

COMMONWEALTH OF VIRGINIA
DIVISION OF PURCHASES AND SUPPLY
1111 E. BROAD STREET
P. O. BOX 1199
RICHMOND, VIRGINIA 23218-1199

NOTICE OF RENEWAL/MODIFICATION

1. DATE **October 31, 2011**
2. COMMODITY NAME Pharmaceutical Products (Prime Vendor Services)
3. CONTRACT NUMBER MMS10001
4. CONTRACT PERIOD **November 1, 2011 through October 31, 2013**
5. SUPERSEDES DPS CONTRACT 91033-60
6. AUTHORIZED USERS Approved State Agencies and Public Bodies (Membership Application Form must be completed)
7. CONTRACTOR(S) FEIN NUMBER 680158739
8. CONTRACTOR Cardinal Health 110, Inc.
700 Cardinal Place
Dublin, OH 43015
10. MINIMUM ORDER None
11. FOR FURTHER CONTRACT INFORMATION CONTACT Tina M. Rodriguez, CPPB, VCO
Phone: (804) 786-1603
Fax: (804) 786-5712
Email: tina.rodriguez@dgs.virginia.gov
12. ADDITIONAL COPIES OF THIS DOCUMENT, AND ANY ASSOCIATED CONTRACT CHANGES MAY BE VIEWED AND/OR PRINTED AT THE DPS WEBSITE:
<https://dps.dgs.virginia.gov/dps/contracts/covacontractsinfo.aspx>. Supporting MMCAP documents can be found on the MMCAP WEBSITE along with pricing schedules www.mmcap.org.
13. NOTICE TO ALL PRE-APPROVED STATE AGENCIES: This contract is the result of a competitive negotiation process and its use is **Mandatory** for all approved State Agencies (unless otherwise indicated in item 6 above) in the purchase of any commodity listed herein. If the commodity or services available under this contract cannot be used by an agency, a request to purchase other goods or services of a similar nature shall be submitted to the appropriate DGS/DPS contract/purchase officer for approval. A complete and factual written justification is necessary to support the request. Refer to Chapter 13, Section 13.7a of the Agency Procurement and Surplus Property Manual.
14. **Note:** This public body does not discriminate against faith-based organizations in accordance with the *Code of Virginia*, § 2.2-4343.1 or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

By: _____
Tina M. Rodriguez, CPPB, VCO
Statewide Contract Officer

INSTRUCTIONS FOR PARTICIPATING MEMBERS

1. Pursuant to the Division of Purchases and Supply, Agency Procurement and Surplus Property Manual, Chapter 14, Electronic Procurement, Section 14.9, Use of eVA and Exclusions, b., 14. and 15., purchases made from the Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP) are excluded from eVA. **All orders shall be placed through the closed loop system Cardinal.com.**
2. **In order to participate in this Contract and the MMCAP program**, a Participating Membership Application* **MUST** be completed, signed and faxed to Tina Rodriguez, Statewide Contract Officer at 804-786-5712 for the state level approval. After the state level approval is complete, the application is forwarded to MMCAP for final approval. After final approval is complete, an email will be sent by MMCAP, to the requesting agency, outlining detailed instructions on website navigation, user id, password, and ordering procedures.
3. CARDINAL HEALTH 110, INC. IS THE DESIGNATED DISTRIBUTOR ASSIGNED TO THE COMMONWEALTH OF VIRGINIA. All orders issued against this contract (with the exception of the flu vaccine and possibly a few other identified direct manufacturer products) shall be placed through the closed loop system of Cardinal.com. An online tutorial for the Cardinal ordering system can be found on the MMCAP website <http://www.mmd.admin.state.mn.us/MMCAP/Member/Document/111708%20Ordering%20on%20O.com%20for%20MMCAP.pdf>. Cardinal should only be contacted **AFTER** the membership application has been approved; a logon (to include a password and user ID) is received along with ordering instructions. All of which will be issued by MMCAP.
4. Inspection on delivery and approval of vendor's invoice is the responsibility of receiving state agency, Virginia City, county, town or political subdivision.
5. **One (1) one-year renewal remains.** The Commonwealth of Virginia portion of this Contract will be renewed once a formal renewal has been completed by the State of Minnesota.
6. Pricing. Please refer to the MMCAP website for current pricing and actual signed Contract documents.

* This form may be revised throughout the life of this Contract. Participating members may be required to update information periodically.

AMENDMENT NO. 8 TO MMCAP CONTRACT NO. MMS10001

THIS AMENDMENT is by and between the State of Minnesota, acting through its commissioner of Administration ("State") on behalf of the Minnesota Multistate Contracting Alliance for Pharmacy ("MMCAP") and Cardinal Health 110, Inc. and Cardinal Health 411, Inc., 7000 Cardinal Place, Dublin, OH 43017 ("Vendor").

MMCAP has a contract with the Vendor identified as Contract No. MMS10001 (Original Contract). MMCAP and the Vendor are willing to amend the Original Contract as stated below.

Contract Amendment (LM)

Effective when signed the following modifications will be made:

Modification #1

Article 1.2 of the Original Contract is amended to read:

1.2 Expiration date: October 31, 2013, or until all obligations have been satisfactorily fulfilled, whichever occurs first. The Contract may be extended for one (1) additional one (1)-year period based on written acceptance of both parties.

Modification #2

Article 4.3, Sections 4.3.B.3 of Attachment A, is modified to add:

Vendor will make its best efforts to notify MMCAP at least three (3) business days in advance of any meeting between the Vendor, any MMCAP Member State or Participating Facility, or any potential MMCAP Member State or Participating Facility when the meeting topics will address issues beyond standard operational issues including, but not limited to requests for proposals, legislative activities concerning any products or services covered by this Contract, or expansion of Cardinal's presence in that organization or state. If MMCAP is not an attendee at the meeting, Vendor agrees to provide a detailed account of the meeting to MMCAP no later than five (5) business days after the meeting. It is understood that MMCAP member facilities may bring up discussions noted in this section without prior notice to Cardinal Health.

Modification #3

Article 4.5, Sections 4.5.C.11 of Attachment A, is modified to add:

Vendor shall notify MMCAP at least ten (10) business days in advance of any changes to the list of possible inventory stocking codes viewable on cardinal.com. A complete list of all possible stocking codes and thorough descriptions of each code will be provided. MMCAP staff and Participating Facilities must be informed of any potential changes to demand shift logic and stocking request procedures.

Modification #4

Article 4.15, Sections 4.15.A.13 of Attachment A, is modified to add:

Vendor will not use MMCAP pricing or manufacturer contract terms in Vendor's generic pricing program or for any other use beyond managing the MMCAP contract for Participating Facilities. Vendor shall maintain appropriate policies, procedures and information technology and infrastructure to ensure that only those employees of Vendor that have a need to know for performance under this Contract have access to MMCAP Vendor Contracts, Product lists, discounts, prices and any other information that would qualify as competitive information in connection with the Contracts.

Modification #5

Article 4.20 is amended to add, and the reference to Article 4.20 in Attachment B on page 6 is deleted in its entirety, and replaced with the following:

In consideration for services provided by MMCAP, Vendor will pay an administrative fee of 0.32% on all MMCAP Participating Facility purchases (less any credits and returns) made through Vendor. Administrative fees will not be paid on, 340b, PHS, or ADAP sales or Prime Vendor DSH sales. The administrative fee must be paid as soon as is reasonable after the end of each month, but no later than 30 calendar days after the end of the month. Vendor will not pay member state specific administrative or procurement fees that are not considered "pass through". "Pass Through" fees are included in state specific terms and conditions requiring Cardinal Health to increase Service Fees and then passing them through in the form of a check to the designated State entity.

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Modification #6

Exhibit C is modified to add:

Individual MMCAP Members Contracting. Nothing contained in this Agreement shall prohibit Vendor from offering an enhanced service fee matrix beyond that covered by this Agreement to current or potential MMCAP Members when regional or market opportunities present themselves; the service fee matrix found in this Exhibit C will be used as the base offer. The Vendor will communicate to the MMCAP Office in advance of all offers.

Modification #7

Article 4.8, Sections 4.8.A.1 of Attachment A is modified to delete:

Average Wholesale Cost, Wholesale Acquisition, UPN (Universal Product Number)

Modification #8

Article 4.5.B.6 of Attachment A is modified to delete:

For products marked as non-stock, Vendor must submit a monthly report on how equivalent generic purchasing is impacting non movement.

Modification #9

Article 7 of the Original Contract is deleted in its entirety and replaced with the following:

MMCAP's Authorized Representative is Laura Muetzel, MMCAP Pharmacy Prime Vendor (PPV) Coordinator, or his/her successor, and has the responsibility to monitor the Vendor's performance and the authority to accept the services provided to MMCAP under this contract. Vendor acknowledges that PPV Coordinator is the primary contact for all Contract activities and strategic planning.

The Vendor's Authorized Representative is Kate Spirko, Vice President – Government Accounts, 7000 Cardinal Place, Dublin, OH 43017, (614) 757-7782, or his/her successor. If the Vendor's Authorized Representative changes at any time during this contract, the Vendor must immediately notify MMCAP.

Modification #10

Article 8 of the Original Contract is amended to read:

MMCAP Pharmacy Prime Vendor Coordinator
50 Sherburne Avenue, Suite 112
St. Paul, MN 55155
Fax: 651.297.3996

Modification #11

Article 4.16 of Attachment A is modified to add:

Vendor will provide the reports listed herein for all MMCAP Participating Facilities regardless of a primary GPO affiliation other than MMCAP. Reports will not include pricing or other contract details for GPO purchases not associated with MMCAP. Vendor agrees that any similar reports provided to other GPOs for shared Participating Facilities will not include MMCAP pricing or contract details.

Modification #12

Article 4.11 B of Attachment A is modified to read:

Vendor agrees to report contract compliance using MMCAP Office's preferred calculations when requested by MMCAP Participating Facilities, the MMCAP Office or any other entities designated by the MMCAP Office.

Modification #13

Article 4.19 Sections 4.19.3 and 4.19.4 of Attachment A are deleted in entirety and replaced with the following:

3. Within 30 business days of the receipt of the funds and the list of facilities receiving credit, Vendor must provide to the MMCAP Office an Excel Spreadsheet detailing the credit memo information. This Excel listing must include the following fields: distribution center, account number, facility name, facility address, facility city, facility state,

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DEA, HIN, date of credit memo, credit memo number, and credit memo amount. In addition to supplying the credit memo detail to the MMCAP Office, Cardinal Health will also provide a listing of all accounts that are inactive that cannot have a credit memo issued.

4. Within 60 days of the date credits were applied and the inactive accounts are communicated as stated in the above process (#3), the MMCAP office must provide W-9 documents to Cardinal Health for any facilities found on the "Inactive Account" listing provided that expect to receive their credits in the form of a check. All other outstanding credits will be refunded to the MMCAP Office in the form of a check at the end of the 60 day waiting period.

Modification #14

Article 4.3 Sections 4.3.A.2 of Attachment A is deleted in its entirety.

Modification #15

Article 4.3 Sections 4.3.A.3 of Attachment A is deleted in its entirety and replaced with the following Additional Functional Contacts include the following contacts. The appropriate contacts will have inquiries directed to them when submitted to Cardinal Health via the Sharepoint site provided to the MMCAP Office:

- a. Inventory Management related issues. Stocking requests. Holly Kartscher, holly.kartscher@cardinalhealth.com 614-757-4622
- b. Contract pricing and membership discrepancies, Pricing & Research, PricingResearch@cardinalhealth.com
- c. Vendor Service Fees, Anita Anderson, anita.anderson01@cardinalhealth.com, 614-657-4158
- d. PPV Agreement Questions, Anita Anderson, anita.anderson01@cardinalhealth.com, 614-657-4158

Modification #16

Article 4.3 Sections 4.3.A.4 of Attachment A is deleted in its entirety and replaced with the following:

In the event the MMCAP Office determines the Primary Account Representative is non-responsive, the MMCAP Offices will escalate to Kate Spirko, VP Government Accounts, Kate.Spirko@cardinalhealth.com, 614-757-4671.

Modification #17

Article 4.5, Sections 4.5.C.8 of Attachment A, is modified to add:

In the event MMCAP chooses to process Failure to Supply claims on behalf of the MMCAP Participating Facilities, Vendor will receive 30 days' advanced written notice. Vendor agrees to accept electronic claims from MMCAP, and/or the MMCAP Participating Facility. Electronic claims will identify the specific contract Products for which alternative products were purchased and the amount of reimbursement claimed on behalf of each MMCAP Participating Facility for the additional cost incurred in purchasing the alternative products. Reimbursement amounts will be calculated by subtracting the MMCAP Product invoice amount from the purchase invoice amount, excluding all other fees. Vendor must pay such claims in the form of a credit within 30 days of receipt of a claim as described above. If Vendor does not pay such claim within such thirty (30) day period, MMCAP will have the right to charge, and Vendor agrees to pay, a late fee equal to the statutory maximum allowable percentage per month of the amount of any unpaid claim.

Modification #18

Article 4.3 Section 4.3.A.6.c is modified to add:

Vendor and MMCAP agree to conduct a complete contract review no later than November 1, 2012 to determine areas of non-compliance from both parties.

Modification #19

Article 4.5 Section 4.5.B.2 of Attachment A is modified to change the first sentence as follows:

The MMCAP office must be notified no later than (5) business days if any of the MMCAP contracted manufacturers contracts are terminated or expire via a Weekly Contract Changes report found in section 4.16 D.

Modification #20

Article 4.11 Section 4.11.A bullet 2 of Attachment A is deleted in its entirety and replaced with the following:

Vendor account number

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Except as herein amended, the provisions of the Original Contract between the parties hereto are expressly reaffirmed and remain in full force and effect.

**1. CARDINAL HEALTH 110, INC. AND
CARDINAL HEALTH 411, INC.**

The Vendor certifies that the appropriate person(s) have executed this Agreement on behalf of the Vendor as required by applicable Articles, bylaws, resolutions, or ordinances.

By: Kathirke
Title: Vice President, Government Accounts
Date: October 26, 2011

By: James Scott
Title: SVP, National Markets
Date: 10/26/2011

2. STATE OF MINNESOTA FOR MMCAP

In accordance with Minn. Stat. ' 16C.03, Subd. 3

By: Sara Turnbow, PharmD, BCPS
Title: Pharmacist Sr.
Date: 10-26-11

3. COMMISSIONER OF ADMINISTRATION

In accordance with Minn. Stat. ' 16C.05, Subd. 2

By: Dan Hoang, PharmD, MBA
Title: Pharmacist Senior
Date: October 26, 2011