to clinical triage |  |  |  |
| Poison advice |  |  |  |
| Stop smoking support services |  |  |  |
| Gambling support services |  |  |  |
| Alcohol and other drug support services |  |  |  |
| Depression support services |  |  |  |
| Directory of services |  |  |  |
| Optional | Insert other items as required |  |  |  |
|  |  | **Total:** |  |  |

# Part 3c – Pricing information 1 July 2016 to 30 June 2021

Please describe your proposed pricing for the on-going delivery of each Service Item listed below, for the initial Contract term.

The pricing should follow the same format as for Part 3b. Such that each Service Item: has all direct costs assigned to it; other costs shared between services are assigned on a proportional, pro-rata basis; and any assumptions that if incorrect would materially affect the validity of your quotation are listed in the assumptions column. Additional items can be provided by adding rows at the bottom of this table.

The ‘total’ cell is GST exclusive and is your proposed annual price for services between 1 July 2016 and 30 June 2021. Explicitly state if: (1) any commentary relates to a specific annual period; and (2) any assumptions relate to a specific annual period, otherwise the assumption will be made that it relates to all five years.

| **Commentary** | | | **Pricing Information** | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Mandatory or optional** | **Service Item** | **Description (e.g. service changes)** | **2016/17 Total** | **2017/18 Total** | **2018/19 Total** | **2019/20 Total** | **2020/21 Total** | **Assumptions** |
| Mandatory | Clinical (Nurse) Triage |  |  |  |  |  |  |  |
| Ambulance additions to clinical triage |  |  |  |  |  |  |  |
| Poison Advice |  |  |  |  |  |  |  |
| Stop smoking support services |  |  |  |  |  |  |  |
| Gambling support services |  |  |  |  |  |  |  |
| Alcohol and other drug support services |  |  |  |  |  |  |  |
| Depression support services |  |  |  |  |  |  |  |
| Directory of services |  |  |  |  |  |  |  |
| Optional | Insert other items as required |  |  |  |  |  |  |  |
|  |  | **Total:** |  |  |  |  |  |  |

# Part 3d – Milestone payments (if any) prior to 1 November 2015

The Buyer may consider progress payments prior to ‘go-live’ that directly relate to major readiness milestones. If applicable, please list these milestones below along with a description of how any progress payment(s) will be used.

| **Milestone** | **Description and proposed date or stage during implementation** | **Price (excl. GST)** | **Assumptions** |
| --- | --- | --- | --- |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  | **Total:** |  |  |

# Part 3e – Pricing innovations

The Buyer is open to innovative suggestions from Suppliers on potential payment or pricing mechanisms that could encourage and incentivise behaviour that is aligned to the Buyers’ investment objectives. Please describe any pricing innovations that the Buyer could take under consideration during evaluation as well as the potential benefit of these innovations.

| **Pricing innovation** | **Potential benefit** |
| --- | --- |
| e.g. volume based fee for services, performances bonuses and penalties, stretch targets etc. |  |
|  |  |
|  |  |
|  |  |

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# Supplier’s Checklist

Make sure you include everything that is asked for in this RFP. Use this check list when finalising your Response.

|  |  |  |
| --- | --- | --- |
| **Things to be included with your response** | **Part 3** | **Electronic copy required** |
| 1. Forecast financial statements (parent and group) | Section a | ✓ |
| 1. The Supplier’s pricing for services between 1 November 2015 and 30 June 2016 | Section b | ✓ |
| 1. The Supplier’s pricing for services between 1 July 2016 and 30 June 2021 | Section c | ✓ |
| 1. Potential milestone payment(s) (if any) prior to 1 November 2015 | Section d | ✓ |
| 1. Potential innovations in the way services are charged that may better align with the Buyer’s investment objectives | Section e | ✓ |

1. For example, if Clinical (Nurse) Triage represents 20% of total direct costs relative to other Service Items, then it should have 20% of shared costs and other overheads assigned to it. [↑](#footnote-ref-1)
2. In preparing your quotation, if you have made any significant assumptions, that if incorrect would materially affect the validity of your quotation, please list them in the assumptions column. [↑](#footnote-ref-2)