

# BLANKET PURCHASE ORDER

## STATE OF MARYLAND

\*\*\*\*\* STATE OF MARYLAND \*\*\*\*\*

**BPO NO:** 001B8400129

**PRINT DATE:** 11/01/17

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<b>SHIP TO:</b> AS SPECIFIED ON INDIVIDUAL ORDERS			
<b>VENDOR ID:</b> CARDINAL HEALTH 110 LLC 7000 CARDINAL PLACE  DUBLIN, OH 43017 (614 )757-8057	<b>REFER QUESTIONS TO:</b>  IRIS LESTER BELL (410 )767-4612 IRIS.LESTER@MARYLAND.GOV		
<b>ITB:</b>	<b>EXPR DATE:</b> 10/31/18 <b>POST DATE:</b> 10/31/17	<b>DISCOUNT TERMS:</b> . <b>CONTRACT AMOUNT:</b>	<b>NET 30 DAY</b> .00

### TERMS:

ARTICLES HEREIN ARE EXEMPT FROM MARYLAND SALES AND USE TAXES BY EXEMPTION CERTIFICATE NUMBER 3000256-3 AND FROM FEDERAL EXCISE TAXES BY EXEMPTION NUMBER 52-73-0358K. IT IS THE VENDOR'S RESPONSIBILITY TO ADVISE COMMON CARRIERS THAT AGENCIES OF THE STATE OF MARYLAND ARE EXEMPT FROM TRANSPORTATION TAX.

THIS IS (2) TWO OF (3) THREE RENEWALS.

REFERENCE: MINNESOTA MULTISTATE CONTRACTING ALLIANCE FOR PHARMACY  
(MMCAP) CONTRACT NO. MMS15001  
SEE EMM #MDDGS16-0051656

=====  
PHARMACEUTICAL PRIME VENDOR SERVICE  
FOR THE  
MARYLAND DEPARTMENT OF HEALTH AND MENTAL HYGIENE  
AND  
OTHER MARYLAND AGENCIES AS IDENTIFIED HEREIN  
=====

**SCOPE:** TO PROVIDE PRIME VENDOR SERVICES TO MARYLAND STATE HEALTH AGENCIES, QUASI-PUBLIC, LOCAL COUNTY HEALTH DEPARTMENTS, AND NON-PROFIT HEALTH ORGANIZATIONS. PRIME VENDOR SERVICES INCLUDE ORDERING VIA INDIVIDUAL MANUFACTURERS' CONTRACTS, STORAGE OF ALL DRUG PRODUCTS AND DISTRIBUTION OF DRUG PRODUCTS WITHIN 24 HOURS.

**CONTRACT PERIOD:** DATE OF AWARD THROUGH OCTOBER 31, 2018 WITH OPTION TO EXTEND FOR ONE 1) ADDITIONAL ONE (1) YEAR PERIOD FOR A TOTAL TERM NOT TO EXCEED FIVE (5) YEARS.

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### TERMS (cont'd):

CUSTOMER SUPPORT: THE PRIME VENDOR MUST

A. PROVIDE CUSTOMER SERVICE STAFF TO MEET WITH THE DESIGNATED REPRESENTATIVES OF THE PARTICIPATING AGENCIES PRIOR TO THE BEGINNING OF THE CONTRACT TO REVIEW DETAILS THEREOF AND TO FAMILIARIZE ALL CONCERNED IN THE USE OF ORDERING PROCEDURES UNDER THE CONTRACT.

B. THE ASSIGNED TELEPHONE SERVICE REPRESENTATIVE IS:  
SHEILA WELLS (270) 537-5422 MOBILE  
(614) 495-5465 FAX  
(866) 641-1199 CUST. SVC.

<u>LINE #</u>	<u>STATE ITEM ID</u>	<u>U/M</u>	<u>UNIT COST</u>	
0001	27050-OPRIME	LT		

PRIME VENDOR PHARMACEUTICAL CONTRACT

SERVICE FEE IS BASED ON THE PAYMENT OPTION SELECTED BY THE FACILITY AND THE TOTAL MONTHLY PURCHASING VOLUME OF THE STATE.

MARYLAND ESTIMATED PURCHASING VOLUME IS \$1,188,009.05 PER MONTH. MARYLAND AGENCIES USE THE \$750,001 TO \$1,500,000 MONTHLY PURCHASING VOLUME COLUMN FOR THE NET 30 DAY PAYMENT OPTION. (NOTE: THE FEE IS A "NEGATIVE UP CHARGE".)

THE FOLLOWING PAYMENT TERM OPTIONS SHALL BE AVAILABLE TO EACH MMCAP PARTICIPATING FACILITY:

\*30 DAY PRE-PAY: A ONE TIME DEPOSIT EQUAL TO 30 DAYS PURCHASE VALUE IS DUE BY THE 25TH OF THE PREVIOUS MONTH. THEREFORE, PAYMENT IS DUE ON OR BEFORE SEVEN CALENDAR DAYS FROM THE DATE OF INVOICE.

\*15 DAY PRE-PAY: A ONE TIME DEPOSIT EQUAL TO 15 DAYS PURCHASE VALUE IS DUE BY THE 25TH OF THE PREVIOUS MONTH. THEREFORE, PAYMENT IS DUE ON OR BEFORE SEVEN DAYS FROM THE DATE OF INVOICE.

\*7 DAY PRE-PAY: A ONE TIME DEPOSIT EQUAL TO 7 DAYS PURCHASE VALUE IS

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DUE BY THE 25TH OF THE PREVIOUS MONTH. THEREFORE, PAYMENT IS DUE ON OR BEFORE SEVEN DAYS FROM THE DATE OF INVOICE.

\*NEXT DAY NET: NEXT DAY NET MEANS THAT THE BUYER WILL PAY VENDOR IN FULL ON OR BEFORE THE NEXT CALENDAR DAY OF WHEN THE INVOICE IS RECEIVED BY THE VENDOR.

\*SEVEN (7) DAY NET: 7 DAY NET MEANS THAT THE BUYER WILL PAY VENDOR IN FULL ON OR BEFORE THE 7TH DAY OF WHEN THE INVOICE IS RECEIVED BY THE VENDOR.

\*FIFTEEN (15)) DAY NET: 15 DAY NET MEANS THAT THE BUYER WILL PAY VENDOR IN FULL ON OR BEFORE THE 15TH DAY OF WHEN THE INVOICE IS RECEIVED BY THE VENDOR.

\*THIRTY (30) DAY NET: 30 DAY NET MEANS THAT THE BUYER WILL PAY VENDOR IN FULL ON OR BEFORE THE 30TH DAY OF WHEN THE INVOICE IS RECEIVED BY THE VENDOR.

\*FORTY-FIVE (45) DAY NET: 45 DAY NET MEANS THAT BUYER WILL PAY IN FULL ON OR BEFORE TH 45TH CALENDAR DAY OF WHEN THE INVOICE IS RECEIVED BY THE VENDOR.

\*SIXTY (60) DAY NET: 60 DAY NET MEANS THAT BUYER WILL PAY IN FULL ON OR BEFORE TH 60TH CALENDAR DAY OF WHEN THE INVOICE IS RECEIVED BY THE VENDOR.

\*NINETY (90) DAY NET: 90 DAY NET MEANS THAT BUYER WILL PAY IN FULL ON OR BEFORE TH 90TH CALENDAR DAY OF WHEN THE INVOICE IS RECEIVED BY THE VENDOR.

IF ANY OF THE ABOVE-SPECIFIED PAYMENT TERM DUE DATES FALL ON A WEEKEND DAY OR LOCAL, STATE, OR FEDERAL HOLIDAY, PAYMENT SHALL BE DUE ON THE PRECEDING BUSINESS DAY.

### DELIVERY CHARGES:

ALL FACILITIES RECEIVE ONE FREE DELIVERY PER WEEK. FACILITIES ORDERING MORE THAN \$15,000 PER MONTH ARE ELIGIBLE TO RECEIVE NOT LESS THAN ONE DELIVERY PER DAY, 5 DAYS PER WEEK (MONDAY THROUGH FRIDAY). FACILITIES ORDERING LESS THE \$15,000 PER MONTH WILL BE CHARGED A \$20 DELIVERY FEE FOR EXTRA DELIVERIES (IN ADDITION TO THE ONE FREE WEEKLY DELIVERY) IF THE VOLUME OF THE PURCHASE IS LESS THAN \$750. THERE WILL BE NO DELIVERY CHARGE FOR ANY ORDER WITH A PURCHASE VOLUME LARGER THAN \$750.

ELECTRONIC ORDERING: WWW.CARDINAL.COM IS AVAILABLE TO ALL MMCAP MEMBERS AT NO CHARGE.

COMPUTER HARDWARE: FOR USE WITH WWW.CARDINAL.COM CAN BE LEASED FOR A MONTHLY RATE OR FACILITIES CAN PROVIDE THEIR OWN HARDWARE.

FOR ALL MMCAP PARTICIPATING WITH AN AVERAGE MONTHLY PURCHASING VOLUME

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LESS THAN \$25,000, VENDOR WILL PROVIDE PURCHASE OPTIONS AS FOLLOWS:  
 A.) \$1,000 FOR A TRADITIONAL ORDERING HARDWARE PACKAGE (CPU),  
 MONITOR, KEYBOARD, MOUSE AND PRINTER), AND/OR B.) MOBILE SOLUTIONS ON  
 VENDOR'S LEASE PROGRAM AT \$100 PER MONTH.

FOR TRADITIONAL ORDERING HARDWARE PACKAGES, THE TOTAL COST WILL BE  
 SPLIT INTO MONTHLY PAYMENTS; THE MONTHLY CHARGE WILL NOT EXCEED THE  
 SET VALUE (\$1,000) OF THE TRADITIONAL ORDERING PACKAGE. OWNERSHIP OF  
 THE TRADITIONAL ORDERING HARDWARE PACKAGE WILL TRANSFER TO THE MMCAP  
 PARTICIPATING FACILITY UPON REACHING THE VALUE OF THE TRADITIONAL  
 HARDWARE PACKAGE.

FOR ALL MMCAP PARTICIPATING FACILITIES WITH AN AVERAGE MONTHLY  
 PURCHASING VOLUME OF \$25,000 OR MORE, VENDOR WILL PROVIDE THE CHOICE  
 OF A.) TRADITIONAL HARDWARE PACKAGE (CPU), MONITOR, KEYBOARD, MOUSE  
 AND PRINTER) WITHOUT CHARGE, OR B.) MOBILE SOLUTIONS ON VENDOR'S  
 LEASE PROGRAM AT \$70 PER MONTH.

TOTAL MONTHLY STATE PURCHASING VOLUME:

FACILITY	\$1	\$500,001	\$1,000,001	\$2,000,001	5,000,001
PAYMENT	TO	TO	TO	TO	TO
TERMS	\$500,000	\$1,000,000	\$2,000,000	\$5,000,000	\$8,000,000
*30 DAY	-4.89%	-5.27%	-5.76%	-6.06%	-6.27%
*15 DAY	-4.65%	-5.03%	-5.52%	-5.82%	-6.03%
* 7 DAY	-4.52%	-4.90%	-5.39%	-5.69%	-5.90%
NEXT DAY	-4.39%	4.77%	-5.26%	-5.56%	-5.77%
7 DAY NET	-4.30%	4.68%	-5.17%	-5.47%	-5.68%
15 DAY NET	-4.17%	-4.55%	-5.04%	-5.34%	-5.55%
30 DAY NET	-3.93%	-4.31%	-4.80%	-5.10%	-5.31%
45 DAY NET	-3.53%	-3.91%	-4.40%	-4.70%	-4.91%
60 DAY NET	-2.92%	-3.30%	-3.79%	-4.09%	-4.30%
90 DAY NET	-2.11%	-2.69%	-2.98%	-3.28%	-3.49%

TOTAL MONTHLY STATE PURCHASING VOLUME:

FACILITY	\$8,000,00	\$12,500,001
PAYMENT	TO	AND
TERMS	\$12,000,000	ABOVE
*30 DAY	-6.52%	-6.74%
*15 DAY	-6.28%	-6.50%
* 7 DAY	-6.15%	-6.37%
NEXT DAY	-6.02%	-6.24%

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TOTAL MONTHLY STATE PURCHASING VOLUME:

FACILITY	\$8,000,00	\$12,500,001
PAYMENT	TO	AND
TERMS	\$12,000,000	ABOVE

*7 DAY NET	-5.93%	-6.15%
*15 DAY NET	-5.80%	-6.02%
*30 DAY	-5.56%	-5.78%
*45 DAY	-5.16%	-5.38%

TOTAL MONTHLY STATE PURCHASING VOLUME:

FACILITY	\$8,000,00	\$12,500,001
PAYMENT	TO	AND
TERMS	\$12,000,000	ABOVE

*60 DAY NET	-4.55	-4.77%
*90 DAY NET	-3.74%	-3.96%

END OF ITEM LIST

VENDOR MUST INCLUDE THE 9-DIGIT ZIP CODE OF COMPANY ADDRESS ON ALL INVOICES. FAILURE TO DO SO MAY RESULT IN DELAY OF PAYMENT.

ALL PRODUCTS USED IN PACKING TO CUSHION AND PROTECT DURING THE SHIPMENT OF COMMODITIES ARE TO BE MADE OF RECYCLED, RECYCLABLE, AND/OR BIODEGRADABLE MATERIALS.

THE CONTRACTOR WARRANTS THAT THE CONTRACTOR SHALL COMPLY WITH COMAR 21.11.08 DRUG AND ALCOHOL FREE WORKPLACE, AND THAT THE CONTRACTOR SHALL REMAIN IN COMPLIANCE THROUGHOUT THE TERM OF THIS PURCHASE ORDER.

THE CONTRACTOR WARRANTS THAT THE CONTRACTOR SHALL COMPLY WITH COMAR 21.11.08 DRUG AND ALCOHOL FREE WORKPLACE, AND THAT THE CONTRACTOR SHALL REMAIN IN COMPLIANCE THROUGHOUT THE TERM OF THIS PURCHASE ORDER. ELECTRONIC PROCESSING FEE

1. CONTRACTOR SHALL PAY A PROCESSING FEE TO THE STATE IN THE AMOUNT OF ONE PERCENT (1%) OF THE TOTAL CONTRACT SALES. THE PROCESSING FEE IS CALCULATED BASED ON ALL SALES TRANSACTED UNDER THE CONTRACT, MINUS, ANY RETURNS OR CREDITS. THE PROCESSING FEE SHALL NOT BE CHARGED DIRECTLY TO THE CUSTOMER, E.G., AS A SEPARATE LINE ITEM, FEE OR SURCHARGE, BUT SHALL BE INCLUDED IN THE CONTRACTS UNIT PRICES

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**TERMS (cont'd):**

2.

THE PROCESSING FEE SHALL BE SUBMITTED TO THE DEPARTMENT OF GENERAL SERVICES, FISCAL SERVICES DIVISION, 301 W. PRESTON STREET, ROOM 1309, BALTIMORE, MD., 21201, WITHIN TEN (10) CALENDAR DAYS FOLLOWING THE END OF EACH CALENDAR MONTH ALONG WITH A MONTHLY USAGE REPORT DOCUMENTING ALL CONTRACT SALES. AN EXCEL VERSION OF THE MONTHLY USAGE REPORT SHALL ALSO BE EMAILED TO THE PROCUREMENT OFFICER, IRIS LESTER BELL, AT IRIS.LESTER@MARYLAND.GOV AND THE ACCOUNTANT, AWAWU SALAKO, AT AWAWU.SALAKO@MARYLAND.GOV

3.

FAILURE TO REMIT PROCESSING FEES IN A TIMELY MANNER OR REMITTANCE OF FEES INCONSISTENT WITH THE CONTRACT'S REQUIREMENT MAY RESULT IN THE STATE EXERCISING ALL RECOURSE AVAILABLE UNDER THE CONTRACT INCLUDING, BUT NOT LIMITED TO, A THIRD PARTY AUDIT OF ALL CONTRACT ACTIVITY. SHOULD AN AUDIT BE REQUIRED BY THE STATE, THE CONTRACTOR SHALL REIMBURSE THE STATE FOR ALL COSTS ASOCIATED WITH THE AUDIT UP UP TO \$10,000.00 OR ONE (1%) PERCENT OF THE CONTRACT'S ESTIMATED ANNUAL VALUE, WHICH EVER IS HIGHER.

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**AUTHORIZED BY:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**BUYER AUTHORIZED DESIGNEE**