

**STATE OF MINNESOTA  
DEPARTMENT OF ADMINISTRATION  
MINNESOTA MULTISTATE CONTRACTING ALLIANCE FOR PHARMACY**

This Contract is between the State of Minnesota, acting through its Commissioner of Administration, on behalf of Minnesota Multistate Contracting Alliance for Pharmacy ("MMCAP") **Cardinal Health 411, Inc. and Cardinal Health 110, LLC**, 7000 Cardinal Place, Dublin, Ohio 43017 ("Vendor").

Pursuant to Minnesota Statutes Section 16C.03, the Commissioner of Administration may enter into this contract on behalf of MMCAP for the benefit of its members.

MMCAP is a group purchasing organization as defined in 42 U.S.C. § 1320a-7b(b)(3)(c) and maintains that it is structured to comply with the requirements of the Safe Harbor regulations regarding payments to group purchasing organizations set forth in 42 C.F.R. § 1001.952(j). MMCAP consists of government-run health care facilities and contracts for pharmaceuticals and certain health care products for its members' use. Participation in MMCAP is limited to facilities within member states that are specifically permitted by the member state's statutes to purchase goods from the member state's contracts. Participation is generally available to facilities run by state agencies, counties, cities, townships, and school districts.

The Vendor wishes to contract with MMCAP to supply products to MMCAP Participating Facilities.

**1 Term of Contract**

**1.1 Effective date:** July 1, 2015, or the date MMCAP obtains all required signatures under Minnesota Statutes Section 16C.05, subdivision 2, whichever is later.

**1.2 Expiration date:** June 30, 2019, or as cancelled pursuant to Article 19. The Contract may be extended upon mutual agreement of both parties.

**1.3 Survival of Terms.** The following clauses survive the expiration or cancellation of this Contract: 5. Liability; 6. State Audits; 7. Government Data Practices and Intellectual Property; 8. Publicity and Endorsement; 9. Governing Law, Jurisdiction, and Venue; and 15. Data Disclosure.

**2 Contracted Products**

**2.1 Product Availability.**

2.1.1 The Vendor will supply the Products at the prices listed in Attachment A (Products), which is attached and incorporated, to MMCAP Participating Facilities that have selected Cardinal Health as their Authorized Wholesaler via the MMCAP/Cardinal Health wholesaler contract (hereinafter referred to as "Authorized Wholesaler").

2.1.2 Direct sales to MMCAP Participating Facilities, not processed through the MMCAP/Cardinal Health wholesaler contract may result in immediate termination of this Contract at the sole discretion of MMCAP.

**2.1.3 Reserved**

2.1.4 It is the responsibility of the Vendor to maintain sufficient inventory levels for all Products to meet the needs of the MMCAP Participating Facilities.

2.1.5 Vendor must notify MMCAP promptly of any issues that could affect Product availability. Notices must be sent to: [MMCAP.Contracts@state.mn.us](mailto:MMCAP.Contracts@state.mn.us).

**2.2 Reserved**

2.3 FDA-Certified Drug Application. The Vendor acknowledges that each Product has, if required by law, an FDA-certified New Drug Application, an Abbreviated New Drug Application, or a Biologics License Application on file and accepts the liability with which such application confers. The Vendor guarantees to furnish no Product under this Contract that is adulterated or misbranded within the meaning of the Federal Food, Drug and Cosmetic Act, or any regulation of the Federal Food and Drug Administration, or as required by each member state's Board of

Pharmacy.

**2.4 Pricing.**

**2.4.1 Non-Fixed, 30 Day Notice:**

All Products listed as Non-Fixed, 30 Day Notice on Attachment A require notice of price increases be submitted to [MMCAP.Contracts@state.mn.us](mailto:MMCAP.Contracts@state.mn.us) at least 30 calendar days (as applicable) before the requested price increase may take effect. Notwithstanding this provision, no price increases can become effective until 120 calendar days after the effective date of the Contract; unless a force majeure condition can be established and is approved by the MMCAP Authorized Representative. In the event of any price reduction, the Vendor will advise MMCAP in writing as set forth in Article 2.7.

2.4.2 If Vendor fails to honor price reduction notification(s) after an MMCAP amendment has been signed, Vendor agrees to honor all chargebacks at the reduced contract price from the effective date indicated on the fully executed Contract amendment. In the event of a price increase, if Vendor fails to provide the required advanced written notice of a price increase to MMCAP, Vendor will honor all chargebacks at the current contract price until MMCAP reviews and approves the price increase.

2.4.3 Deleted in its entirety.

2.4.4 If MMCAP identifies a product that is less than the MMCAP contract price for a Product, the Vendor may match the lower general market price. If the Vendor does not match the lower price, MMCAP reserves the right to dual award or re-award the Product.

2.4.5 In the event of any price increase, MMCAP reserves the right to obtain quotes from other vendors and reserves the right to dual award the product to the vendor offering the best value.

2.4.6 In order for Vendor to receive right of first refusal on post-180 calendar day new generic products (e.g., authorized generics), the new generic product must be offered to MMCAP as a contracted Product at least 150 calendar days before the expiration of the 180 calendar day exclusivity period. Failure to do so waives Vendor's right of first refusal.

2.4.7 If Vendor elects to submit an offer for a product currently awarded to another vendor, each vendor will be permitted one best and final offer. If Vendor's awarded product is challenged by another vendor, each vendor will be provided one best and final offer.

2.4.8 MMCAP reserves the right during the term of the Contract to award or dual award Products based on the following: family awards, product formulations, (e.g., alcohol free/sugar free, flavor, product, size), packaging type based on facility need (e.g., non-metal tubes for correctional facilities, etc.), drugs not carried by MMCAP Authorized Wholesaler due to "pedigree law" requirements, drugs not eligible for reimbursement by Medicaid, look-alike/sound-alike products, products with tall-man lettering, products with unit-of-use barcoding, specific products requested by MMCAP Participating Facilities, recall situations, product shortages, failure to supply situations, and in situations that are in the best interest of the MMCAP Participating Facilities.

2.4.9 With the exception of a recall, if the Vendor removes a Product from Attachment A during the term of this Contract, Vendor must provide written notice to MMCAP at least 30 days prior to the removal and will honor contract pricing until Vendor's inventory is depleted. If inventory is depleted prior to the end of the 30 day period, Vendor will pay Failure to Supply claims as set forth in Article 2.5.

**2.5 Failure to Supply (FTS) Contracted Pharmaceuticals.**

2.5.1 If Vendor fails to maintain sufficient inventory to meet the anticipated needs of MMCAP Participating Facilities for any Products, the ordering MMCAP Participating Facility may purchase an alternate equivalent generic product on the open market for the period in which the Vendor is unable to provide the Product. The Vendor will be liable for any excess cost over the MMCAP contracted price and the alternate price of the product supplied by the alternate vendor.

2.5.2 If Vendor cannot supply in sufficient quantities, MMCAP may at its discretion add an additional vendor(s) as needed to meet the needs of its members.

2.5.3 Vendor must provide written notice of all Product backorders expected to last longer than 30 calendar days and/or inability to supply situations to MMCAP within 24 hours of the knowledge of the situation. Notices must

include the reason(s) for and the expected duration of the issue. Notices must be sent to:

[MMCAP.Contracts@state.mn.us](mailto:MMCAP.Contracts@state.mn.us).

2.5.4 Vendor will use the price of the MMCAP contracted product and the invoice price of the alternate generic product to determine the amount of reimbursement for failure to supply claims.

2.5.5 MMCAP Participating Facilities will submit the following information to the Vendor for each product that reimbursement is expected:

- MMCAP Participating Facility Name, Address, City, State, Zip
- MMCAP Participating Facility DEA or HIN
- MMCAP Participating Facility point of contact for reimbursement (including telephone number and e-mail address)
- MMCAP contract NDC number
- Product description
- MMCAP contract price
- Cardinal Health account number
- Distribution service fee
- MMCAP Participating Facility purchase price
- Alternate NDC
- Alternate NDC manufacturer
- Alternate NDC purchase price
- Alternate NDC quantity purchased
- Alternate NDC date purchased
- Amount due
- Reason (e.g., brief description, such as Manufacturer Backorder)
- A copy of the invoice showing the purchase of an equivalent generic product from the alternate source

2.5.6 Vendor must pay claims directly to the MMCAP Participating Facility within 30 days of receipt of a claim as described above. The MMCAP Participating Facility has 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 claim within 30 days from receipt of the claim. A detailed payment of claim report must be provided with payment to the MMCAP Participating Facility.

2.5.7 Failure to supply claims may be submitted if MMCAP Participating Facilities show that a purchase attempt was made for a Product and such purchase attempt was not partially or completely filled for a quantity not to exceed 150% of the previous quarter's monthly average.

2.5.8 If Vendor can prove that its inability to supply any Product was not due to its acts or omissions, then Vendor will not be liable for any such failure to supply claim.

2.5.9 Vendor will be responsible for payment of Failure to Supply claims for 180 calendar days unless the Vendor has provided MMCAP with at least 180 calendar days' advanced written notice of the intent to remove said Product(s) from production and discontinue distribution in the U.S. market. Vendor will remain responsible for all Failure to Supply claims during the 180-day notice period.

2.5.10 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, any MMCAP-contracted failure to supply claims system vendor, 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. Vendor must pay such claims to the MMCAP Participating Facilities within 30 days of receipt of a claim as described above. 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 claim within 30 days from receipt of the claim. A detailed payment of claim report must accompany payment. All Failure to Supply payments made to MMCAP must be separate from administrative fee payments and must be clearly identified as such.

2.5.11 Vendor's address for FTS reimbursement:

Attn: Naomi Duvall

7000 Cardinal Place,

Dublin, OH 43017

Naomi.Duvall@cardinalhealth.com

**2.6 First DataBank, Inc.** All contracted prescription Products must have an 11-digit NDC code that is registered with First DataBank, Inc., unless such designation is expressly waived by an MMCAP Authorized Representative. If NDC codes are not applicable (e.g., OTC products), Vendor must use the product's UPC number to create an 11-digit number by adding a zero to the sixth position (e.g., 5-5 [99999-99999] becomes 5-4-2 [99999-0999-99]). If the Product does not have an NDC number or a UPC code, Vendor must use its product number with leading zeroes (e.g., product #90024 = 00000-0900-24).

**2.7 Contract Changes.**

**2.7.1 Product Offers and Amendments.** Any changes to this Contract, including but not limited to product additions/deletions, price changes, NDC changes, changes to terms and conditions, etc., must be made in writing as an amendment and must be fully executed by the effective date of the amendment. Vendor-generated Product offers and notifications may be used as amendments to Attachment A by submitting to MMCAP a letter on Vendor's letterhead with the following elements:

- Offer Date
- MMCAP Contract Number
- Action (e.g., addition, deletion, price change, NDC conversion)
- NDC Number
- Product Description
- Packaging
- Contract Price
- Pricing Type
- Amendment Effective Date
- Signature of an individual authorized to bind Vendor's change to contract. A typed name, regardless of font, does not constitute a signature.

2.7.2 If the product offer is accepted by MMCAP and is executed by Vendor as well as the authorized State of Minnesota representatives, the product offer letter will automatically amend Attachment A of this Contract; and if not clearly stated on the offer, the effective date will be what is agreed to by the parties and written on the amendment. With regard to Vendor-initiated offers that become amendments, MMCAP will clearly indicate on the offer which products, if any, will not be amended into Attachment A. Except as specifically offered by Vendor and accepted in writing by MMCAP, all other terms, conditions, and Products listed in Attachment A will remain in full force and effect. In the event the Vendor is unwilling or unable to provide offers in this format, MMCAP will draft all amendments.

2.7.3 Deleted in its entirety.

**2.8 MMCAP Participating Facilities.**

2.8.1 The Vendor must allow new MMCAP Participating Facilities joining MMCAP to be added to the MMCAP Membership List (password protected and published online at [www.mmcap.org](http://www.mmcap.org)) and to access contract prices for Products as set forth on Attachment A throughout the term of this Contract. As new MMCAP Participating Facilities are added to MMCAP's Membership List, the Vendor will be given 7 days from date of notification to implement contract pricing. MMCAP will provide Vendor with monthly e-mail notices announcing that a new MMCAP Membership List has been posted online.

2.8.2 MMCAP reserves the right to add and delete MMCAP Participating Facilities during the term of this Contract.



2.8.3 If Vendor maintains class of trade restrictions, eligibility criteria must be listed in this Article 2.8, if applicable. If Vendor maintains class of trade restrictions which are not present or expressly defined in this Contract, MMCAP reserves the right to cancel this Contract and to reject any proposal submitted by the Vendor in any subsequent solicitations.

2.8.4 If Vendor maintains class of trade restrictions, monthly electronic eligibility lists must be sent to MMCAP at the following e-mail address: [MMCAP.Contracts@state.mn.us](mailto:MMCAP.Contracts@state.mn.us)

2.8.5 Certification, eligibility, or GPO declaration forms maintained by Vendor must be attached and incorporated into this Contract, if applicable.

2.8.6 Vendor must notify MMCAP at least 30 days prior to removing any MMCAP Participating Facilities from contract pricing. Notices must be sent to: [MMCAP.Contracts@state.mn.us](mailto:MMCAP.Contracts@state.mn.us). If MMCAP does not receive notification that an MMCAP Participating Facility has been removed from contract pricing, Vendor will honor pricing until 30 days after such notice is provided to MMCAP.

**2.9 Leader® Administrative Fee.** In consideration for the reports and services provided by MMCAP, the Vendor will pay an administrative fee on all contract purchases for Products (minus any credits) made through Vendor. The Vendor will submit a check payable to "State of Minnesota, MMCAP Program" for an amount equal to 3% of MMCAP Participating Facilities' purchases for all Products. Any Products that are offered through Vendor's Generic Drug Program as referenced in Section 4.15 of the MMCAP/Cardinal Health 110, Inc. and Cardinal Health 411, Inc. Contract MMS15001 will be credited as an MMCAP contract sale under this Contract MMS15064 and therefore subject to a 3% administrative fee under this Contract only. The Leader® 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. Payments must be sent to MMCAP, 50 Sherburne Avenue, Suite 112, St. Paul, MN 55155. The vendor must submit a monthly Administrative Fee Data Report that includes both direct (sales made direct from vendor to MMCAP facility) and indirect purchases (sales made through an MMCAP Authorized Wholesaler). The monthly Administrative Fee Data Report must contain the fields detailed below. All Administrative Fee Data Reports must be sent to: [Mn.MMCAP@state.mn.us](mailto:Mn.MMCAP@state.mn.us) at the end of each month, but no later than 30 days after the end of the month. Failure to comply with this provision may constitute breach of this Contract. MMCAP reserves the right to collect interest on payments 30 days past due at a rate consistent with Minn. Stat. § 16D.13.

Administrative Fee Data Report fields:

- MMCAP Assigned Authorized Wholesaler Number (Cardinal Health = 0301)
- MMCAP Assigned Manufacturer Number -- Column may be left blank
- Direct or Indirect Purchase Indicator (I=Indirect)
- Invoice Date (Point of Sale Date)
- Invoice Number
- MMCAP Participating Facility Name
- Vendor's Account Number for the MMCAP Facility
- MMCAP Participating Facility DEA Number, if applicable
- MMCAP Participating Facility HIN Number, if applicable
- MMCAP Participating Facility Address
- MMCAP Participating Facility City
- MMCAP Participating Facility State
- Product's NDC (Use all 11 digits (00076888888))
- Product Name (e.g. Acetaminophen with Codeine, Acticin Cream 5%)
- Credit Indicator (C = credit)
- Contracted Units (The number of units purchased on contract.
- MMCAP Contracted Unit Price
- Administrative Fee Decimal Percentage (The contracted administrative fee percentage for the NDC number. Report as a decimal (e.g. 0.030))

- Vendor Contracted Sales (Contracted Units \* Contracted Unit Price. Report in dollars.)
- Administrative Fee Payment Amount (Administrative Fee Decimal Percentage \* Vendor Contracted Sales. Report in dollars)

Vendor must also report this contract number, MMS15xxx, in the Sales Data Report referenced in Section 4.16 A of the MMCAP/Cardinal Health 110, Inc. and Cardinal Health 411, Inc. Contract MMS15001, in the MMCAP Contract Number field.

All Administrative Fee payments made to MMCAP must be clearly identified as such and must be separate from other payments made to MMCAP. In the event the Vendor is delinquent in any undisputed administrative fees, MMCAP reserves the right to cancel this Contract and reject any proposal submitted by the Vendor in any subsequent solicitation. In the event the contract is cancelled by either party prior to the contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

**2.10 Returned Goods/Credits.** The Vendor will supply a copy of its returned goods/credit policy to MMCAP upon request.

**2.11 Value-Added Programs.** MMCAP Participating Facilities must be offered any programs normally offered to the Vendor's general customer base (e.g., rebates, tiered pricing, continuing education courses, marketing information, etc.) at the same or lower cost as that offered to the general customer base.

**2.12 DEA Number and HIN Numbers.** Unless the MMCAP Participating Facility purchases controlled substances, the Vendor may not require that an MMCAP Participating Facility have a Drug Enforcement Administration number assigned to it in order to be eligible for contracted prices. The Vendor may require a Health Industry Number from MMCAP Participating Facilities.

**2.13 Product Use.** All items acquired by MMCAP Participating Facilities under this Contract are purchased for consumption in traditional governmental functions and not for the purpose of competing against private enterprise.

**2.14 Product Dating.** All Products supplied to MMCAP Participating Facilities must have an expiration date of at least six months later than the delivery date unless the unique stability characteristics of the product require a shorter dating period. However, all Products supplied must still be usable on the date received by the MMCAP Participating Facility.

**2.15 Direct Marketing, Advertising, and Offers with Member Facilities.** Any direct advertising, marketing, or direct offers with MMCAP Participating Facilities for on- or off- contract products must be approved by MMCAP. Materials should be sent to: [MMCAP.Contracts@state.mn.us](mailto:MMCAP.Contracts@state.mn.us). Violation of this Article may be cause for immediate cancellation of this Contract and/or MMCAP may reject any proposal submitted by the Vendor in any subsequent solicitations for pharmaceutical and related products.

**2.16 Customer Service.**

**2.16.1 Primary Account Representative.** Vendor will assign a Primary Account Representative to MMCAP for this Contract and must provide a minimum of 72 hours advanced notice to MMCAP if that person is reassigned. The Primary Account Representative will be responsible for:

- Proper maintenance and management of the MMCAP Contract, including timely execution of all amendments
- Timely response to all MMCAP inquiries
- Performance of the business review as described in 2.16.2

In the event that the Primary Account Representative is unresponsive and does not meet MMCAP's needs, the Vendor will assign another Primary Account Representative upon MMCAP's request.

**2.16.2. Business Reviews.** Vendor will perform at least one business review with MMCAP staff per contract year. The review will be at a time that is mutually agreeable to Vendor and MMCAP and at a minimum address the following: a review of sales to members, pricing and contract terms, administrative fees, FDA and DEA issues, supply issues, pipeline update, outstanding contract issues, wholesaler or customer issues, and any other necessary information.

**2.17 Dispute Resolution** Vendor and MMCAP will handle dispute resolution for unresolved contract eligibility issues using the following procedure:

**2.17.1 Notification.** The parties must promptly notify each other of any known dispute and work in good faith to

resolve such dispute within a reasonable period of time. And if necessary, MMCAP and the Vendor will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.

**2.17.2 Escalation.** If parties are unable to resolve the issue in a timely manner, as specified above, either MMCAP or Vendor may escalate the resolution of the issue to a higher level of management. A meeting will be scheduled with MMCAP and the Vendor's MMCAP Primary Account Representative to review the briefing document and develop a proposed resolution and plan of action. The Vendor will have 30 calendar days to cure the issue.

**2.17.3 Performance while Dispute is Pending.** Notwithstanding the existence of a dispute, the Vendor must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Vendor fails to continue without delay to perform its responsibilities under the contract, in the accomplishment of all undisputed work, any additional costs incurred by MMCAP and/or MMCAP members as a result of such failure to proceed will be borne by the Vendor.

**2.17.4 MMCAP Rights.** In the event MMCAP cannot resolve a dispute with the Vendor, MMCAP may cancel this Contract upon 60 days' written notice to the other party.

**2.17.5 No Waiver.** This clause will in no way limit or waive either party's right to seek available legal or equitable remedies.

#### **2.18 Annual Bid Cycle.**

**2.18.1** Vendor will be required to submit pricing on an annual basis. Products may be awarded to other contract holders during this annual cycle. In the event Vendor loses all Products on its contract during an annual cycle, it will not lose its Vendor status with MMCAP and is eligible to resubmit products and pricing during the next annual cycle. MMCAP reserves the right to open its RFP process to new suppliers during the annual cycle.

**2.18.2 Bid Roll.** Vendor must report its Products to MMCAP's Authorized Wholesalers no later than May 15 of the annual bid cycle. Changes to the Contract will be managed per Article 2.7.

### **3 Authorized Agent**

MMCAP's Authorized Representative is the MMCAP Managing Director, Materials Management Division, Department of Administration, 50 Sherburne Avenue, St. Paul, MN 55155. The Vendor's Authorized Agent is Naomi Duvall, Director of Consumer Health.

### **4 Assignment, Amendments, Waiver, and Contract Complete**

**4.1 Assignment.** Neither the Vendor nor MMCAP may assign or transfer any rights or obligations under this Contract without the prior consent of the parties and a fully executed Assignment Agreement. If the Vendor assigns a Product during the term of this Contract, Vendor must provide written notice to MMCAP at least 30 days prior to the assignment.

**4.2 Amendments.** Any amendment to this Contract must be in writing and will not be effective until it has been executed by both parties. Vendor agrees to use the amendment process set forth in Article 2.7 above.

**4.3 Waiver.** If MMCAP fails to enforce any provision of this Contract, that failure does not waive the provision or its right to enforce it.

**4.4 Contract Complete.** This Contract contains all negotiations and agreements between MMCAP and the Vendor. No other understanding regarding this Contract, whether written or oral, may be used to bind either party.

### **5 Liability**

The Vendor must indemnify, save, and hold MMCAP, MMCAP Participating Facilities, including their agents, and employees harmless from any claims or causes of action, including attorneys' fees incurred by MMCAP, arising out of the performance of this Contract by the Vendor or the Vendor's agents or employees; or injury or death to person(s) or property, alleged to have been caused by some defect in Products under this Contract, when the Product has been supplied by and dispensed strictly in accordance with federal, state, and local regulations and the applicable provisions of the package insert. This clause will not be construed to bar any legal remedies the Vendor may have



for MMCAP's failure to fulfill its obligations under this Contract. Pursuant to the Minnesota Constitution Article XI Section 1, MMCAP is not permitted to indemnify the Vendor.

#### **6 State Audits**

Minnesota Statutes Section 16C.05, subdivision 5, requires that the books, records, documents, and accounting procedures and practices of the vendor relevant to this Contract are subject to examination by MMCAP and either the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Contract.

#### **7 Government Data Practices and Intellectual Property**

**7.1. Government Data Practices.** The Vendor and MMCAP must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by MMCAP under this Contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Vendor under this Contract. The civil remedies of Minnesota Statutes Section 13.08 apply to the release of the data governed by the Minnesota Government Practices Act, Minnesota Statutes Chapter 13, by either the Vendor or MMCAP. If the Vendor receives a request to release the data referred to in this article, the Vendor must immediately notify MMCAP, and consult with the agency as to how the Vendor should respond to the request. The Vendor's response to the request will comply with applicable law.

**7.2. Intellectual Property.** The Vendor warrants that any materials or products provided or produced by the Vendor or utilized in the performance of this Contract will not infringe or violate any patent, copyright, trade secret, or any other proprietary right of any third party. In the event of any such claim by any third party against MMCAP, MMCAP will promptly notify the Vendor.

If such a claim of infringement has occurred, or in the Vendor's opinion is likely to occur, the Vendor must either procure for MMCAP the right to continue using the material or product or replace or modify materials or products. If an option satisfactory to MMCAP is not reasonably available, MMCAP will return the materials or products to the Vendor, upon written request of the Vendor, and at the Vendor's expense.

#### **8 Publicity and Endorsement**

**8.1 Publicity.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Vendor individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

**8.2 Endorsement.** The Vendor must not claim that MMCAP endorses its products or services.

#### **9 Governing Law, Jurisdiction, and Venue**

Minnesota law, without regard to its choice-of-law provisions, governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota. Except to the extent that the provisions of this Contract are clearly inconsistent therewith, this Contract will be governed by the Uniform Commercial Code (UCC) as adopted by the State of Minnesota. To the extent this Contract entails delivery or performance of services, such services will be deemed "goods" within the meaning of the UCC except when to do so is unreasonable.

#### **10 Antitrust**

The Vendor hereby assigns to the State of Minnesota any and all claims for overcharges as to goods and/or services provided in connection with this Contract resulting from antitrust violations that arise under the antitrust laws of the United States and the antitrust laws of the State of Minnesota.

#### **11 Force Majeure**



Neither party to this Contract will be held responsible for delay or default caused by fire, riot, war, or acts of God.

#### **12 Severability**

If any provision of the resulting Contract, including items incorporated by reference, is found to be illegal, unenforceable or void, then both MMCAP and the Vendor will be relieved of all obligations arising under such provisions; if the remainder of the resulting Contract is capable of performance it will not be affected by such declaration or finding and must be fully performed.

#### **13 Default and Remedies**

Either of the following constitutes cause to declare the Contract or any order under this Contract in default:

- (a) Nonperformance of contractual requirements, or
- (b) A material breach of any term or condition of this Contract.

Written notice of default, and a reasonable opportunity to cure, must be issued by the party claiming default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages.

If the default remains after the opportunity for cure, the nondefaulting party may:

- (a) Exercise any remedy provided by law or equity; or
- (b) Terminate the Contract or any portion thereof, including any orders issued against the Contract.

#### **14 Certification**

Vendor certifies that it is in compliance with the Food and Drug Administration's current "Good Manufacturing Practices" (cGMP) (as codified in 21 C.F.R. § 201-211) and the current United States Food, Drug, and Cosmetic Act.

#### **15 Data Disclosure**

In the event MMCAP obtains the Vendor's Federal Tax Identification Number, the Vendor consents to disclosure of its federal employer tax identification number to federal and State of Minnesota agencies and personnel involved in the payment of State of Minnesota obligations. These identification numbers may be used in the enforcement of federal and State of Minnesota laws that could result in action requiring the Vendor to file state tax returns, pay delinquent state tax liabilities, if any, or pay other state liabilities.

#### **16 Insurance Requirements**

16.1 Vendor must maintain the following insurance (or a comparable program of self-insurance) in force and effect throughout the term of the Contract.

16.2 Vendor is required to maintain and furnish satisfactory evidence of the following insurance policies (or of their program of self-insurance):

**Commercial General Liability Insurance:** Vendor will maintain insurance protecting it from claims for damages for bodily injury, including sickness or disease, death, and for care and loss of services as well as from claims for property damage, including loss of use which may arise from operations under the Contract whether the operations are by the Vendor or by a subcontractor or by anyone directly or indirectly employed by the Vendor under the Contract.

Insurance **minimum** limits are as follows:

\$5,000,000 - per occurrence  
\$5,000,000 - annual aggregate

The following coverages must be included:

Premises and Operations Bodily Injury and Property Damage  
Personal and Advertising Injury  
Blanket Contractual Liability

MMCAP named as an Additional Insured

**Products and Completed Operations Liability:** Vendor is required to maintain Products/Completed Operations Liability insurance. Vendor may self-insure or self-administer all or any portion of the required insurance, and to the extent Vendor does self-insure, such insurance will not be deemed to exceed the scope of coverage and/or limits that would have been provided in actual policy of insurance that satisfies the insurance requirement. Insurance minimum limits are \$5,000,000 annual aggregate.

**16.3 Additional Insurance Conditions:**

- Vendor's policy(ies) must be primary insurance to any other valid and collectible insurance available to MMCAP with respect to any claim arising out of Vendor's performance under this Contract;
- If Vendor receives a cancellation notice from an insurance carrier affording coverage herein, Vendor will notify MMCAP within 5 business days with a copy of the cancellation notice, unless Vendor's policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least 30 days' advance written notice to MMCAP;
- Vendor is responsible for payment of Contract related insurance premiums and deductibles;
- If Vendor is self-insured, a Certificate of Self-Insurance must be attached;
- Vendor will obtain insurance policy(ies) from insurance company(ies) having an "AM BEST" rating of A- (minus); Financial Size Category (FSC) VII or better, and authorized to do business in the State of Minnesota; and
- An Umbrella or Excess Liability insurance policy may be used to supplement the Vendor's policy limits to satisfy the full policy limits required by the Contract.

16.4. MMCAP reserves the right to immediately terminate the Contract if the Vendor is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against the Vendor.

**17 Laws and Regulations** Any and all services, articles or equipment offered and furnished shall comply fully with all State and federal laws and regulations, including Minnesota Statutes Section 181.59 and Minnesota Statutes Chapter 363A prohibiting discrimination and business registration requirements of the Minnesota Secretary of State's Office.

**18 Affirmative action requirements for contracts in excess of \$100,000 and if Vendor has more than 40 full-time employees in Minnesota or its principal place of business.** The State of Minnesota intends to carry out its responsibility for requiring affirmative action by its vendors.

**18.1 Covered contracts and Vendors.** If the Contract exceeds \$100,000 and Vendor employed more than 40 full-time employees on a single working day during the previous 12 months in Minnesota or in the state where it has its principal place of business, then Vendor must comply with the requirements of Minnesota Statutes Section 363A.36 and Minnesota Rules 5000.3400-5000.3600. If Vendor is covered by Minnesota Statutes Section 363A.36 because it employed more than 40 full-time employees in another state and does not have a certificate of compliance, it must certify that it is in compliance with federal affirmative action requirements.

**18.2 Minnesota Statutes Section 363A.36.** Minnesota Statutes Section 363A.36 requires Vendor to have an affirmative action plan for the employment of minority persons, women, and qualified disabled individuals approved by the Minnesota Commissioner of Human Rights ("Commissioner") as indicated by a certificate of compliance. The law addresses suspension or revocation of a certificate of compliance and contract consequences in that event. A contract awarded without a certificate of compliance may be voided.

**18.3 Minnesota Rules 5000.3400-5000.3600.**

(a) *General.* Minnesota Rules 5000.3400-5000.3600 implements Minnesota Statutes Section 363A.36. These rules include, but are not limited to, criteria for contents, approval, and implementation of affirmative action plans; procedures for issuing certificates of compliance and criteria for determining Vendor's compliance status; procedures for addressing deficiencies, sanctions, and notice and hearing; annual compliance reports; procedures for compliance review; and contract consequences for non-compliance. The specific criteria for approval or rejection of an affirmative action plan are contained in various provisions of Minnesota Rules 5000.3400-5000.3600 including, but not limited to, Minnesota Rules 5000.3420-5000.3500 and 5000.3552-5000.3559.

(b) *Disabled Workers.* Vendor must comply with the following affirmative action requirements for disabled workers.

(1) Vendor must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. Vendor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

(2) Vendor agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

(3) In the event of Vendor's noncompliance with the requirements of this article, actions for noncompliance may be taken in accordance with Minnesota Statutes Section 363A.36, and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

(4) Vendor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Commissioner. Such notices must state Vendor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment, and the rights of applicants and employees.

(5) Vendor must notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that Vendor is bound by the terms of Minnesota Statutes Section 363A.36, of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled persons.

(c) *Consequences.* The consequences for Vendor's failure to implement its affirmative action plan or make a good faith effort to do so include, but are not limited to, suspension or revocation of a certificate of compliance by the Commissioner, refusal by the Commissioner to approve subsequent plans, and termination of all or part of this Contract by the Commissioner or the State of Minnesota.

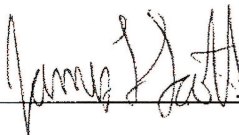
(d) *Certification.* Vendor hereby certifies that it is in compliance with the requirements of Minnesota Statute Section 363A.36 and Minnesota Rules 5000.3400-5000.3600 and is aware of the consequences for noncompliance.

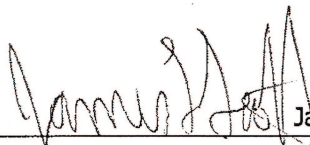
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**19 Cancellation.** MMCAP or the Vendor may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. In the event of such a cancellation, the Vendor will be entitled to payment, determined in a pro rata basis, for work or services satisfactorily performed or Products supplied through the Contract cancellation date.

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

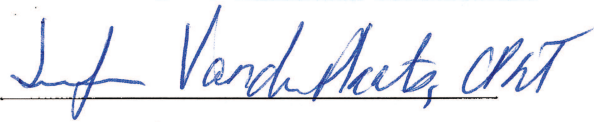
The Vendor certifies that the appropriate person(s) have executed this Agreement on behalf of the Vendor as required by applicable articles, bylaws, resolutions, or ordinances.

By:  James L. Scott  
Title: SVP National Markets  
Date: June 26, 2015

By:  James L. Scott  
Title: SVP, National Markets  
Date: June 26, 2015

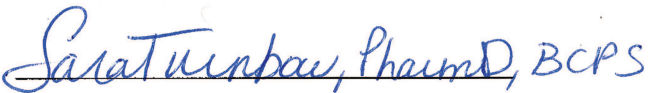
**2. STATE OF MINNESOTA FOR MMCAP**

In accordance with Minn. Stat. § 16C.03, subd. 3

By:   
Title: SPA-P  
Date: 6/26/2015

**3. COMMISSIONER OF ADMINISTRATION**

In accordance with Minn. Stat. § 16C.05, subd. 2

By:   
Title: Pharmacist Sr.  
Date: 6-26-15



Cardinal Health 411 Inc.  
and  
Cardinal Health 110 LLC  
Contract  
MMS15064

Amendments 1 - 4  
are not posted for  
viewing

## AMENDMENT NO. 5 TO MMCAP CONTRACT NO. MMS15064

**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, LLC and Cardinal Health 112, LLC, 7000 Cardinal Place, Dublin, OH 43017 ("Vendor").

MMCAP has a contract with the Vendor identified as Contract No. MMS15064 (Original Contract). MMCAP and the Vendor are willing to amend the Original Contract as stated below.

### Contract Amendment (DLB)

This Amendment will be effective January 1, 2016, and continue until the end of the term of the Original Contract.

**Revision:** Cardinal has notified MMCAP that Cardinal has been reorganized, and therefore the Original Contract is amended to be between the State of Minnesota, acting through its Minnesota Multistate Contracting Alliance for Pharmacy ("State" or "MMCAP") and Cardinal Health 110, LLC and Cardinal Health 112, LLC, whose designated business address is 7000 Cardinal Place, Dublin, Ohio 43017 (collectively, "CARDINAL").

Applicable Federal Employer Identification numbers (FEINs) for these LLCs are:

Entity	FEIN
Cardinal Health 110, LLC	68-0158739
Cardinal Health 112, LLC	04-3786471

**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, LLC AND CARDINAL HEALTH 112, LLC

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: James L. Scott James L. Scott  
Title: Senior Vice President, National Markets  
Date: January 20, 2016

#### 2. STATE OF MINNESOTA FOR MMCAP

In accordance with Minn. Stat. § 16C.03, subd. 3

By: Sandy Christensen  
Title: Pharmacy Analyst  
Date: 01-20-16

#### 3. COMMISSIONER OF ADMINISTRATION

In accordance with Minn. Stat. § 16C.05, subd. 2

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: Heather C. Pickett  
Title: \_\_\_\_\_  
Date: Jan. 20, 2016

## AMENDMENT NO. 6 TO MMCAP CONTRACT NO. MMS15064

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, LLC and Cardinal Health 112, LLC, 7000 Cardinal Place, Dublin, OH 43017 ("Vendor").

MMCAP has a contract with the Vendor identified as Contract No. MMS15064 (Original Contract). MMCAP and the Vendor are willing to amend the Original Contract as stated below.

### Contract Amendment (ST)

Effective July 1, 2016, Attachment A of the Original Contract is deleted in its entirety and replaced with the attached and incorporated Attachment A dated July 1, 2016 – June 30, 2017. The updated Attachment A is the result of the Annual Bid Cycle, as required by Article 2.18 of the Original Contract.

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, LLC AND CARDINAL HEALTH 112, LLC

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: James L. Scott James L. Scott  
Title: SVP, National Markets  
Date: May 18, 2016

By: James L. Scott James L. Scott  
Title: SVP, National Markets  
Date: May 18, 2016

#### 2. STATE OF MINNESOTA FOR MMCAP

In accordance with Minn. Stat. § 16C.03, subd. 3

By: L. VandePlaat, CPHT  
Title: SPA P  
Date: 5/18/2016

#### 3. COMMISSIONER OF ADMINISTRATION

In accordance with Minn. Stat. § 16C.05, subd. 2

By: Sara Turnbow, PharmD, BCPS  
Title: Pharmacist Sr.  
Date: 5-18-16

Cardinal Health 411 Inc.  
and  
Cardinal Health 110 LLC  
Contract  
MMS15064

Amendments 7 - 12  
are not posted for  
viewing



## AMENDMENT NO. 13 TO MMCAP CONTRACT NO. MMS15064

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, LLC and Cardinal Health 112, LLC, 7000 Cardinal Place, Dublin, OH 43017 ("Vendor").

MMCAP has a contract with the Vendor identified as Contract No. MMS15064 (Original Contract). MMCAP and the Vendor are willing to amend the Original Contract as stated below.

### Contract Amendment (ST)

Effective July 1, 2017, Attachment A ending June 30, 2017 is deleted in its entirety and replaced with the attached and incorporated Attachment A dated July 1, 2017 – June 30, 2018. The updated Attachment A is the result of the Annual Bid Cycle, as required by Article 2.18 of the Original Contract.

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, LLC AND CARDINAL HEALTH 112, LLC

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: James L. Scott  
James L. Scott

Title: SVP National Markets

Date: June 14, 2017

By: James L. Scott  
James L. Scott

Title: SVP, National Markets

Date: June 14, 2017

#### 2. STATE OF MINNESOTA FOR MMCAP

In accordance with Minn. Stat. § 16C.03, subd. 3

By: Erin Turbow, PharmD, BCPS

Title: Pharmacist Sr.

Date: 6-15-17

#### 3. COMMISSIONER OF ADMINISTRATION

In accordance with Minn. Stat. § 16C.05, subd. 2

By: Lynne VanderPlaat

Title: SPA-C

Date: 6/16/2017