

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

THIS CONTRACT is entered into between the State of Florida, **AGENCY FOR HEALTH CARE ADMINISTRATION**, hereinafter referred to as the "**Agency**", whose address is 2727 Mahan Drive, Tallahassee, Florida 32308, and **LIFE SCIENCE LOGISTICS, LLC** hereinafter referred to as the "**Vendor**", whose address is 2600 Regent Boulevard, DFW Airport, Texas 75261, to provide services necessary for the implementation, operation, and management of the Canadian Prescription Drug Importation Program.

Table of Contents

I.	THE VENDOR HEREBY AGREES:	3
A.	General Provisions.....	3
B.	Florida Department of State	3
C.	MyFloridaMarketPlace	3
D.	Federal Laws and Regulations.....	3
E.	Prohibition of Gratuities.....	4
F.	Audits/Monitoring	4
G.	Inspection of Records and Work Performed.....	5
H.	Accounting	6
I.	Public Records Requests.....	6
J.	Communications	7
K.	Background Screening.....	8
L.	Monitoring.....	9
M.	Indemnification.....	10
N.	Insurance.....	11
O.	Assignments and Subcontracts.....	12
P.	Subcontracting.....	12
Q.	Return of Funds	13
R.	Purchasing.....	13
S.	Procurement of Products or Materials with Recycled Content.....	14
T.	Civil Rights Requirements/Vendor Assurance	14
U.	Equal Employment Opportunity (EEO) Compliance	15
V.	Discrimination	16
W.	Requirements of Section 287.058, Florida Statutes	16
X.	Sponsorship.....	19
Y.	Final Invoice.....	19
Z.	Use of Funds for Lobbying Prohibited	20

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

AA.	Public Entity Crime.....	20
BB.	Health Insurance Portability and Accountability Act	20
CC.	Confidentiality of Information.....	20
DD.	Employment.....	21
EE.	Work Authorization Program	21
FF.	Scrutinized Companies Lists	22
GG.	Performance of Services.....	22
HH.	Venue	22
II.	THE AGENCY HEREBY AGREES:	23
A.	Contract Amount.....	23
B.	Contract Payment	23
III.	THE VENDOR AND AGENCY HEREBY MUTUALLY AGREE:.....	24
A.	Termination	24
B.	Contract Managers.....	24
C.	Renegotiation or Modification.....	25
D.	All Terms and Conditions	26

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**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

I. THE VENDOR HEREBY AGREES:

A. General Provisions

1. To provide services according to the terms and conditions set forth in this Contract, **Attachment I**, Scope of Services, and all other attachments named herein which are attached hereto and incorporated by reference (collectively referred to herein as this "Contract").
2. To perform as an independent vendor and not as an agent, representative or employee of the Agency.
3. To recognize that the State of Florida, by virtue of its sovereignty, is not required to pay any taxes on the services or goods purchased under the terms of this Contract.

B. Florida Department of State

To be registered with the Florida Department of State as an entity authorized to transact business in the State of Florida by the effective date of this Contract.

C. MyFloridaMarketPlace

1. Each Vendor doing business with the State of Florida for the sale of commodities or contractual services as defined in Section 287.012, Florida Statutes (F.S.), shall register in MyFloridaMarketPlace, in compliance with Rule 60A-1.033, Florida Administrative Code (F.A.C.), unless exempt under Rule 60A-1.033(3), F.A.C.
2. This Contract has been exempted by the Florida Department of Management Services from paying the transaction fee per Rule 60A-1.031(4)(a and b), F.A.C.

D. Federal Laws and Regulations

1. This Contract contains Federal funds, therefore, the Vendor shall comply with all applicable Federal requirements pertaining to procurement, including but not limited to Chapter 2 of the Code of Federal Regulations (CFR) and any other final or interim rules.
2. This Contract contains Federal funding in excess of **\$100,000.00**, therefore, the Vendor must, upon Contract execution, complete the Certification Regarding Lobbying Form, **Attachment III**. If a Disclosure of Lobbying Activities Form, Standard Form LLL, is required, it may be obtained from the Agency's Contract Manager. All disclosure forms as required by the Certification Regarding Lobbying Form must be completed and returned to the Agency's Procurement Office.
3. Pursuant to 2 CFR 376, the Vendor must, upon Contract execution,

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

complete the Certification Regarding Debarment, Suspension, Ineligibility,
and Voluntary Exclusion Contracts/Subcontracts Form, **Attachment IV**.

E. Prohibition of Gratuities

To certify that no elected official or employee of the State of Florida has or shall benefit financially or materially from this Contract in violation of the provisions of Chapter 112, F.S. This Contract may be terminated if it is determined that gratuities of any kind were either offered or received by any of the aforementioned parties.

F. Audits/Monitoring

1. The Agency may conduct, or have conducted, performance and/or compliance reviews, reviews of specific records or other data as determined by the Agency. The Agency may conduct a review of a sample of analyses performed by the Vendor to verify the quality of the Vendor's analyses. Reasonable notice shall be provided for reviews conducted at the Vendor's place of business.
2. Reviews may include, but shall not be limited to, reviews of procedures, computer systems, recipient records, accounting records, and internal quality control reviews. The Vendor shall work with any reviewing entity selected by the Agency.
3. During this Contract period, these records shall be available at the Vendor's office at all reasonable times. After this Contract period and for ten (10) years following, the records shall be available at the Vendor's chosen location subject to the approval of the Agency. If the records need to be sent to the Agency, the Vendor shall bear the expense of delivery. Prior approval of the disposition of the Vendor and subcontractor records must be requested and approved by the Agency. This obligation survives termination of this Contract.
4. The Vendor shall comply with all applicable Federal requirements pertaining to procurement, including but not limited to Chapter 2 of the CFR and any other final or interim rules with respect to audit requirements of Federal contracts administered through State and local public agencies.
5. The Vendor shall maintain and file with the Agency such progress, fiscal and inventory reports as specified in **Attachment I**, Scope of Services, and other reports as the Agency may require within the period of this Contract. In addition, access to relevant computer data and applications which generated such reports should be made available upon request.
6. The Vendor shall ensure that all related party transactions are disclosed to the Agency Contract Manager.
7. The Vendor shall include these aforementioned audit and record keeping

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

requirements in all approved subcontracts and assignments.

8. The Vendor shall submit a SSAE 16 SOC 2 report on a yearly basis to the Agency Contract Manager.

G. Inspection of Records and Work Performed

1. The Agency and its authorized representatives shall, at all reasonable times, have the right to enter the successful Vendor's premises, or other places where duties under this Contract are performed. All inspections and evaluations shall be performed in such a manner as not to unduly delay work. Persons duly authorized by the Agency and federal auditors, pursuant to 45 CFR, Part 74 and/or 45 CFR, Part 92, shall have full access to and the right to examine any of said records and documents.
2. The Vendor shall retain all financial records, medical records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to performance under this Contract for a period of ten (10) years after termination of this Contract, or if an audit has been initiated and audit findings have not been resolved at the end of ten (10) years, the records shall be retained until resolution of the audit findings.
3. Refusal by the Vendor to allow access to all records, documents, papers, letters, other materials or on-site activities related to this Contract performance shall constitute a breach of this Contract.
4. The right of the Agency and its authorized representatives to perform inspections shall continue for as long as the Vendor is required to maintain records.
5. The Vendor shall be responsible for all storage fees associated with all records maintained under this Contract. The Vendor is also responsible for the destruction of all records that meet the retention schedule noted above.
6. Failure to retain all records as required may result in cancellation of this Contract. The Agency shall give the Vendor advance notice of cancellation pursuant to this provision and shall pay the Vendor only those amounts that are earned prior to the date of cancellation in accordance with the terms and conditions of this Contract. Performance by the Agency of any of its obligations under this Contract shall be subject to the successful Vendor's compliance with this provision.
7. In accordance with Section 20.055, F.S., the Vendor and its subcontractors shall cooperate with the Office of the Inspector General in any investigation, audit, inspection, review or hearing; and shall grant access to any records, data or other information the Office of the Inspector General deems necessary to carry out its official duties.

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

8. The rights of access in this Section must not be limited to the required retention period but shall last as long as the records are retained.

H. Accounting

1. To maintain an accounting system and employ accounting procedures and practices that conform to generally accepted accounting principles and standards or other comprehensive basis of accounting principles as acceptable to the Agency. For costs associated with specific contracts under which the Agency must account to the federal government for actual costs incurred, the costs and charges for that contract will be determined in accordance with generally accepted accounting principles.
2. To submit annual financial audits (or parent organization's annual financial audits with organizational chart) to the Agency within thirty (30) calendar days of receipt.

I. Public Records Requests

1. To comply with Section 119.0701, F.S., if applicable, and all other applicable parts of the Florida Public Records Act.
2. To keep and maintain public records that ordinarily and necessarily would be required in order to perform services under this Contract.
3. To provide the public with access to public records on the same terms and conditions that the Agency would provide the records and at a cost that does not exceed the cost provided in Section 119.07, F.S., or as otherwise provided by law.
4. To upon request from the appropriate Agency custodian of public records, provide the Agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost in Section 119.07, F.S., or as otherwise provided by law.
5. To ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of this Contract term and following completion of this Contract if the Vendor does not transfer the records to the Agency.
6. To not collect an individual's social security number unless the Vendor has stated in writing the purpose for its collection. The Vendor collecting an individual's social security number shall provide a copy of the written statement to the Agency and otherwise comply with applicable portions of Section 119.071(5), F.S.

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

7. To meet all requirements for retaining public records and transfer, at no cost, to the Agency all public records in possession of the Vendor upon termination of this Contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the Agency in a format that is compatible with the information technology systems of the Agency.
8. If the Vendor does not comply with a public records request, the Agency shall enforce Contract provisions in accordance with this Contract.
9. **IF THE VENDOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE VENDOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE AGENCY CUSTODIAN OF PUBLIC RECORDS FOR THIS CONTRACT. THE AGENCY CUSTODIAN OF PUBLIC RECORDS FOR THIS CONTRACT IS THE CONTRACT MANAGER.**

J. Communications

1. Notwithstanding any term or condition of this Contract to the contrary, the Vendor bears sole responsibility for ensuring that its performance of this Contract fully complies with all State and Federal law governing the monitoring, interception, recording, use or disclosure of wire, oral or electronic communications, including but not limited to the Florida Security of Communications Act, Section 934.01, et seq., F.S.; and the Electronic Communications Privacy Act, 18 U.S.C. Section 2510 et seq. (hereafter, collectively, "Communication Privacy Laws").
2. Prior to intercepting, recording or monitoring any communications which are subject to Communication Privacy Laws, the Vendor must:
 - a. Submit a plan which specifies in detail the manner in which the Vendor will ensure that such actions are in full compliance with Communication Privacy Laws (the "Privacy Compliance Plan"); and
 - b. Obtain written approval, signed and notarized by the Agency Contract Manager, approving the Privacy Compliance Plan.
3. No modifications to an approved Privacy Compliance Plan may be implemented by the Vendor unless an amended Privacy Compliance Plan is submitted to the Agency, and written approval of the amended Privacy Compliance Plan is signed and notarized by the Agency Contract Manager. Agency approval of the Vendor's Privacy Compliance Plan in

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

no way constitutes a representation by the Agency that the Privacy Compliance Plan is in full compliance with applicable Communication Privacy Laws, or otherwise shifts or diminishes the Vendor's sole burden to ensure full compliance with applicable Communication Privacy Laws in all aspects of the Vendor's performance of this Contract. Violation of this term may result in sanctions to include termination of this Contract and/or liquidated damages.

4. The Vendor agrees that it is the custodian of any and all recordings for purposes of the Public Records Act, Chapter 119, F.S., and is solely responsible for responding to any public records requests for recordings. This responsibility includes gathering, redaction, duplication and provision of the recordings as well as defense of any actions for enforcement brought pursuant to Section 119.11, F.S.

K. Background Screening

1. To ensure that all Vendor employees including managing employees that have direct access to personally identifiable information (PII), protected health information (PHI), or financial information have a County, State, and Federal criminal background screening comparable to a Level 2 background screening as described in Section 435.04, F.S., completed with results prior to employment.
2. Per Section 435.04(1)(a), F.S., Level 2 screening standards include, but need not be limited to, fingerprinting for statewide criminal history records checks through the Department of Law Enforcement, and national criminal history records checks through the Federal Bureau of Investigation, and may include local criminal records checks through local law enforcement agencies.
3. If the Vendor employee or managing employee was employed prior to the execution of this Contract, the Vendor shall ensure that the County, State, and Federal criminal background screening comparable to a Level 2 background screening is completed with results prior to the employee accessing any PII, PHI, or financial information.
4. Any Vendor employee or managing employee with background results that are unacceptable to the State as described in Section 435.04, F.S., or related to the criminal use of PII as described in Section 817, F.S., or has been subject to criminal penalties for the misuse of PHI under 42 U.S.C. 1320d-5, or has been subject to criminal penalties for the offenses described in Section 812.0195, F.S., Section 815, F.S., Section 815.04, F.S., or Section 815.06, F.S., shall be denied employment or be immediately dismissed from performing services under this Contract by the Vendor unless an exemption is granted.
5. Direct access is defined as having, or expected to have, duties that involve access to PII, PHI, or financial information by any means including, but not

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

limited to, network shared drives, email, telephone, mail, computer systems, and electronic or printed reports.

6. To ensure that all Vendor employees including managing employees that have direct access to any PII, PHI or financial information have a County, State, and Federal criminal background screening comparable to a Level 2 background screening completed with results every five (5) years.
7. To develop and submit policies and procedures related to this criminal background screening requirement to the Agency for review and approval within thirty (30) calendar days of this Contract execution. The Vendor's policies and procedures shall include a procedure to grant an exemption from disqualification for disqualifying offenses revealed by the background screening, as described in Section 435.07, F.S.
8. To keep a record of all background screening records to be available for Agency review upon request.
9. Failure to comply with background screening requirements shall subject the Vendor to liquidated damages as described **Attachment I**, Scope of Services.

L. Monitoring

1. To provide reports as specified in **Attachment I**, Scope of Services. These reports will be used for monitoring progress or performance of the contractual services as specified in **Attachment I**, Scope of Services.
2. To permit persons duly authorized by the Agency to inspect any records, papers, documents, facilities, goods and services of the Vendor which are relevant to this Contract.
3. To ensure that each of its employees or subcontractors who performs activities related to the services associated with this Contract will report to the Agency any health care facility that is the subject of these services that may have violated the law. To report concerns pertaining to a health care facility, the Vendor employee or subcontractor may contact the Agency Complaint Hotline by calling 1-888-419-3456 or by completing the online complaint form found at <https://apps.ahca.myflorida.com/hcfc>.
4. To ensure that each of its employees or subcontractors who performs activities related to the services associated with this Contract, will report to the Agency areas of concern relative to the operation of any entity covered by this Contract. To report concerns, the Vendor employee or subcontractor may contact the Agency Complaint Hotline by calling 1-877-254-1055 or by completing the online complaint form found at https://apps.ahca.myflorida.com/smmc_cirts/.
5. Reports which represent individuals receiving services are at risk for, or

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

have suffered serious harm, impairment, or death shall be reported to the Agency immediately and no later than twenty four (24) clock hours after the observation is made. Reports that reflect noncompliance that does not rise to the level of concern noted above shall be reported to the Agency within ten (10) calendar days of the observation.

M. Indemnification

The Vendor agrees to indemnify, defend, and hold harmless the Agency, as provided in this Clause.

1. Scope. The Duty to Indemnify and the Duty to Defend, as described herein (collectively known as the “Duty to Indemnify and Defend”), extend to any completed, actual, pending or threatened action, suit, claim or proceeding, whether civil, criminal, administrative or investigative (including any action by or in the right of the Vendor), and whether formal or informal, in which the Agency is, was or becomes involved and which in any way arises from, relates to or concerns the Vendor’s acts or omissions related to this Contract (inclusive of all attachments, etc.) (collectively “Proceeding”).
 - a. Duty to Indemnify. The Vendor agrees to hold harmless and indemnify the Agency to the full extent permitted by law against any and all liability, claims, actions, suits, judgments, damages and costs of whatsoever name and description, including attorneys’ fees, arising from or relating to any Proceeding.
 - b. Duty to Defend. With respect to any Proceeding, the Vendor agrees to fully defend the Agency and shall timely reimburse all of the Agency’s legal fees and costs; provided, however, that the amount of such payment for attorneys’ fees and costs is reasonable pursuant to rule 4–1.5, Rules Regulating The Florida Bar. The Agency retains the exclusive right to select, retain and direct its defense through defense counsel funded by the Vendor pursuant to the Duty to Indemnify and Defend the Agency.
2. Expense Advance. The presumptive right to indemnification of damages shall include the right to have the Vendor pay the Agency’s expenses in any Proceeding as such expenses are incurred and in advance of the final disposition of such Proceeding.
3. Enforcement Action. In the event that any claim for indemnity, whether an Expense Advance or otherwise, is made hereunder and is not paid in full within sixty (60) calendar days after written notice of such claim is delivered to the Vendor, the Agency may, but need not, at any time thereafter, bring suit against the Vendor to recover the unpaid amount of the claim (hereinafter “Enforcement Action”). In the event the Agency brings an Enforcement Action, the Vendor shall pay all of the Agency’s attorneys’ fees and expenses incurred in bringing and pursuing the Enforcement Action.

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

4. Contribution. In any Proceeding in which the Vendor is held to be jointly liable with the Agency for payment of any claim of any kind (whether for damages, attorneys' fees, costs or otherwise), if the Duty to Indemnify provision is for any reason deemed to be inapplicable, the Vendor shall contribute toward satisfaction of the claim whatever portion is or would be payable by the Agency in addition to that portion which is or would be payable by the Vendor, including payment of damages, attorneys' fees and costs, without recourse against the Agency. No provision of this part or of any other section of this Contract (inclusive of all attachments, etc.), whether read separately or in conjunction with any other provision, shall be construed to: (i) waive the State or the Agency's immunity to suit or limitations on liability; (ii) obligate the State or the Agency to indemnify the Vendor for the Vendor's own negligence or otherwise assume any liability for the Vendor's own negligence; or (iii) create any rights enforceable by third parties, as third party beneficiaries or otherwise, in law or in equity.

N. Insurance

1. To the extent required by law, the Vendor shall be self-insured against, or shall secure and maintain during the life of this Contract, Worker's Compensation Insurance for all its employees connected with the work of this Contract and, in case any work is subcontracted, the Vendor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees unless such employees engaged in work under this Contract are covered by the Vendor's self-insurance program. Such self-insurance or insurance coverage shall comply with the Florida Worker's Compensation law. In the event hazardous work is being performed by the Vendor under this Contract and any class of employees performing the hazardous work is not protected under Worker's Compensation statutes, the Vendor shall provide, and cause each subcontractor to provide, adequate insurance satisfactory to the Agency, for the protection of its employees not otherwise protected.
2. The Vendor shall secure and maintain Commercial General Liability insurance including bodily injury, property damage, personal and advertising injury and products and completed operations. This insurance will provide coverage for all claims that may arise from the services and/or operations completed under this Contract, whether such services and/or operations are by the Vendor or anyone directly, or indirectly employed by it. Such insurance shall include a Hold Harmless Agreement in favor of the State of Florida and also include the State of Florida as an Additional Named Insured for the entire length of this Contract and hold the State of Florida harmless from subrogation. The Vendor shall set the limits of liability necessary to provide reasonable financial protections to the Vendor and the State of Florida under this Contract.
3. All insurance policies shall be with insurers licensed or eligible to transact business in the State of Florida. The Vendor's current insurance policy(ies)

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

shall contain a provision that the insurance will not be canceled for any reason except after thirty (30) calendar days written notice. The Vendor shall provide thirty (30) calendar days written notice of cancellation to the Agency's Contract Manager.

4. The Vendor shall submit insurance certificates evidencing such insurance coverage prior to execution of this Contract.

O. Assignments and Subcontracts

To neither assign the responsibility of this Contract to another party nor subcontract for any of the work contemplated under this Contract without prior written approval of the Agency. No such approval by the Agency of any assignment or subcontract shall be deemed in any event or in any manner to provide for the incurrence of any obligation of the Agency in addition to the total dollar amount agreed upon in this Contract. All such assignments or subcontracts shall be subject to the conditions of this Contract and to any conditions of approval that the Agency shall deem necessary.

P. Subcontracting

1. To not subcontract, assign, or transfer any work identified under this Contract, without prior written consent of the Agency.
2. To not subcontract with any provider that would be in conflict of interest to the Vendor during the term of this Contract in accordance with applicable Federal and/or State laws.
3. Changes to approved subcontracts and/or subcontractors require approval in writing by the Agency's Contract Manager prior to the effective date of any subcontract.
4. The Agency encourages Vendors to partner with subcontractors who can provide best value and the best in class solutions. However, the Vendor is responsible for all work performed under this Contract. No subcontract that the Vendor enters into with respect to performance under this Contract shall in any way relieve the Vendor of any responsibility for performance of its duties. The Vendor shall assure that all tasks related to the subcontract are performed in accordance with the terms of this Contract. If the Agency determines, at any time, that a subcontract is not in compliance with a Contract requirement, the Vendor shall promptly revise the subcontract to bring it into compliance. In addition, the Vendor may be subject to sanctions and/or liquidated damages pursuant to this Contract and Section 409.912(4), F.S. (related to sanctions).
5. All payments to subcontractors will be made by the Vendor.
6. To be responsible for monitoring the subcontractor's performance. The results of the monitoring shall be provided to the Agency's Contract

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

Manager, fourteen (14) business days after the end of each month or as specified by the Agency. If the subcontractor's performance does not meet the Agency's performance standard according to the Agency's monitoring report or the Vendor's monitoring report, an improvement plan must be submitted to the Vendor and the Agency within fourteen (14) business days of the deficient report.

7. The State supports and encourages supplier diversity and the participation of small and minority business enterprises in State contracting, both as Vendors and subcontractors. The Agency supports diversity in its Procurement Program and requests that all subcontracting opportunities afforded by this Contract enthusiastically embrace diversity. The award of subcontracts should reflect the full diversity of the citizens of the State of Florida. Vendors can contact the Office of Supplier Diversity at (850) 487-0915 or online at <http://osd.dms.state.fl.us/> for information on minority Vendors who may be considered for subcontracting opportunities.
8. A minority owned business is defined as any business enterprise owned and operated by the following ethnic groups: African American (Certified Minority Code H or Non-Certified Minority Code N); Hispanic American (Certified Minority Code I or Non-Certified Minority Code O); Asian American (Certified Minority Code J or Non-Certified Minority Code P); Native American (Certified Minority Code K or Non-Certified Minority Code Q); or American Woman (Certified Minority Code M or Non-Certified Minority Code R).

Q. Return of Funds

To return to the Agency any overpayments due to unearned funds or funds disallowed pursuant to the terms of this Contract that were disbursed to the Vendor by the Agency. The Vendor shall return any overpayment to the Agency within forty (40) calendar days after either discovery by the Vendor, its independent auditor, or notification by the Agency, of the overpayment.

R. Purchasing

1. P.R.I.D.E.

It is expressly understood and agreed that any articles which are the subject of, or required to carry out, this Contract shall be purchased from the corporation identified under Chapter 946, F.S., if available, in the same manner and under the same procedures set forth in Section 946.515(2) and (4), F.S.; and for purposes of this Contract the person, firm, or other business entity carrying out the provisions of this Contract shall be deemed to be substituted for this Agency insofar as dealings with such corporation are concerned.

The "Corporation identified" is PRISON REHABILITATIVE INDUSTRIES AND DIVERSIFIED ENTERPRISES, INC. (P.R.I.D.E.) which may be

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

contacted at:

P.R.I.D.E.
12425 28th Street North,
Suite 300
St. Petersburg, FL 33716
info@pride-enterprises.org
(727) 556-3300
Toll Free: 1-800-643-8459
Fax: (727) 570-3366

2. RESPECT of Florida

It is expressly understood and agreed that any articles that are the subject of, or required to carry out, this Contract shall be purchased from a nonprofit agency for the blind or for the severely handicapped that is qualified pursuant to Chapter 413, F.S., in the same manner and under the same procedures set forth in Section 413.036(1) and (2), F.S.; and, for purposes of this Contract the person, firm, or other business entity carrying out the provisions of this Contract shall be deemed to be substituted for this Agency insofar as dealings with such qualified nonprofit agency are concerned.

The "nonprofit agency" identified is RESPECT of Florida which may be contacted at:

RESPECT of Florida
2475 Apalachee Parkway, Suite 205
Tallahassee, Florida 32301-4946
(850) 487-1471
www.respectofflorida.org

S. Procurement of Products or Materials with Recycled Content

It is expressly understood and agreed that any products which are required to carry out this Contract shall be procured in accordance with the provisions of Section 403.7065, F.S.

T. Civil Rights Requirements/Vendor Assurance

The Vendor assures that it will comply with:

1. Title VI of the Civil Rights Act of 1964, as amended, 42 United States Code (U.S.C.) 2000d et seq., which prohibits discrimination on the basis of race, color, or national origin.
2. Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794, which prohibits discrimination on the basis of handicap.

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

3. Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. 1681 et seq., which prohibits discrimination on the basis of sex.
4. The Age Discrimination Act of 1975, as amended, 42 U.S.C. 6101 et seq., which prohibits discrimination on the basis of age.
5. Section 654 of the Omnibus Budget Reconciliation Act of 1981, as amended, 42 U.S.C. 9849, which prohibits discrimination on the basis of race, creed, color, national origin, sex, handicap, political affiliation or beliefs.
6. The Americans with Disabilities Act of 1990, Public Law (P.L.) 101-336, which prohibits discrimination on the basis of disability and requires reasonable accommodation for persons with disabilities.
7. Chapter 409, F.S.
8. Rule 62-730.160, F.A.C. pertaining to standards applicable to generators of hazardous waste.
9. All applicable standards, orders or regulations issued pursuant to the Clean Air Act, 42 United States Code (U.S.C.) 7401 et seq.
10. The Medicare-Medicaid Fraud and Abuse Act of 1978.
11. Other Federal omnibus budget reconciliation acts.
12. The Balanced Budget Act of 1997.
13. All regulations, guidelines, and standards as are now or may be lawfully adopted under the above statutes.

The Vendor agrees that compliance with this assurance constitutes a condition of continued receipt of or benefit from funds provided through this Contract, and that it is binding upon the Vendor, its successors, transferees, and assignees for the period during which services are provided. The Vendor further assures that all contractors, subcontractors, subgrantees, or others with whom it arranges to provide services or benefits to participants or employees in connection with any of its programs and activities are not discriminating against those participants or employees in violation of the above statutes, regulations, guidelines, and standards.

U. Equal Employment Opportunity (EEO) Compliance

To not discriminate in its employment practices with respect to race, color, religion, age, sex, marital status, political affiliation, national origin, or handicap.

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

V. Discrimination

Pursuant to Section 287.134(2)(a), F.S., an entity or affiliate who has been placed on the Discriminatory Vendor List may not submit a Bid, Proposal, or Reply on a contract to provide any goods or services to a public entity; may not submit a Bid, Proposal, or Reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit Bids, Proposals, or Replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity. The Florida Department of Management Services is responsible for maintaining the Discriminatory Vendor List. Questions regarding the Discriminatory Vendor List may be directed to the Florida Department of Management Services, Office of Supplier Diversity at (850) 487-0915.

W. Requirements of Section 287.058, Florida Statutes

1. To submit bills for fees or other compensation for services or expenses in detail sufficient for a proper pre-audit and post-audit thereof.
2. Where applicable, to submit bills for any travel expenses in accordance with Section 112.061, F.S. The Agency may establish rates lower than the maximum provided in Section 112.061, F.S.
3. To provide units of deliverables, including reports, findings, and drafts, in writing and/or in an electronic format agreeable to both Parties, as specified in **Attachment I**, Scope of Services, to be received and accepted by the Contract Manager prior to payment.
4. To comply with the criteria and final date, as specified herein, by which such criteria must be met for completion of this Contract.
5. This Contract shall begin upon execution by both Parties or **December 29, 2020**, (whichever is later) and end on **June 30, 2023**, inclusive.
6. In accordance with Section 287.057(13), F.S., this Contract may be renewed for a period that may not exceed three (3) years or the term of the original Contract, whichever period is longer. Renewal of this Contract shall be in writing and subject to the same terms and conditions set forth in the initial Contract. A renewal Contract may not include any compensation for costs associated with the renewal. Renewals are contingent upon satisfactory performance evaluations by the Agency, are subject to the availability of funds, and optional to the Agency.
7. If this Contract is renewed, it is the Agency's policy to reduce the overall payment amount by the Agency to the Vendor by at least five percent (5%) during the period of this Contract renewal, unless it would affect the level and quality of services.

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

8. The Vendor agrees that the Agency may unilaterally cancel this Contract for refusal by the Vendor to allow public access to all documents, papers, letters, or other material made or received by the Vendor in conjunction with this Contract, unless the records are exempt from Section 24(a) of Article I of the State Constitution and the Florida Public Records Act, Chapter 119, F.S.
9. To comply with Patents, Royalties, Copyrights, Right to Data, and Works for Hire/Software requirements as follows:
 - a. The Vendor, without exception, shall indemnify and hold harmless the Agency and its employees from liability of any nature or kind, including cost and expenses for or on account of any copyrighted, patented, or unattended invention, process, or article manufactured or supplied by the Vendor. The Vendor has no liability when such claim is solely and exclusively due to the combination, operation or use of any article supplied hereunder with equipment or data not supplied by the Vendor or is based solely and exclusively upon the Agency's alteration of the article.
 - b. The Agency will provide prompt written notification of a claim of copyright or patent infringement and shall afford the Vendor full opportunity to defend the action and control the defense. Further, if such a claim is made or is pending, the Vendor may, at its option and expense procure for the Agency the right to continue the use of, replace or modify the article to render it non-infringing (if none of the alternatives is reasonably available, the Agency agrees to return the article on request to the Vendor and receive reimbursement, if any, as may be determined by a court of competent jurisdiction).
 - c. If the Vendor brings to the performance of this Contract a pre-existing patent, patent-pending and/or copyright, at the time of Contract execution, the Vendor shall retain all rights and entitlements to that pre-existing patent, patent-pending and/or copyright, unless this Contract provides otherwise.
 - d. If the Vendor uses any design, device, or materials covered by letter, patent, or copyright, it is mutually agreed and understood without exception that the proposed prices shall include all royalties or cost arising from the use of such design, device, or materials in any way involved in the work. Prior to the initiation of services under this Contract, the Vendor shall disclose, in writing, all intellectual properties relevant to the performance of this Contract which the Vendor knows, or should know, could give rise to a patent or copyright. The Vendor shall retain all rights and entitlements to any pre-existing intellectual property which is so disclosed. Failure to disclose will indicate that no such property exists. The Agency will then have the right to all patents and copyrights which arise as a

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

result of performance under this Contract as provided in this Sub-Section.

- e. If any discovery or invention arises or is developed in the course of, or as a result of, work or services performed under this Contract, or in any way connected herewith, the Vendor shall refer the discovery or invention to the Agency for a determination whether patent protection will be sought in the name of the State of Florida. Any and all patent rights accruing under or in connection with the performance of this Contract are hereby reserved to the State of Florida. All materials to which the Agency is to have patent rights or copyrights shall be marked and dated by the Vendor in such a manner as to preserve and protect the legal rights of the Agency.
- f. Where activities supported by this Contract produce original writing, sound recordings, pictorial reproductions, drawings or other graphic representation and works of any similar nature, the Agency has the right to use, duplicate and disclose such materials in whole or in part, in any manner, for any purpose whatsoever and to have others acting on behalf of the Agency to do so. If the materials so developed are subject to copyright, trademark, or patent, legal title and every right, interest, claim, or demand of any kind in and to any patent, trademark or copyright, or application for the same, shall vest in the State of Florida, Department of State for the exclusive use and benefit of the State. Pursuant to Section 286.021, F.S., no person, firm, corporation, including parties to this Contract shall be entitled to use the copyright, patent, or trademark without the prior written consent of the Florida Department of State.
- g. The Agency will have unlimited rights to use, disclose, or duplicate, for any purpose whatsoever, all information and data developed, derived, documented, or furnished by the Vendor under this Contract.
- h. All rights and title to works for hire under this Contract, whether patentable or copyrightable or not, shall belong to the Agency and shall be subject to the terms and conditions of this Contract.
- i. The computer programs, data, materials and other information furnished by the Agency to the Vendor hereunder shall be and remain the sole and exclusive property of the Agency, free from any claim or right of retention by or on behalf of the Vendor. The services and products listed in this Contract shall become the property of the Agency upon the Vendor's performance and delivery thereof. The Vendor hereby acknowledges that said computer programs, materials and other information provided by the Agency to the Vendor hereunder, together with the products delivered and services performed by the Vendor hereunder, shall be and remain confidential and proprietary in nature to the extent provided by

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

Chapter 119, F.S., and that the Vendor shall not disclose, publish or use same for any purpose other than the purposes provided in this Contract; however, upon the Vendor first demonstrating to the Agency's satisfaction that such information, in part or in whole, (1) was already known to the Vendor prior to its receipt from the Agency; (2) became known to the Vendor from a source other than the Agency; or (3) has been disclosed by the Agency to third parties without restriction, the Vendor shall be free to use and disclose same without restriction. Upon completion of the Vendor's performance or otherwise cancellation or termination of this Contract, the Vendor shall surrender and deliver to the Agency, freely and voluntarily, all of the above-described information remaining in the Vendor's possession.

j. The Vendor warrants that all materials produced hereunder shall be of original development by the Vendor and shall be specifically developed for the fulfillment of this Contract and shall not knowingly infringe upon or violate any patent, copyright, trade secret or other property right of any third party, and the Vendor shall indemnify and hold the Agency harmless from and against any loss, cost, liability or expense arising out of any breach or claimed breach of this warranty.

k. The terms and conditions specified in this Sub-Section shall also apply to any subcontract made under this Contract. The Vendor shall be responsible for informing the subcontractor of the provisions of this Sub-Section and obtaining disclosures.

10. The financial consequences that the Agency must apply if the Vendor fails to perform in accordance with this Contract are outlined in **Attachment I, Scope of Services**.

X. Sponsorship

Pursuant to Section 286.25, F.S., all non-governmental Vendors must assure that all notices, information pamphlets, press releases, advertisements, descriptions of the sponsorship of the program, research reports, and similar public notices prepared and released by the Vendor shall include the Statement: "**Sponsored by Life Science Logistics, LLC and the State of Florida, Agency for Health Care Administration.**" If the sponsorship reference is in written material, the words, "State of Florida, Agency for Health Care Administration" shall appear in the same size letters or type as the name of the organization.

Y. Final Invoice

The Vendor must submit the final invoice for payment to the Agency no more than sixty (60) calendar days after this Contract ends or is terminated. If the Vendor fails to do so, all right to payment is forfeited and the Agency will not honor any requests submitted after the aforesaid time period. Any payment due

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

under the terms of this Contract may be withheld until all reports due from the Vendor and necessary adjustments thereto have been approved by the Agency.

Z. Use of Funds for Lobbying Prohibited

To comply with the provisions of Section 216.347, F.S., which prohibits the expenditure of Contract funds for the purpose of lobbying the Legislature, the judicial branch or a State agency.

AA. Public Entity Crime

A person or affiliate who has been placed on the Convicted Vendor List following a conviction for a public entity crime may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, F.S., for category two, for a period of thirty six (36) months from the date of being placed on the Convicted Vendor List.

BB. Health Insurance Portability and Accountability Act

1. To comply with the Department of Health and Human Services Privacy Regulations in the CFR, Title 45, Sections 160 and 164, regarding disclosure of protected health information as specified in **Attachment II**, Business Associate Agreement.
2. The Vendor must ensure it meets all Federal regulations regarding required standard electronic transactions and standards for privacy and individually identifiable health information as identified in the Health Insurance Portability and Accountability Act (HIPAA) of 1996 and the Health Information Technology for Economic and Clinical Health Act (HITECH) of 2009 and associated regulations.
3. The Vendor shall conduct all activities in compliance with 45 CFR 164 Subpart C to ensure data security, including, but not limited to encryption of all information that is confidential under Florida or Federal law, while in transmission and while resident on portable electronic media storage devices. Encryption is required and shall be consistent with Federal Information Processing Standards (FIPS), and/or the National Institute of Standards and Technology (NIST) publications regarding cryptographic standards.

CC. Confidentiality of Information

1. The Vendor shall not use or disclose any confidential information, including social security numbers that may be supplied under this Contract pursuant to law, and also including the identity or identifying information concerning a Medicaid recipient or services under this

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

Contract for any purpose not in conformity with State and Federal laws, except upon written consent of the recipient, or his/her guardian.

2. All personally identifiable information, including Medicaid information, obtained by the Vendor shall be treated as privileged and confidential information and shall be used only as authorized for purposes directly related to the administration of this Contract. The Vendor must have a process that specifies that patient-specific information remains confidential, is used solely for the purposes of data analysis or other Vendor responsibilities under this Contract, and is exchanged only for the purpose of conducting a review or other duties outlined in this Contract.
3. Any patient-specific information received by the Vendor can be shared only with those agencies that have legal authority to receive such information and cannot be otherwise transmitted for any purpose other than those for which the Vendor is retained by the Agency. The Vendor must have in place written confidentiality policies and procedures to ensure confidentiality and to comply with all Federal and State laws (including the HIPAA and HITECH Acts) governing confidentiality, including electronic treatment records, facsimile mail, and electronic mail).
4. The Vendor's subcontracts must explicitly state expectations about the confidentiality of information, and the subcontractor is held to the same confidentiality requirements as the Vendor. If provider-specific data are released to the public, the Vendor shall have policies and procedures for exercising due care in compiling and releasing such data that address statutory protections of quality assurance and confidentiality while assuring that open records requirements of Chapter 119, F.S., are met.
5. The Vendor and its subcontractors shall comply with the requirements of Section 501.171, F.S. and shall, in addition to the reporting requirements therein, report to the Agency any breach of personal information.
6. Any releases of information to the media, the public, or other entities require prior approval from the Agency.

DD. Employment

The Vendor shall comply with Section 274A of the Immigration and Nationality Act. The Agency will consider the employment by any contractor of unauthorized aliens a violation of this Act. If the Vendor knowingly employs unauthorized aliens, such violation shall be cause for unilateral cancellation of this Contract. The Vendor shall be responsible for including this provision in all subcontracts with private organizations issued as a result of this Contract.

EE. Work Authorization Program

The Immigration Reform and Control Act of 1986 prohibits employers from knowingly hiring illegal workers. The Vendor shall only employ individuals who

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

may legally work in the United States (U.S.) – either U.S. citizens or foreign citizens who are authorized to work in the U.S. The Vendor shall use the U.S. Department of Homeland Security’s E-Verify Employment Eligibility Verification system, <https://e-verify.uscis.gov/emp>, to verify the employment eligibility of all new employees hired by the Vendor during the term of this Contract and shall also include a requirement in its subcontracts that the subcontractor utilize the E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor performing work or providing services pursuant to this Contract.

FF. Scrutinized Companies Lists

Pursuant to Section 287.135, F.S. the Vendor certifies that:

1. If this Contract reaches or exceeds **\$1,000,000.00**, it has not been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List and does not have business operations in Cuba or Syria; and
2. For contracts of any amount, it has not been placed on the Scrutinized Companies that Boycott Israel List and is not engaged in a boycott of Israel.

The Vendor agrees that the Agency may immediately terminate this Contract if the Vendor is found to have submitted a false certification or is placed on the lists defined in Sections 215.473 or 215.4725, F.S., or engages in a boycott of Israel, during the term of this Contract.

GG. Performance of Services

The Vendor shall ensure all services provided under this Contract will be performed within the borders of the United States and its territories and protectorates. State-owned Data (data collected or created for or provided by the Agency) will be processed and stored in data centers that are located only in the forty eight (48) contiguous United States.

HH. Venue

1. In the event of any legal challenges to this Contract, the Vendor agrees and will consent that hearings and depositions for any administrative or other litigation related to this Contract shall be held in Leon County, Florida. The Agency, in its sole discretion, may waive this venue for depositions.
2. Respondents (and their successors, including but not limited to their parent(s), affiliates, subsidiaries, subcontractors, assigns, heirs, administrators, representatives and trustees) acknowledge that this Contract (including but not limited to exhibits, attachments, or amendments) is not a rule nor subject to rulemaking under Chapter 120 (or its successor) of the Florida Statutes and is not subject to challenge as a rule or non-rule policy under any provision of Chapter 120, F.S.

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

3. This Contract shall be delivered in the State of Florida and shall be construed in accordance with the laws of Florida. Wherever possible, each provision of this Contract shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision shall be found ineffective, then to the extent of such prohibition or invalidity, that provision shall be severed without invalidating the remainder of such provision or the remaining provisions of this Contract.

4. The exclusive venue and jurisdiction for any action in law or in equity to adjudicate rights or obligations arising pursuant to or out of this Contract for which there is no administrative remedy shall be the Second Judicial Circuit Court in and for Leon County, Florida, or, on appeal, the First District Court of Appeal (and, if applicable, the Florida Supreme Court). Any administrative hearings hereon or in connection herewith shall be held in Leon County, Florida.

II. THE AGENCY HEREBY AGREES:

A. Contract Amount

To pay for contracted services according to the conditions of **Attachment I**, Scope of Services, in an amount not to exceed **\$38,817,200.00** for the administration and operation of the Program, subject to the availability of funds. Note: This amount does not include the cost to purchase pharmacy drugs under the Contract, as the total amount of pharmacy drugs that will be purchased cannot be determined at the time of Contract execution. The State of Florida's performance and obligation to pay under this Contract is contingent upon an annual appropriation by the Legislature.

B. Contract Payment

Section 215.422, F.S., provides that agencies have five (5) business days to inspect and approve goods and services, unless bid specifications, Contract or Purchase Order specifies otherwise. With the exception of payments to health care providers for hospital, medical, or other health care services, if payment is not available within forty (40) calendar days, measured from the latter of the date the invoice is received or the goods or services are received, inspected and approved, a separate interest penalty set by the Comptroller pursuant to Section 55.03, F.S., will be due and payable in addition to the invoice amount. To obtain the applicable interest rate, please contact the Agency's Fiscal Section at (850) 412-3858, or utilize the Department of Financial Services website at www.myfloridacfo.com/aadir/interest.htm. Payments to health care providers for hospital, medical or other health care services, shall be made not more than thirty five (35) calendar days from the date eligibility for payment is determined, and the daily interest rate is .0003333%. Invoices returned to a vendor due to preparation errors will result in a payment delay. Invoice payment requirements do not start until a properly completed invoice is provided to the Agency. A Vendor Ombudsman, whose duties include acting as an

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

advocate for vendors who may be experiencing problems in obtaining timely payment(s) from a State agency, may be contacted at (850) 413-5516 or by calling the State Office of Financial Regulation Consumer Helpline, 1-877-693-5236.

III. THE VENDOR AND AGENCY HEREBY MUTUALLY AGREE:

A. Termination

1. Termination at Will

This Contract may be terminated by the Agency upon no less than thirty (30) calendar day's written notice, without cause, unless a lesser time is mutually agreed upon by both Parties. Said notice shall be delivered by certified mail, return receipt requested, or in person with proof of delivery.

2. Termination Due to Lack of Funds

In the event funds to finance this Contract become unavailable, the Agency may terminate this Contract upon no less than twenty four (24) clock hours' written notice to the Vendor. Said notice shall be delivered by certified mail, return receipt requested, or in person with proof of delivery. The Agency will be the final authority as to the availability of funds. The Vendor shall be compensated for all acceptable work performed up to the time notice of termination is received.

3. Termination for Breach

a. Unless the Vendor's breach is waived by the Agency in writing, the Agency may, by written notice to the Vendor, terminate this Contract upon no less than twenty four (24) clock hours' written notice. Said notice shall be delivered by certified mail, return receipt requested, or in person with proof of delivery. If applicable, the Agency may employ the default provisions in Rule 60A-1.006(3), F.A.C.

b. Waiver of breach of any provisions of this Contract shall not be deemed to be a waiver of any other breach and shall not be construed to be a modification of the terms of this Contract. The provisions herein do not limit the Agency's right to remedies at law or to damages.

B. Contract Managers

1. The Agency's Contract Manager's contact information is as follows:

**Erica Floyd Thomas
Agency for Health Care Administration
2727 Mahan Drive, Bldg. 3**

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

**Tallahassee, Florida 32308
(850) 412-4223**

2. The Vendor's Contract Manager's contact information is as follows:

**Steve Solomon
Life Science Logistics, LLC
2600 Regent Boulevard
DFW Airport, Texas 75261**

3. All matters shall be directed to the Contract Managers for appropriate action or disposition. A change in Contract Manager by either Party shall be reduced to writing through an amendment to this Contract by the Agency.

C. Renegotiation or Modification

1. Modifications of provisions of this Contract shall only be valid when they have been reduced to writing and duly signed during the term of this Contract. The Parties agree to renegotiate this Contract if Federal and/or State revisions of any applicable laws, or regulations make changes in this Contract necessary.
2. The rate of payment and the total dollar amount may be adjusted retroactively to reflect price level increases and changes in the rate of payment when these have been established through the appropriations process and subsequently identified in the Agency's operating budget.

3. Preferred Pricing

The Vendor represents and warrants that the prices and terms for its services under this Contract are no less favorable to the Agency than those for similar services under any existing contract with any other party. The Vendor further agrees that, within ninety (90) calendar days of the Vendor entering into a contract or contract amendment or offering to any other party services similar to those under this Contract under prices or terms more favorable than those provided in this Contract, the Vendor will report such prices and terms to the Agency, which prices or terms shall be effective as an amendment to this Contract upon the Agency's written acceptance thereof. Should the Agency discover such other prices or terms, the same shall be effective as an amendment to this Contract retroactively to the earlier of the effective date of this Contract (for other contracts in effect as of that date) or the date they were first contracted or offered to the other party (for subsequent contracts, amendments or offers) and any payment in excess of such pricing shall be deemed overpayments. The Vendor shall submit an affidavit no later than July 31st of each year during the term of this Contract attesting that the Vendor is in compliance with this provision, as required by Section 216.0113, F.S.

STATE OF FLORIDA AGENCY FOR HEALTH CARE ADMINISTRATION STANDARD CONTRACT

D. All Terms and Conditions

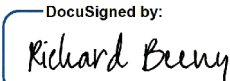
This Contract and its attachments as referenced herein contain all the terms and conditions agreed upon by the Parties.

This Contract is and shall be deemed jointly drafted and written by all Parties to it and shall not be construed or interpreted against the Party originating or preparing it. Each Party has the right to consult with counsel and has either consulted with counsel or knowingly and freely entered into this Contract without exercising its right to counsel.

IN WITNESS THEREOF, the Parties hereto have caused this eighty-eight (88) page Contract, which includes any referenced attachments, to be executed by their undersigned officials as duly authorized. This Contract is not valid until signed and dated by both Parties.

LIFE SCIENCE LOGISTICS, LLC


**STATE OF FLORIDA, AGENCY FOR
HEALTH CARE ADMINISTRATION**

SIGNED BY:  _____
DocuSigned by:
4FB00D9F3D844C1...

NAME: Richard Beeny

TITLE: CEO

DATE: 12/29/2020

SIGNED BY:  _____
DocuSigned by:
8E474EA11BA64F2...

NAME: Shevaun L. Harris

TITLE: Acting Secretary

DATE: 12/30/2020

FEDERAL ID NUMBER (or SS Number for an individual): **20-4870652**

VENDOR FISCAL YEAR ENDING DATE: **MAY 31**

List of Attachments included as part of this Contract:

Specify Type	Letter/ Number	Description
Attachment	I	Scope of Services (51 Pages)
Attachment	II	Business Associate Agreement (4 Pages)
Attachment	III	Certification Regarding Lobbying (1 Page)
Attachment	IV	Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Contracts/Subcontracts (1 Page)
Attachment	V	Agency Approved Modifications & Additions to the Standard Contract (5 Pages)

**ATTACHMENT I
SCOPE OF SERVICES**

Table of Contents

I. Service(s) to be Provided 2

A. Background 2

B. Overview/Purpose 2

II. Manner of Service(s) Provision:..... 3

A. Services Provided by the Agency 3

B. Services Provided by the Vendor..... 4

C. Deliverables..... 25

D. Reporting..... 25

1. General Reporting Requirements..... 25

2. Monthly Reporting..... 26

3. Annual Reporting 26

6. Ad Hoc Analysis and Reports..... 28

E. Monitoring 28

III. Method of Payment:..... 29

A. Invoicing 30

B. Late Invoicing 31

C. Financial Consequences as Liquidated Damages 31

IV. Financial Requirements..... 36

A. General Provisions 36

V. Attorney’s Fees 36

VI. Legal Action Notification 36

VII. Failure to Implement Contract Requirements 36

VIII. Damages for Failure to Meet Contract Requirements 37

IX. Corrective Action Plan (CAP)..... 37

X. Performance Bond..... 37

XI. Contract Transition 38

XII. System Functionality 39

XIII. Information Technology 39

XIV. Disaster Recovery..... 41

XV. Agency Contract Management..... 42

XVI. Disputes..... 42

XVII. Definitions and Acronyms..... 43

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AHCA Contract No. MED214, Attachment I, Page 1 of 46

**ATTACHMENT I
SCOPE OF SERVICES**

I. Service(s) to be Provided

A. Background

During the 2019 Florida Legislative session, Governor Ron DeSantis signed into law House Bill 19/Senate Bill 1528 that creates section (§) 381.02035, Florida Statutes (F.S.) establishing the Canadian Prescription Drug Importation Program (Program) within the Agency for Health Care Administration (Agency). The law requires the Agency to contract with a vendor that will assist with overseeing the importation of specific prescription drugs from eligible Canadian suppliers. Eligible importers are limited to pharmacists or wholesalers providing services to individuals on behalf of State programs including pharmacies enrolled in Florida Medicaid, pharmacies or wholesalers employed or contracted with the Department of Corrections, county health departments, developmental disability centers, and treatment facilities as defined in s. 394.455, F.S. Consistent with the requirements in the Medicare Modernization Act of 2003 (21 United States Code (U.S.C.) § 384), the law defines the prescription drugs that are eligible for importation, including those that are excluded (e.g., controlled substances, biologic drugs, etc.).

B. Overview/Purpose

The purpose of this contract is to specify requirements for a Vendor to provide services necessary for the implementation, operation, and management of the Program.

The Vendor shall perform duties as specified in this Contract and in accordance with all applicable State (Chapter 499, F.S. and Chapter 61N, F.A.C.) and federal (Title II of the Drug Quality Security Act (DQSA) (Pub. L. No. 113-54), the Federal Drug Supply Chain Security Act (DSCSA)) rules and statutes.

The Agency will retain ultimate responsibility for ensuring that the Vendor operates consistently with all federal rules and regulations related to the importation of prescription drugs. The Agency will maintain active oversight and monitoring functions over Vendor operations and will actively collaborate with DHHS and DOH to ensure success under the Program.

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ATTACHMENT I SCOPE OF SERVICES

II. Manner of Service(s) Provision:

A. Services Provided by the Agency

The Agency will provide the following information and services:

1. Establishing standards and requirements to ensure receipt of complete and accurate data for program administration.
2. Establishing Vendor requirements for receiving orders and invoicing state agencies that will purchase imported prescription drugs under the Program.
3. Providing information related to federal and State requirements related to the provision of services under this Contract and expectations of the Vendor.
4. Collaborate with the Vendor on identifying prescription drugs eligible for importation that yield the highest potential for cost savings.
5. Monitoring and evaluating the Vendor's compliance with the requirements of this Contract. The Agency reserves the right to request additional information in support of monitoring the Vendor's performance to ensure compliance with the requirements of this Contract.
6. Executing inter-agency agreements with other State agencies that will receive imported prescription drugs to determine quantities needed of each drug and delivery locations for prescription drug shipments.
7. Reviewing all deliverables submitted by the Vendor in a timely manner. The Agency reserves the right to approve, deny, or require revision to any submitted deliverables.
8. Determining whether the Vendor has violated a contractual obligation and assessing liquidated damages or monetary sanctions, when necessary.
9. Providing contract management of this Contract in good faith, with the best interest of the State and persons it serves being the prime consideration. The Agency shall make all clarification of policy and contractual requirements as needed or as requested by the Vendor. The Vendor may seek a formal interpretation of the Contract from the Agency by submitting a written request to the Agency's Deputy Secretary for Medicaid at the following mailing address:

Deputy Secretary for Medicaid
Agency for Health Care Administration
Prescription Drug Importation Request for Contract Interpretation, Mail Stop 8
2727 Mahan Drive, MS#8
Tallahassee, FL 32308
10. Performing at least one (1) on-site readiness review of the Vendor during the implementation of this Contract. The readiness review process shall include additional on-site and virtual meetings as needed and required by the Agency.
11. Meeting with the Vendor in person or virtually after execution of this Contract to discuss the Vendor's proposed implementation plan, anticipated time frames,

AHCA Contract No. MED214, Attachment I, Page 3 of 46

ATTACHMENT I SCOPE OF SERVICES

and to determine information and other resources needed to complete the final implementation plan.

12. Ensuring that the Vendor has the necessary data and information from the State agencies involved in the Program to fulfill the requirements of this Contract.

B. Services Provided by the Vendor

The Vendor shall facilitate the implementation, management, and operational duties of importing prescription drugs into Florida from Canadian Suppliers. The Vendor, at a minimum, shall be responsible for the following:

1. General Responsibilities

- a. The Vendor shall:
 - 1) Comply with all State and federal laws related to the importation of prescription drugs from Canada, including the federal Title II of the DSCSA; § 381.02035, F.S.; Chapter 499, F.S.; and Chapter 61N-1, Florida Administrative Code (F.A.C.).
 - 2) Be licensed, minimally, as a prescription drug wholesale distributor through the Florida Department of Business and Professional Regulation (DBPR).
 - 3) Ensure that Canadian prescription drugs purchased and imported under the Program have equivalents manufactured by a U.S. Food and Drug Administration (FDA) approved manufacturer.
 - 4) Purchase eligible prescription drugs from Canadian suppliers as approved by the Agency.
 - 5) Make available publicly registration data connected with drug labeler codes to identify FDA-approved manufacturers for qualifying prescription drugs.
 - 6) Submit pre-import requests to the FDA as required by Title 21 CFR § 251.5.
 - 7) Ensure that imported prescription drugs enter into the U.S. through a U.S. customs and border patrol free trade zone.
 - 8) Establish a process for distributing imported prescription drugs and receiving orders and delivery information from State agencies that will receive imported prescription drugs.
 - 9) Identify and enter into agreements with Canadian suppliers and manufacturers that are in full compliance with relevant Canadian federal and provincial laws and regulations and who have agreed to export drugs at prices that will provide cost savings to the State.

ATTACHMENT I SCOPE OF SERVICES

- 10) Be responsible for directly reimbursing the Canadian manufacturer(s) or Canadian wholesaler(s) for imported prescription drugs. Copies of remittance notifications must be made available to the Agency upon request.
- 11) Assume ownership and liability of imported prescription drugs until ownership and custody of the imported prescription drugs are in the possession of the State.
- 12) Contract with a qualifying laboratory(s) that has ISO 17025 accreditation to perform statutorily required testing on selected samples of imported prescription drugs to verify authenticity.
- 13) Maintain documentation that sample testing of the prescription drugs occurred at a qualified laboratory, as required by 21 U.S.C. 384.
- 14) Maintain documentation that the imported prescription drug is approved for marketing in the United States, has not been adulterated or misbranded, and meets all labeling requirements under state and federal law.
- 15) Lease or purchase a facility in Florida that has adequate space, security, and environmental conditions necessary for the storage of imported prescription drugs.
- 16) Ship and distribute imported prescription drugs from the Canadian manufacturer(s) or wholesaler(s) to the receiving State agency(s) or its designee(s).
- 17) Maintain additional information and documentation from Canadian suppliers as specified in § 381.02035, F.S.
- 18) Assist the Agency in the preparation of an annual legislative report on the efficacy of the Program.
- 19) Complete quarterly reports required for submission to the U.S. FDA in accordance with Title 21 CFR § 251.19.
- 20) Acknowledge all Agency inquiries within twenty-four (24) hours and respond to them on the next business day. Responses due on a weekend or State holiday shall be submitted to the Agency no later than the next business day.
- 21) Meet with Agency staff both face-to-face and via conference call throughout the term of this Contract period concerning any issues as needed and required to fulfill the responsibilities of this Contract.
- 22) Develop, manage, maintain, and modify an electronic system and database specific to the requirements of this Contract.

ATTACHMENT I SCOPE OF SERVICES

- 23) Support the exchange of data with necessary partners, as approved by the Agency, in the required formats as is necessary to support this Contract.
 - 24) Develop, deliver, and comply with all reporting requirements established by the Agency, including ad hoc reporting, as applicable, at no additional cost to the Agency. Reports due on a weekend or State holiday shall be submitted to the Agency no later than the next business day.
 - 25) Create and deliver an implementation plan within ten (10) calendar days of the execution of this contract.
 - 26) Provide outreach and communication to other state agencies regarding use of the online platform for ordering and invoicing prescription drugs purchased under the Program as approved and directed by the Agency.
 - 27) Deliver training to pharmacies, Agency staff, and other state agencies as identified in this Contract or otherwise directed by the Agency.
 - 28) Provide for any equipment necessary for the operation and distribution of imported prescription drugs necessary for the performance of duties specified in this Contract at a location within the State of Florida.
 - 29) Provide sufficient qualified staff to meet the requirements of this Contract.
 - 30) Maintain Agency-approved procedures for all aspects of the work performed under this Contract.
 - 31) Maintain a structured complaint process that includes tracking and escalation of issues. The Vendor shall develop a performance dashboard for this process, as specified and approved by the Agency.
 - 32) Develop and submit internal quality control (IQC) assurances that ensure appropriate administration of Vendor responsibilities specified under this Contract.
 - 33) Obtain approval from the Agency prior to any delegation of responsibilities related to this Contract.
 - 34) Submit all policies and procedures to the Agency in accordance with an Agency-approved implementation plan and as otherwise specified in this Contract.
- b. If the Vendor fails to comply with the requirements of this Contract, the Vendor may be subject to liquidated damages and/or sanctions pursuant to Section IV., Method of Payment, Sub-Section D., Financial

ATTACHMENT I SCOPE OF SERVICES

Consequences as Liquidated Damages, and as outlined in **Exhibit A**, Deliverables and Associated Payments.

2. General Requirements

- a. The Vendor shall perform duties related to the importation of prescription drugs as described in this Contract.
- b. The Vendor shall perform the following duties:
 - 1) Purchase and import prescription drugs from Canada on behalf of the following Florida State agencies: the Agency and its Medicaid managed care plans, the Agency for Persons with Disabilities (APD), the Department of Children and Families (DCF) mental health treatment facilities, the Department of Corrections (DOC), and the Department of Health (DOH) county health departments.
 - 2) Serve as an intermediary between the Canadian Supplier or manufacturers and the State.
- c. The Vendor shall maintain all required and current licenses, permits, and/or registrations in good standing for the duration of this Contract. The Agency reserves the right to sanction or terminate the Vendor if the Vendor is found by its regulating body to be in violation of Florida laws or rules or if the Vendor receives disciplinary action.

3. Eligible Canadian Supplier

- a. The Vendor shall perform the following duties:
 - 1) Identify an eligible Canadian Supplier(s) or manufacturer(s) that is in compliance with relevant Canadian federal and provincial laws, received eligible prescription drugs from an FDA-approved manufacturer, and can obtain the eligible prescription drugs to be imported under the Program.
 - 2) Negotiate and execute agreements with an eligible Canadian Supplier(s) or manufacturer(s), who has agreed to sell prescription drugs under the Program. The Vendor shall ensure that each agreement has been reviewed and approved by the Agency prior to execution with the Canadian Supplier(s).
 - 3) Provide the Agency with copies of all agreements negotiated with Canadian Supplier(s) within ten (10) days of their signing by the Vendor and Supplier or manufacturer. The Vendor must submit any modifications or changes to these agreements to the Agency upon completion of these changes.
 - 4) Ensure that the Canadian Supplier or manufacturer provides the Vendor with all of the following for each batch of imported prescription drugs:
 - (a) Proprietary or established product name;

ATTACHMENT I SCOPE OF SERVICES

- (b) Formulation;
 - (c) Strength and dosage;
 - (d) Container size;
 - (e) Number of containers;
 - (f) Lot number of product;
 - (g) Serial identifier for each package and homogenous case or product;
 - (h) Dates of shipment and transaction;
 - (i) Business names and addresses of the Canadian Supplier and importer;
 - (j) Business name and addresses of person associated with importer and foreign seller from whom ownership is being transferred; and
 - (k) Canadian drug identification number.
- 5) Be responsible for directly reimbursing the Canadian Supplier for imported prescription drugs.
- b. The Agency shall make all payments associated with this Contract in accordance with the Performance Standards (Table 1) and Payment Schedule (Table 2) listed in this Contract.

4. Prescription Drugs Eligible for Importation

- a. The Vendor shall:
- 1) Collaborate with the State to identify the list of prescription drugs that can be imported under the Program.
 - 2) Collaborate with the Agency to ensure that the listed prescription drugs have the highest potential for cost savings to the State.
 - 3) Provide the Agency with the actual amount(s) paid to Canadian supplier(s) or manufacturer(s) for prescription drug(s) imported under this Program and maintain a process for updating the Agency with information on the entry of lower-priced products into the market.
 - 4) Report to the Agency any price changes and product additions or deletions within five (5) business days of the manufacturer price change or manufacturer product addition(s) or deletion(s).

ATTACHMENT I SCOPE OF SERVICES

- 5) Ensure all products designated for importation to the U.S. maintain the same formulation as FDA-approved products.
- 6) Import prescription drugs that are not “donated or otherwise supplied at no charge by the manufacturer of the prescription drug to a charitable or humanitarian organization (including the United Nations and affiliates) or to a government of a foreign country.” See 21 U.S.C. § 384(i).
- 7) Ensure that imported prescription drugs are manufactured by a facility designated by the FDA as an approved facility and be an FDA-registered manufacturer.
- 8) Ensure that prohibited prescription drugs (as defined in federal law (21 U.S.C. § 384(a)(3)) are not imported under the Program.
- 9) Exclude generic products if the importation of the products would violate U.S. patent laws applicable to U.S.-branded products.
- 10) Ensure that eligible prescription drugs are initially purchased either from an FDA-approved manufacturer or from their authorized distributors, and that secondary and unauthorized products do not enter the Program supply chain.
- 11) Submit section 804 Pre-Import Requests to a U.S. Customs and Border Patrol port of entry or to the U.S. Customs and Border Patrol’s Automated Commercial Environment system at least thirty (30) calendar days prior to the scheduled date of arrival of an imported prescription drug shipment.
- 12) On a quarterly basis, provide the Agency with an updated list of prescription drugs eligible for importation that have the highest potential for cost savings to the State, including prescription drugs for which there are shortages, specialty prescription drugs, and high-volume prescription drugs.

5. Ownership and Liability

- a. The Vendor shall assume ownership for imported prescription drugs under this Program upon the transfer of title(s) from the Canadian Supplier(s) or manufacturer(s) and delivery to its facility in the U.S.
- b. The Vendor shall obtain and maintain insurance for imported prescription drugs due to loss, theft, security breach, accident, contamination, adulteration, mis-delivery, or other factors that have direct responsibility for the reduction of the quantity and quality, as applicable, at all points of in the chain of custody, including:
 - i. While the imported prescription drugs are in the Vendor’s or its delegate’s possession. Such policy must cover at a minimum (\$5,000,000.00) per occurrence and (\$10,000,000.00) annual aggregate.

ATTACHMENT I SCOPE OF SERVICES

- ii. While imported prescription drugs are in transit either from the Canadian manufacturer or wholesaler to the Vendor's facility or from the Vendor's facility to the ordering state agency or its designee. Such policy must cover at a minimum (\$2,000,000.00) per occurrence and (\$4,000,000.00) annual aggregate.

All amounts are in U.S. currency.

6. Wholesaler and Distribution Requirements

- a. The Vendor shall be responsible for the importation and storage of imported prescription drugs under the Program.
- b. The Vendor shall comply with all applicable State and federal regulations related to the storage and distribution of prescription drugs.
- c. The Vendor shall submit an application within thirty (30) days of the execution of this Contract for a Florida Prescription Drug Wholesale Distributor license and shall not initiate distribution operations in Florida until license is obtained.
- d. The Vendor shall purchase or lease (for a minimum of twelve (12) months with the option to renew) a facility in Florida that meets the FDA (Title 21 CFR § 205) and state (Chapter 499, F.S.) requirements for the storage of prescription drugs within sixty (60) calendar days of the execution of this Contract. This facility shall meet the following requirements:
 - 1) Be geographically situated to allow for the timely delivery of imported prescription drugs.
 - 2) Be clean and maintain cleanliness standards sufficient to prevent contamination of imported prescription drugs.
 - 3) Have adequate space and environmental conditions available for the safe storage of imported prescription drugs.
 - 4) Have sufficient space that can be environmentally controlled (i.e., refrigerated) to prevent degradation and maintain potency of imported prescription drugs.
 - 5) Have areas designated for the quarantine of imported prescription drugs in accordance with Section 499.0121(5), F.S.
 - 6) Have secure loading and unloading areas appropriate for vehicles used for the shipping and transportation of imported prescription drugs.
 - 7) Have security measures sufficient to prevent theft, tampering, or damages to imported prescription drugs.
- e. The Vendor shall ensure that its facility located in Florida is staffed and fully operational on or before May 15, 2021.

ATTACHMENT I SCOPE OF SERVICES

- f. The Vendor shall ensure daily environmental conditions related to temperature, and humidity are tracked in the storage facility through conducting minimum twice-daily recordings and controls.
- g. The Vendor shall ensure that the space in its storage facility designated for the Program is not allocated for other purposes or clients.
- h. The Vendor shall ensure it does not distribute drugs with a shelf life expiration date of less than six (6) months.
- i. The Vendor shall have written policies and procedures for the receipt, security, storage, inventory, and distribution of prescription drugs, including policies and procedures for identifying, recording, and reporting losses or thefts, and for correcting all errors and inaccuracies in inventories. The Vendor shall make all policies and procedures available to the Agency upon request.
- j. The Vendor shall develop and maintain a written procedure whereby the oldest approved stock of a prescription drug product is distributed first. The procedure may permit deviation from this requirement if the deviation is temporary.
- k. The Vendor shall develop and maintain a written procedure to prepare for, protect against, and handle any crisis that affects security or operation of any facility if a strike, fire, flood, or other natural disaster, or a local, State, or national emergency occurs.

7. Ordering and Invoicing

- a. The Vendor shall establish an electronic online system to receive orders from State agencies for eligible prescription drugs under the Program. The Vendor shall ensure that the system allows for the immediate receipt of orders and needs to capture the following information:
 - 1) Name of product and product description (e.g., active pharmaceutical ingredients);
 - 2) Quantity needed of the imported prescription drugs;
 - 3) Strength and dosage;
 - 4) Imported prescription drug form (e.g., tablet);
 - 5) NDC number of each product;
 - 6) Identity of requester; and
 - 7) Billing and shipping addresses.
- b. Upon the receipt of an order(s), the Vendor shall notify the requestor within twenty-four (24) hours whether the order can be completely or partially fulfilled.

ATTACHMENT I SCOPE OF SERVICES

- c. The Vendor shall have a system in place to receive orders via telephone in the event its electronic system is unavailable to take orders.
- d. The Vendor shall only process orders for prescription drugs imported under the Program received from State agencies or individuals or entities designated by a State agency.
- e. The Vendor shall have a process or mechanism for verifying that orders originated from a State agency or its authorized designee.
- f. The Vendor shall have a process and mechanism in place for invoicing and receiving payment for imported prescription drug orders. The Vendor invoices shall include the following:
 - 1) Date order was placed;
 - 2) NDC number of each product;
 - 3) Product name and product description;
 - 4) Quantity(s) ordered;
 - 5) Strength and dosage;
 - 6) Imported prescription drug form;
 - 7) FDA-approved U.S. and Canadian manufacturer(s);
 - 8) FDA-approved U.S. equivalent(s) prescription drug(s);
 - 9) Payment amount due;
 - 10) Requestor billing and shipping addresses; and
 - 11) Vendor's billing address and method for payment.
- g. The Vendor shall make staff available to provide technical assistance via telephone with the ordering and invoicing process from 8:00 AM (EST) to 5:00 PM (EST), Mondays through Fridays, excluding State holidays.
- h. The Vendor shall process and ensure shipping of all complete orders received prior to 2:00 PM (EST) on the following business day. Orders received after 2:00 PM (EST) will be shipped on the second business day following the date of the order.
- i. If the Vendor is unable to completely fill an order, it shall notify the requesting State agency or its designee within twenty-four (24) hours of receiving the order.
- j. If the Vendor is unable to fill an order within the timeframe specified in Part II.B.10.i (Shipping and Delivery) and has not provided notice to the requester within twenty-four (24) hours of receipt of the order, it shall assume responsibility for obtaining the prescription drugs from an FDA-

ATTACHMENT I SCOPE OF SERVICES

approved U.S. manufacturer. The Vendor cannot invoice the State for the difference in price between the imported prescription drug's cost and that of the U.S. FDA-approved equivalent prescription drug.

8. Purchasing Imported Prescription Drugs

- a. Each state agency or its designee will be responsible for making payments to the Vendor for the purchase of imported prescription drugs.
- b. Each state agency or its designee will be responsible for placing orders with the Vendor for the purchase of imported prescription drugs.
- c. The Vendor shall purchase prescription drugs from a Canadian Supplier(s) or manufacturer(s) in bulk and maintain at least a 90-day supply of imported prescription drugs at its facility in Florida. Inventory exceeding a ninety (90)-day supply require written approval by the Agency at least fifteen (15) days in advance.
- d. The Vendor shall not charge state agencies or their designees any additional fees, percentages, or cost increases beyond the markup percentage specified in this Contract on imported prescription drugs under this program, except for fees for emergency orders.
- e. The Vendor, when purchasing prescription drugs on behalf of the State, shall ensure sufficient quantity to account for the loss of product due to testing. The additional quantity for any single order shall not exceed two percent (2%).
- f. In the event that the Vendor purchases the prescription drug at a lower cost than invoiced to the Agency, the Vendor will refund the difference or issue a credit toward a future purchase of imported prescription drugs as determined by the Agency.
- g. In the event that the Vendor can only purchase the prescription drug(s) at a higher cost than invoiced to the Agency, the Vendor will notify the Agency within twenty-four (24) hours of determining the error and provide the Agency the option of paying the additional amount or receive a full refund or credit toward a future purchase of imported prescription drugs.

9. Shipping and Delivery

- a. The Vendor shall be responsible for the shipping of imported prescription drugs purchased under the Program from their point of origin in Canada to the delivery to their respective State agency(s) or designated recipient(s). The Vendor may delegate this responsibility to a subcontractor or commercial shipping entity with Agency approval.
- b. If the Vendor does not perform shipping of imported prescription drugs, the Vendor shall identify its subcontractor or commercial shipping entity within thirty (30) calendar days of the execution of this Contract.

ATTACHMENT I SCOPE OF SERVICES

- c. The Vendor shall only use its own vehicles or an Agency-approved subcontractor or commercial shipping provider for the transportation of imported prescription drugs.
- d. The Vendor shall coordinate with the Agency, DOH, DCF, APD, and DOC or their designee(s) to identify the specific locations for the delivery of imported prescription drugs.
- e. The Vendor shall ensure the safe transportation of all imported prescription drugs in accordance with Section 499.0121(12), F.S. by requiring the following for its vehicles or those of its subcontractor or selected commercial shipping provider:
 - 1) Security measures sufficient to prevent theft, tampering, or damages to imported prescription drugs;
 - 2) Maintaining environmental conditions as recommended by the manufacturer to prevent degradation and maintain potency;
 - 3) Maintaining cleanliness standards to prevent contamination of imported prescription drugs; and
 - 4) Processes to prevent mis-delivery or loss of imported prescription drugs.
- f. The Vendor shall ensure that its shipping provider can track packages and provide estimated times of delivery.
- g. The Vendor shall ensure that its shipping provider obtains delivery confirmations from its shipping provider for orders of imported prescription drugs.
- h. The Vendor or its shipping provider shall have a process for addressing mis-deliveries or lost shipments that could cause a delay resulting in a shortage of the ordered prescription drug(s).
- i. The Vendor shall ensure that ninety-eight percent (98%) of all orders for an imported prescription drug(s) are shipped from the Vendor's facility in Florida within seventy-two (72) hours of receiving the order.

10. Pricing Requirements

- a. The Vendor shall negotiate prices with a Canadian Supplier(s) or manufacturer(s) for prescription drugs that render substantial savings to the State.
- b. The Vendor shall be responsible for ensuring that prices for imported prescription drugs adhere to the following:
 - 1) Provide a cost savings for all prescription drugs purchased across the Program in comparison to what the State paid in Calendar Year 2020 for same quantities, strengths, dosages, and forms of the FDA-approved equivalent prescription drugs. This percentage

ATTACHMENT I SCOPE OF SERVICES

includes any markup from the Vendor added to the prices and is based on amounts after all rebates, discounts, and reductions.

- 2) Cost comparison(s) used to demonstrate savings between the imported prescription drug(s) shall be between an imported brand-name drug(s) and FDA-approved equivalent brand-name drug(s) or a generic imported drug(s) and generic FDA-approved drug(s).
 - 3) Cost comparison(s) used to demonstrate savings shall be between prescription drugs that meet the following requirements:
 - (a) Have the same active pharmaceutical ingredient(s); and
 - (b) Have the same quantities of active pharmaceutical ingredient(s).
- c. The Vendor shall report a pricing change by the Canadian manufacturer(s) to the Agency within three (3) business days of its occurrence(s).

11. Supply Chain Quality Assurance

- a. The Vendor shall:
 - 1) Establish and maintain a quality assurance system for ensuring compliance with the federal DSCSA, federal Food, Drug, and Cosmetic Act (FDCA), § 381.02035, F.S., and Chapter 61N-1, F.A.C.
 - 2) Implement supply chain standards for Canadian manufacturers and wholesalers to ensure that prescription drugs manufactured outside of Canada are commercially exported to Canada by the manufacturer(s) and labeled for the Canadian market and sold directly to the Canadian Supplier.
 - 3) Establish processes and procedures delineating the responsibilities of all parties within the pharmaceutical supply chain, delegation of responsibilities, authorization for release of products, inspection and certification of compliance with current industry standards for quality assurance systems, and continuous improvement through ongoing internal and third-party audits.
 - 4) Maintain and ensure all products received from the time procured from the Canadian supplier until delivery to a designated State agency.
- b. The Vendor shall implement all track and trace requirements as stated in the federal DSCSA.

12. Laboratory Testing

- a. The Vendor shall:

ATTACHMENT I SCOPE OF SERVICES

- 1) As required by federal law (Title 21 CFR § 251.16), ensure testing is conducted on sample batches of imported drugs through a qualified laboratory. If approved by the FDA, the Vendor may satisfy the laboratory testing requirements if the certificate of analysis can be obtained by the manufacturer and demonstrates that all required testing was complete.
- 2) Identify at least two (2) qualifying laboratories that will be used to satisfy testing requirements immediately upon execution of this Contract.
- 3) Ensure testing as needed on samples collected randomly and representatively from each batch of the imported prescription drugs is performed in International Organization for Standardization (ISO) 17025 accredited laboratories (including third party laboratories).
- 4) Ensure that samples tested are sufficient to provide statistically valid analyses.
- 5) Ensure that the laboratory testing techniques used to evaluate imported prescription drugs consist of those recommended by the manufacturer sufficient to verify their authenticity.
- 6) Ensure that the prescription drug meets the active ingredient, identity, strength, purity, sterility, and quality standards of the federal Food, Drug, and Cosmetic Act (FDCA) (such that the prescription drug is not adulterated, counterfeit, damaged, tampered with, or expired) and ensure that it meets the parameters as purported by the labeling of the prescription drug or, where applicable, as established by the United States Pharmacopeia (USP) or other FDA-recognized compendia standards.
- 7) Provide documentation to the Agency specifying the tests performed on each batch or shipment of imported prescription drugs.
- 8) Comply with the frequency of testing as specified in 21 U.S.C. § 384 and shall maintain documentation of all testing that occurred.
- 9) Have policies and procedures of the steps the Vendor shall take if any of the drugs fail laboratory testing.
- 10) Document product traceability to the original manufacturer and the manufacturing site, the organization issuing the Certificate of Analysis, and describe the availability of the Certificate of Analysis and testing results when requested.
- 11) Provide copies of all contracts with qualifying laboratories to the Agency upon execution.

ATTACHMENT I SCOPE OF SERVICES

- 12) Create a contingency plan if the contracted laboratory is unavailable or cannot meet the established time frames.

13. Relabeling

a. The Vendor shall:

- 1) After importation, ensure prescription drugs are relabeled in accordance with federal and State statutes prior to distribution. The Vendor may delegate this responsibility to the supplier. (21 U.S.C. § 352; 61N-1.032, F.A.C.)
- 2) Ensure that the relabeler(s) is registered with the FDA and follow the FDA's unique prescription drug product identifier requirement governing prescription drugs distributed under the DSCSA (i.e., pharmaceutical serialization).
- 3) Provide information to the Agency regarding the facility where the relabeling will occur for all eligible prescription drug(s) including:
 - The facility's unique facility identifier;
 - The facility's name, address, and establishment identification number;
 - The anticipated date the relabeling and any limited repackaging will be completed; and
 - Information about where the relabeled prescription drug will be stored pending distribution, including the FDA establishment identification number of the storage facility, if available.
- 4) Ensure that the relabeler(s) has appropriate environmental and climate storage controls and implements processes and procedures to prevent mix-ups, contaminations, and cross-allergenicities (e.g., penicillin reactions).

14. Immediate Suspension and Recalled Products

- a. The Vendor shall comply with federal and State laws related to handling recalls and withdrawals of prescription drugs. The Vendor shall develop and maintain a written procedure to be followed for handling recalls and withdrawals of prescription drugs. Such procedure shall be adequate to deal with recalls and withdrawals due to:
- 1) Any action initiated at the request of the FDA or any other federal, State, or local law enforcement or other government agency.
 - 2) Any voluntary action by the manufacturer or repackager to remove defective or potentially defective drugs from the market; or

ATTACHMENT I SCOPE OF SERVICES

- 3) Any action undertaken to promote public health and safety by replacing existing merchandise with an improved product or new package design.
- b. The Vendor shall subscribe to the Consumer Product Safety News newsletter to monitor and manage any manufacturer recalls of acquired or targeted products.
- c. The Vendor shall develop a procedure to ensure that any outdated prescription drugs are segregated from other drugs and returned to the manufacturer or dispositioned. This procedure shall provide for written documentation of the disposition of outdated prescription drugs. This documentation shall be maintained for two (2) years after disposition of the outdated drugs.
- d. The Vendor shall have systems in place to respond appropriately to suspect or illegitimate products. For suspect or illegitimate products, the Vendor (in coordination with the Canadian Supplier) shall:
 - 1) Quarantine the suspect or illegitimate products;
 - 2) Investigate whether the prescription drugs are illegitimate products; and
 - 3) Notify the FDA if the investigation finds that the prescription drugs are not suspect or illegitimate products.
- e. If the investigation finds that the prescription drugs are illegitimate products, the Vendor shall (in coordination with Canadian Supplier):
 - 1) Notify the FDA within twenty-four (24) hours of determining the illegitimate product status;
 - 2) Quarantine the illegitimate products until dispositioned;
 - 3) Dispose the illegitimate products through disposal or return of the prescription drug(s);
 - 4) Provide a report to the Agency specifying the circumstances behind the illegitimate products and recourse to prevent future incidents.
 - 5) Provide reasonable assistance for disposition to parties who have received the illegitimate products, including the payment of refunds as applicable; and
 - 6) Retain a sample for further physical examination and analysis.
- f. The Vendor shall develop a procedure to coordinate the return of recalled imported prescription drugs from State agencies or their designated recipients that accepted delivery.

ATTACHMENT I SCOPE OF SERVICES

- g. The Vendor shall accept the return of all recalled imported prescription drugs and store them at its facility in Florida until they are determined to be either resaleable or dispositioned.
- h. The Vendor shall notify the Agency within seventy-two (72) hours of any recalled or suspended prescription drug(s) imported under the Program.
- i. The Vendor, with approval from the Agency, may revoke the suspension of an imported prescription drug if, after investigating, it determines that the public is adequately protected from illegitimate or unsafe drugs being imported into the State.
- j. The Vendor shall subscribe to the Consumer Product Safety News newsletter to monitor and manage any manufacturer recalls of acquired or targeted products.

15. Drug Shortages

- a. The Vendor shall have policies and procedures for when manufacturers cannot supply drugs, whether it is because they are in backorder or the drugs have been discontinued.
- b. The Vendor shall submit a contingency plan to the Agency within thirty (30) calendar days of execution of this Contract that specifies actions it will take in the event of a prescription drug shortage(s). This plan will include a procedure for obtaining the prescription drugs where there is a shortage, a list of alternative Canadian manufacturers that produce the prescription drug(s) or generic equivalent(s), and a process for preventing delayed delivery of imported prescription drug(s).
- c. The Vendor shall report all shortages of prescription drugs specified under the Program to the Agency within twenty-four (24) hours of becoming alerted to such shortages.
- d. The Vendor shall submit a monthly report to the Agency forecasting availability of prescription drugs available under the Program, to anticipate any potential shortages or areas where need will have to be addressed.
- e. The Vendor shall monitor prescription drug shortages in Canada and report to the Agency within twenty-four (24) hours of the addition or deletion of a prescription drug to Canada's Drug Shortages Homepage that is approved for importation under this Program.

16. Implementation Plan

- a. The Vendor shall develop and submit to the Agency a draft implementation plan, no-later-than ten (10) business days after Contract execution, outlining steps necessary for the Vendor to be operational by the implementation date as directed by the Agency.

ATTACHMENT I SCOPE OF SERVICES

- b. The Vendor shall develop and deliver a comprehensive final implementation plan within five (5) calendar days of receiving Agency feedback on the draft implementation plan.
- c. The Vendor shall detail the specific time frames, tasks, responsibilities, and key milestones in the final implementation plan that ensure a successful implementation.
- d. The Vendor shall include, at a minimum, the following elements in the final implementation plan:
 - 1) Tasks associated with the Vendor's establishment of project management tools such as Microsoft Project or similar tools that efficiently track changes to the plan and progress toward accomplishing the activities, goals, and objectives set out in the plan;
 - 2) An itemization of activities that the Vendor shall undertake during the implementation period and the implementation of this Contract. These activities shall have established deadlines and time frames listed. These activities, at a minimum, shall include all information technology (IT) requirements;
 - 3) A staffing plan including position types, number of staff per position type, and job description with roles and responsibilities. The staffing plan shall include the ramp-up and ramp-down phase of the implementation with on-boarding and off-boarding dates for temporary staff as well as details related to Operations staffing;
 - 4) A communication and outreach plan which include communication modality and time frames;
 - 5) A training plan that includes staff numbers by job type, training locations, proposed dates, training times, and training session descriptions;
 - 6) Identification of interdependencies between activities in the implementation plan; and
 - 7) Identification of Vendor expectations regarding participation by the Agency and/or its agent(s) in the activities in the implementation plan, and dependencies between these activities and implementation activities for which the Agency and/or its agent(s) shall be responsible.
- e. The Vendor shall implement the final implementation plan only after Agency approval.
- f. The Vendor shall work with the Agency to develop a final implementation plan. Any changes to the final implementation plan, either increase or decrease of scope must be reviewed and approved with the Agency. Failure to do so may be regarded by the Agency as a material breach and all remedies provided for in this Contract shall become available to the

ATTACHMENT I SCOPE OF SERVICES

Agency, except where Agency approval has been provided in writing for reasons beyond the control of the Vendor.

- g. The Vendor shall participate in both face-to-face meetings and conference calls with the Agency and relevant parties for purposes of coordinating implementation activities.

17. Outreach and Communications

- a. The Vendor shall provide all services related to outreach and communications as identified by the Agency to include email communications, posting messages to the Vendor's web page, and performing call campaigns as needed to support the implementation and maintenance of the Program.
- b. The Vendor shall develop and implement a draft Outreach and Communication plan to be delivered to the Agency within thirty (30) calendar days of execution of this Contract, which, at a minimum describes:
 - 1) Methods and timing of outreach and communications; and
 - 2) Reporting related to outreach and communications. The Vendor shall identify all outreach and communications activities and report, at a minimum monthly, identifying the subject of the outreach and communication, the modality, and the timing of each outreach and communication.
- c. The Vendor shall develop and deliver a comprehensive final Outreach and Communication plan within five (5) business days of receiving Agency feedback on the draft Outreach and Communication plan.
- d. The Vendor shall amend or update its outreach plan as directed by the Agency at no additional cost to the Agency.
- e. The Vendor shall develop and deliver a draft training plan for Program participants, to the Agency, within seven (7) calendar days of execution of this Contract.

18. Corporate Capability/Office Location

- a. The Vendor shall establish an office location(s) where U.S. based duties are fulfilled. The Vendor shall notify the Agency of any changes to the Vendor office location or when any of the Vendor Contractual obligations shall be performed at a different site other than the designated office location. The Vendor shall ensure that staff are available at the designated office location on business days from the hours of 8:00 AM to 6:00 PM, EST.

19. Staffing Requirements

- a. The Vendor shall be responsible for the administration and management of all aspects of this Contract, including all subcontracts, employees,

ATTACHMENT I SCOPE OF SERVICES

agents, and services performed by anyone acting for or on behalf of the Vendor.

- b. The Vendor shall have a centralized executive administration, which shall serve as the contact point for the Agency, except as otherwise specified in this Contract.
- c. The Vendor shall maintain a sufficient number of staff at its storage and distribution facility in Florida to ensure the safety, timely receipt, and timely delivery of imported prescription drugs.
- d. The Vendor shall maintain a sufficient number of qualified staff to comply with all terms of this Contract.
- e. The Vendor shall meet all requirements for doing business in the State of Florida.
- f. The Vendor shall submit a resume for any candidates to fill any key named position for Agency approval prior to hiring.
- g. The Vendor shall ensure that key name positions are not vacant for more than thirty (30) calendar days.
- h. The Vendor shall maintain the minimum level of staffing as required in this Contract. If minimum staffing levels fall below the requirements and remain below the minimum staffing levels in this Contract for more than sixty (60) calendar days, the Agency reserves the right to impose Liquidated Damages.
- i. The Vendor shall submit a quarterly Organizational Chart by the fifth (5th) calendar day of each reporting quarter. The Vendor shall identify in its Organizational Chart each person by position and shall attest that each employee meets the contract requirement for said position if applicable.
- j. Key Staffing Positions:
 - 1) The Vendor shall designate a Contract Manager to work directly with the Agency. The Vendor Contract Manager shall possess at least two (2) years of contract management experience. The Vendor Contract Manager shall be a full-time employee of the Vendor. The Vendor Contract Manager shall have the authority to administer the day-to-day business activities of this Contract, including revising processes or procedures and assigning additional resources as needed to maximize the efficiency and effectiveness of services required under this Contract. The Vendor Contract Manager shall meet in person, or by telephone, at the request of Agency. The Vendor Contract Manager shall be located in the State of Florida. The Vendor shall have a Contract Manager upon execution of this Contract.
 - 2) The Vendor shall designate a Compliance Officer to the Contract. The Vendor's Compliance Officer shall possess at least two (2)

ATTACHMENT I SCOPE OF SERVICES

years of compliance monitoring experience in pharmaceutical distribution practices and inventory.

- k. The Vendor shall notify the Agency in writing of any key staff resignations, dismissals, or personnel changes within five (5) business days of the occurrence and describe by whom and how the duties of the vacant key staff will be accomplished by an interim candidate until the position is filled. The Vendor shall provide information on the interim candidate, as approved by the Agency, within three (3) business days of the occurrence.
- l. In the event the Agency determines the Vendor's staff or staffing levels are not sufficient to properly complete the services specified in this Contract, it shall advise the Vendor in writing. The Vendor shall address staff or staffing levels as directed by the Agency and in a timeframe approved by the Agency, in order to remedy all identified staffing deficiencies.

20. Operational Procedures

- a. The Vendor shall develop and maintain up-to-date operational procedures for all aspects of this Contract.
- b. The Vendor shall submit all operational procedures to the Agency prior to implementation in accordance with the Agency approved implementation plan. The Vendor shall obtain the Agency's approval prior to implementing any subsequent changes to any of its operational procedures.
- c. The Agency reserves the right to direct the Vendor to amend or update any of the operational procedures at no additional cost to the Agency, within the time frame specified by the Agency.
- d. The Vendor shall make each operational procedure available to the Agency at all times.

21. Complaints

- a. The Vendor shall resolve all written and verbal inquiries or complaints as soon as possible, but no-later-than five (5) business days from initial receipt, with the exception of recalls from Canadian Suppliers or manufacturers.
- b. The Vendor shall document any procedural action that occurred as a result of a complaint. The Vendor shall submit this documentation as part of the monthly complaint report. The Vendor shall have formal written and dated procedures regarding this process.
- c. The Vendor shall maintain a log of all complaints that shall include the date, name, nature of complaint, and disposition.
- d. The Vendor shall submit a monthly report to the Agency that includes details related to all complaints received, including the date the complaint was reported, nature of the complaint, disposition, and date of resolution.

ATTACHMENT I SCOPE OF SERVICES

The Vendor shall develop an Agency-approved dashboard for this process.

22. Internal Quality Control Plan (IQC)

- a. The Vendor shall develop and submit to the Agency a complete IQC plan and written procedures to ensure appropriate administration of all responsibilities specified in this Contract.
- b. The Vendor shall submit its IQC plan in accordance with the Agency approved implementation plan.
- c. The Agency reserves the right to direct the Vendor to make modifications and/or additions to the Vendor's IQC plan, as needed.
- d. The Vendor's IQC plan, as approved by the Agency, shall become effective no later than thirty (30) calendar days following execution of this Contract.

23. Delegation of Responsibilities

- a. The Vendor shall receive Agency approval for the delegation of any responsibilities under this Contract prior to delegating any such work/responsibilities. The Vendor shall ultimately be responsible and liable for the obligations and duties under this Contract and ensure that subcontracts reflect the requirements of this Contract. If the Vendor delegates any function of the administration or management of this Contract, the Vendor shall:
 - 1) Ensure that the entity receiving such delegation adheres to all requirements set forth in State of Florida and federal requirements.
 - 2) Request approval from the Agency no less than sixty (60) calendar days before such functions are delegated (full or partial delegation), specify what functions are delegated, identify the Vendor staff responsible for monitoring the delegated functions, and define how the Vendor shall accomplish monitoring of delegated functions.
 - 3) Provide to the Agency the names, addresses, telephone numbers and roles of all subcontractors for this Contract and notify the Agency within two (2) business days of any changes.

24. Emergency Management Plan

- a. The Vendor shall submit to the Agency in accordance with an Agency-approved implementation plan and by September 1st of each contract year, an emergency management plan specifying what actions the Vendor shall conduct to ensure the ongoing provision of services in a disaster.

ATTACHMENT I SCOPE OF SERVICES

- b. The Vendor shall ensure that the emergency management plan includes a risk assessment, procedures to comply with this Contract during disasters, a communication plan during disasters, and training schedules for Vendor staff, to ensure the ongoing provision of services in a disaster as defined in § 252.34, F.S.
- c. The Vendor shall submit a daily report to the Agency advising of any impact to its information management system(s) and/or providers using the system during any emergency or disaster period.

C. Deliverables

Deliverables are included as **Exhibit A**, Deliverables and Associated Payments, to this Attachment.

D. Reporting

1. General Reporting Requirements

- a. The Vendor and Agency agree that specific reporting requirements may be more clearly defined or developed as a result of Contract negotiations.
- b. The Vendor shall adhere to reporting requirements included in this Section in a manner and format specified by the Agency. The Agency reserves the right to direct the Vendor to amend or update its reports and/or report formats in accordance with the best interests of the Agency and at no cost to the Agency. The Agency will notify the Vendor of such modification, in writing.
- c. All electronic transmission of reports and supporting documentation containing Protected Health Information (PHI) as defined by the Health Insurance Portability and Accountability Act (HIPAA) shall be encrypted to meet the HIPAA privacy standards. Unless otherwise directed by the Agency, all electronic reports shall be formatted utilizing Microsoft Word or Excel, version 2013 or greater. Supporting documentation may be submitted in Adobe PDF format. The Vendor shall maintain the capability to upgrade its electronic report format as directed by the Agency.
- d. Report formats shall be finalized and approved by the Agency no later than thirty (30) calendar days after execution of this Contract, unless otherwise agreed to by the Agency.
- e. The Vendor shall develop reports, using formats approved in advance by the Agency, complying with the requirements established by the Agency. When reporting requirements are not established in this Contract, the Agency shall provide the Vendor with instructions and submission timetables. The Agency reserves the right to modify reporting formats and submission timetables resulting from changing priorities or management direction.
- f. The Vendor shall provide the Agency with a monthly report by the 30th day of the month, stating the quantity of drugs shipped to each facility,

ATTACHMENT I SCOPE OF SERVICES

provider, or subcontractor with detailed expenditures that lists amounts, per individual drug, for each individual shipment or batch.

- g. All reports shall be developed, produced, and maintained at no cost to the Agency.

2. Monthly Reporting

- a. The Vendor shall submit monthly reports. At a minimum, monthly reports shall include the following:
 - 1) Information on each shipment of prescription drugs that were imported from Canada, including:
 - Name and quantity of the active ingredient;
 - Description of the dosage;
 - Date received;
 - Quantity received;
 - Point of origin and destination; and
 - Price paid.
 - 2) Forecast of availability of prescription drugs available under the Program, to anticipate any potential shortages or areas where need will have to be compensated.
 - 3) Pricing reports on each imported prescription drug to track cost savings and determine when a prescription drug is to be removed from the list of those imported.
- b. Monthly reports shall be due on the fifteenth (15th) of each month following the reporting month.

3. Annual Reporting

- a. The Vendor shall submit an annual report to the Agency, compiling all quarters' data from the most recent, complete contract year. At a minimum, annual reports shall include the following:
 - 1) A list of prescription drugs imported under the Program;
 - 2) The quantity, lot number, and name of each drug distributed to each State agency participating in the Program.
 - 3) The number of participating entities;
 - 4) The number of prescriptions dispensed through the Program;

ATTACHMENT I SCOPE OF SERVICES

- 5) The estimated cost savings during the previous State fiscal year and to date by drug and drug class based on the current cost of the same or like drug using the same NDC code;
 - 6) A description of the methodology used to determine which prescription drugs were included for the year;
 - 7) Documentation demonstrating how the Program ensures:
 - Canadian Supplier participating in the Program are of high quality, of high performance, and in full compliance with relevant Canadian federal and provincial laws and regulations and U.S. federal and state laws and rules;
 - Prescription drugs imported under the Program are not shipped, sold or dispensed outside of the State once in the possession of the importer;
 - Prescription drugs imported under the Program are pure, potent and safe, and not adulterated, counterfeit, damaged, tampered with, or expired; and
 - The Program does not put consumers at higher health and safety risks than if the Program did not exist.
 - 8) The Program provides cost savings to the State on imported prescription drugs.
- b. Annual reports shall be due forty-five (45) calendar days following the end of each resulting contract year.

4. Adverse Event Reporting

- a. The Vendor shall be responsible for completing and filing the following reports to the FDA when appropriate following the occurrence of an adverse incident(s) or quality issue(s):
- 1) Field alert reports
 - 2) Adverse event reports
 - 3) Expedited Individual Case Safety Reports (ICSRs)
 - 4) Follow-up reports to ICSRs
 - 5) Non-expedited ICSRs
- b. The Vendor shall be responsible for identifying the type of report necessary and appropriate for each incident(s) for submission to the FDA.

ATTACHMENT I SCOPE OF SERVICES

- c. The Vendor shall submit reports in accordance with the timeframes specified in Title 21 of the Code of Federal Regulations (CFR) § 251.18

5. FDA Quarterly Reports

- a. The Vendor shall compile all documentation and components as specified in Title 21 CFR § 251.19 and submit to the Agency within ten (10) calendar days of the end of each calendar quarter.
- b. The Vendor shall prepare the necessary documentation and components in a report format as prescribed by the Agency in accordance with FDA guidelines as specified in Title 21 CFR § 251.19.
- c. The Vendor shall make any corrections or provide missing information as specified to the Agency within five (5) calendar days of receiving feedback on the report.
- d. The Vendor shall submit the quarterly report to the FDA within three (3) calendar days of receiving approval from the Agency via the FDA's Electronic Submissions Gateway (ESG).

6. Ad Hoc Analysis and Reports

- a. The Agency reserves the right to request the Vendor to conduct ad hoc analyses and provide ad hoc reports. In such instances, the Agency will make the request in writing and will establish a deadline for submission.
- b. Ad hoc analyses and reporting shall be provided at no additional cost to the Agency.
- c. The Vendor shall provide ad hoc reports on an as needed basis at no additional cost to the Agency. Ad hoc reports may be requested on any aspect of the data collected by the Vendor.
- d. Ad hoc reports shall be submitted to the Agency within fourteen (14) calendar days from the time of the request, unless the Agency directs the Vendor to provide the data or information in less than fourteen (14) calendar days.

At the Agency's request, the variables calculated as part of ad hoc reports may be required for inclusion in standard reports.

E. Monitoring

1. General Monitoring Provisions

- a. The Agency may conduct, or have conducted, performance and/or compliance reviews, reviews of specific records or other data as determined by the Agency. The Agency may conduct a review of a sample of analyses performed by the Vendor to verify the quality of the Vendor's analyses. Reasonable notice shall be provided for reviews conducted at the Vendor's place of business.

ATTACHMENT I SCOPE OF SERVICES

- b. Reviews may include, but shall not be limited to, reviews of procedures, computer systems, laboratory records, track and trace records, relabeling and repackaging records, accounting records, and IQC reviews. The Vendor shall work with any reviewing entity selected by the Agency.
- c. During this Contract period, these records shall be available at the Vendor's office at all reasonable times. After this Contract period and for ten (10) years following, the records shall be available at the Vendor's chosen location subject to the approval of the Agency. If the records need to be sent to the Agency, the Vendor shall bear the expense of delivery. Prior approval of the disposition of the Vendor and subcontractor records shall be requested and approved by the Agency. This obligation survives termination of this Contract.
- d. The Vendor shall comply with all applicable federal requirements pertaining to procurement, including but not limited to Chapter 2 of the CFR and any other final or interim rules with respect to audit requirements of federal contracts administered through State and local public agencies.
- e. At a minimum, the Vendor's financial documents, invoices, dispensing records relevant to this Contract will be subject to audits by the Agency. The Vendor shall be responsible for its own costs associated with any audits.
- f. In accordance with § 20.055, F.S., the Vendor and its subcontractors shall cooperate with the Office of the Inspector General (OIG) in any investigation, audit, inspection, review or hearing; and shall grant access to any records, data or other information the OIG deems necessary to carry out its official duties.
- g. The Vendor shall ensure that Canadian suppliers and all subcontractors (e.g., laboratories, relabelers, etc.) comply with Contractual requirements.

III. Method of Payment:

This Contract includes a combination of fixed price and cost-plus deliverables. The Agency shall pay the Vendor, in arrears, upon the completion and acceptance of deliverables in accordance with the deliverable schedule specified in **Exhibit A**, Deliverables and Associated Payments.

- Fixed Price: The Agency will use a fixed price approach to pay the Vendor for implementation deliverables and a fixed monthly price for ongoing Program operations, as specified in Exhibit A.
- Cost Plus: The Agency will use a cost reimbursement approach, plus a fixed percentage rate, to compensate the Vendor for purchasing prescription drugs from the Canadian Supplier(s) or manufactures. In accordance with the table below.

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ATTACHMENT I SCOPE OF SERVICES

Percentage Rate – Original Term		
Year 1	Year 2	Year 3
7%	6.5%	6.25%
Percentage Rate – Renewal Term		
Year 4	Year 5	Year 6
6.25%	6.25%	6.25%

- The Agency will only reimburse the Vendor for the cost of prescription drugs that were acquired by the Vendor during the billing month. To receive reimbursement, the Vendor shall provide a monthly invoice with documentation sufficient for the Agency to determine the types and quantities of prescription drugs purchased, and subsequently delivered, for the billing month. The documentation must include copies of original invoices from the Canadian Supplier(s) showing the actual amount(s) for which the Vendor paid for prescription drugs and is seeking reimbursement from the Agency. If sufficient documentation and an acceptable invoice are provided by the Vendor, the Agency will reimburse the Vendor for the total amount of prescription drugs purchased and delivered for the billing month, and pay a fixed rate percent (of the total amount of the monthly invoice). The Agency shall not pay more than the reimbursable amount plus the fixed percentage rate for any billing month.
- The Vendor will order one hundred and four percent (104%) of the predetermined requested drug(s) invoiced. The additional inventory will be allocated for laboratory testing or loss. The Agency and the Vendor will conduct a “true up” within sixty (60) days of the end of the contract year.

A. Invoicing

1. Invoices and all supporting documents shall be submitted on the Vendor’s letterhead to the Agency’s designated Contract Manager within fifteen (15) calendar days of completion and Agency approval of deliverable(s).

Invoice(s) shall include, at a minimum:

- a. Invoice date;
 - b. Invoice number;
 - c. Agency’s Contract number;
 - d. Description of the services rendered;
 - e. Date(s) on which services were rendered;
 - f. Payment remittance address; and
 - g. Other supporting documentation as requested by the Agency.
2. The Vendor shall not charge the State for any travel expenses related to any portion of this Contract.
 3. Payments will be authorized only for services that are in accordance with the terms and conditions of this Contract.

ATTACHMENT I SCOPE OF SERVICES

4. Appropriate documentation as determined by the Agency shall be submitted to support invoices.
5. Invoices shall not be approved for payment by the Agency until reports and deliverables from the Vendor are received as specified in this Contract.

B. Late Invoicing

If the Vendor is unable to meet the invoice submission deadlines specified in this Contract, the Vendor shall notify the Agency in writing prior to the deadline explaining the circumstances and requesting an extension to the deadline.

C. Financial Consequences as Liquidated Damages

1. Performance Standards and Liquidated Damages

- a. The Vendor shall comply with all requirements and performance standards set forth in the Contract.
- b. The Agency's Contract Manager will monitor the Vendor's performance in accordance with the monitoring requirements of the Contract. Failure by the Vendor to meet the established minimum performance standards may result in the Agency, in its sole discretion, finding the Vendor to be out of compliance, and all remedies provided in this Contract and under law, shall become available to the Agency.
- c. The Agency reserves the right to impose liquidated damages upon the Vendor for failure to comply with the performance standard requirements set forth in **Table 1**, Performance Standards and Liquidated Damages, below and as outlined in **Exhibit A**, Deliverables and Associated Payments.

TABLE 1 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES	
Performance Standard Requirement	Liquidated Damages to be Imposed
Performance Bond	
A performance bond in the amount of ten percent (10%) of the total annual amount of the Contract shall be furnished to the Agency by the Vendor within thirty (30) calendar days after execution of the Contract and prior to commencement of any work under the Contract.	\$500.00 per calendar day for each calendar day after the due date until an acceptable performance bond is furnished to the Agency.
A performance bond shall be furnished on an annual basis, thirty (30) calendar days prior to the new contract year and be in the amount of ten percent (10%) of the current annual Contract amount.	\$500.00 per calendar day for each calendar day after the due date until an acceptable performance bond is furnished to the Agency.
Performance Measures	

ATTACHMENT I SCOPE OF SERVICES

TABLE 1 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES	
Performance Standard Requirement	Liquidated Damages to be Imposed
The Vendor must provide documentation demonstrating negotiations and or pricing from wholesalers or manufacturers accounting for 65% of the prescription drugs in two separate drug classes as listed in the SIP proposal by June 1, 2021, or as otherwise specified by the Agency.	\$5,000.00 for every 1% short of the required 90% the Vendor fails to obtain.
The Vendor must show evidence of negotiations and or maintain agreements with 65% of the prescription drugs that the Vendor and Agency have jointly identified as meeting the savings requirements outlined in the SIP proposal by June 1, 2021, or as otherwise specified by the Agency.	\$2,500.00 per month for every 1% short of the required 90% the Vendor fails to obtain.
The Vendor must ensure eighty-six percent (86%) of all imported prescription drugs meet the following requirements: <ul style="list-style-type: none"> • Delivered within forty-eight (48) hours of having been ordered. • Delivered complete and correct, without missing or incorrect items. • Delivered without damage resulting in any of the prescription drug(s) being rendered un-consumable. • Delivered with accurate documentation. 	\$1,000.00 per month per every 1% short of the required 86% the Vendor fails to meet.
The Vendor must maintain an adequate inventory of imported prescription drugs at its Florida facility. This supply must be sufficient to fill orders from State agencies or their designees for ninety (90) days, barring a shortage of the drug to be imported or disaster that would impact importation of sufficient inventory.	\$500.00 per occurrence that the Vendor is unable to fill an order for a State agency or its designee.
The Vendor must ensure that no more than four percent (4%) of the quantity of purchased prescription drugs is added to an order for the purpose of laboratory testing or loss.	\$1,000.00 per occurrence that the Vendor adds more than 4% of purchased prescription drugs to an order for the purpose of laboratory testing or loss.
The Vendor must report current and accurate data on its inventory through a dashboard accessible to the Agency at any time.	\$500.00 per occurrence of a verified inaccuracy.
The Vendor must ensure that the rate of return of imported prescription drugs due to errors or negligence by the Vendor from state agencies or their designees is no more	\$1,000.00 per month per every 1% above the 5% that the Vendor is unable to meet.

**ATTACHMENT I
SCOPE OF SERVICES**

TABLE 1 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES	
Performance Standard Requirement	Liquidated Damages to be Imposed
than two percent (2%) per month for all orders the Vendor fills, ships, and delivers.	
The Vendor must make its online portal available twenty-four (24) hours per day/seven (7) days per week for placing orders for imported prescription drugs with the exception of scheduled maintenance.	\$100.00 per occurrence that the portal has an unscheduled shutdown that lasts for 60 minutes or longer.
The Vendor will ensure that imported prescription drugs distributed to state agencies or their designees are authentic, potent, and safe to consume.	<p>\$500.00 per occurrence for prescription drugs deemed non-consumable due to labeling errors.</p> <p>\$1,000.00 per occurrence for prescription drugs deemed non-consumable due to expiration, lack of potency, adulteration, or contamination that would not result in harming individuals if consumed.</p> <p>\$10,000.00 per occurrence for prescription drugs that would cause mild harm (i.e., not result in hospitalization or death) if consumed.</p> <p>\$50,000.00 per occurrence for prescription drugs that would result in severe harm (i.e., hospitalization or death) if consumed.</p>
HIPAA	
The Vendor shall comply with provisions of HIPAA / Health Information Technology for Economic and Clinical Health (HITECH).	\$500.00 to \$5,000.00 , per incident, per occurrence, depending upon the severity. In addition, Federal penalties may apply in accordance with the HIPAA Act of 1996.
The Vendor shall not inappropriately release PHI.	\$500.00 to \$5,000.00 , per incident, per occurrence, depending upon the severity.
Records	
The Vendor shall comply with public records laws, in accordance with § 119.0701, F.S.	\$5,000.00 for each incident in which the Vendor does not comply with a public records request.
Background Screening	
Complete initial and renewal background screenings within required timeframes.	\$500.00 per occurrence.
Submit policies and procedures within thirty (30) calendar days of Contract execution.	\$250.00 per calendar day beyond the due date.
The Vendor shall ensure that all workers and subcontracted workers providing services	\$5,000.00 for each incident in which the Vendor allows a worker and/or

ATTACHMENT I SCOPE OF SERVICES

TABLE 1 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES	
Performance Standard Requirement	Liquidated Damages to be Imposed
under this Contract are in compliance with the required background screening prior to providing services under this Contract.	worker of a subcontractor who failed the required background screening and who does not meet one of the exemptions to provide services under this Contract.
Security Rating Score	
Annually maintain a top tier security rating score from the Agency's selected information security rating service.	\$5,000.00 per occurrence and \$250.00 per calendar day, if the Vendor does not improve to a top tier security rating score within three (3) months after its initial failure notification by the Agency, to annually obtain a top tier security rating score.
Service Organization Controls (SOC) 2 Type II Audit	
Annually submit the SOC 2 Type II audit report by April 30 th of each contract year.	\$1,000.00 per calendar day for each calendar day beyond the due date.
Services	
Implement the approved Corrective Action Plan (CAP) by the Agency specified date.	\$500.00 per calendar day for each calendar day that the approved CAP is not implemented to the satisfaction of the Agency.
Quarterly by the fifth (5 th) calendar day of the quarter, submit an Organizational Chart identifying each person by position and attesting that each employee meets the contract requirement for said position as applicable.	\$100.00 per calendar day for each calendar day beyond the due date.

2. Sanctions

- a. In the event the Agency identifies a violation of or other non-compliance with the Contract (to include the failure to meet performance standards), the Agency may sanction the Vendor pursuant to § 409.912(4), F.S. The Agency may impose sanctions in addition to any liquidated damages imposed pursuant to the Contract.
- b. For purposes of this **Item**, violations involving individual, unrelated acts shall not be considered arising out of the same action.
- c. If the Agency imposes monetary sanctions, the Vendor shall pay the monetary sanctions to the Agency within thirty (30) calendar days from receipt of the notice of sanction, regardless of any dispute in the monetary amount or interpretation of policy which led to the notice. If the Vendor fails to pay, the Agency, at its discretion, reserves the right to recover the money by any legal means, including but not limited to the withholding of any payments due to the Vendor. If the Deputy Secretary determines that the Agency should reduce or eliminate the amount imposed, the Agency

ATTACHMENT I SCOPE OF SERVICES

will return the appropriate amount to the Vendor within sixty (60) calendar days from the date of a final decision rendered.

3. Disputes

- a. To dispute the imposition of a corrective action plan, liquidated damages, sanctions and/or contract interpretations, the Vendor shall request that the Agency's Deputy Secretary for Medicaid or designee, hear and decide the dispute.
- b. The Vendor shall submit a written dispute directly to the Deputy Secretary, listed below, or designee by U.S. mail and/or commercial courier service (hand delivery will not be accepted). This submission shall be received by the Agency within twenty-one (21) calendar days after the issuance of a corrective action plan, liquidated damages, sanctions and/or Contract interpretations and shall include all arguments, materials, data, and information necessary to resolve the dispute (including all evidence, documentation and exhibits). The Vendor submitting such written requests for appeal or dispute as allowed under the Contract by U.S. mail and/or commercial courier service, shall submit such appeal or dispute to the following mailing address:

Deputy Secretary for Medicaid

Agency for Health Care Administration
Prescription Drug Importation Medicaid Appeals/Disputes, Mail Stop 8
2727 Mahan Drive
Tallahassee, FL 32308

Regardless of whether delivered by U.S. mail or commercial courier service, appeals or disputes not delivered to the address above will be denied.

- c. The Vendor waives any dispute not raised within twenty-one (21) calendar days of issuance of liquidated damages, sanctions and/or contract interpretations. It also waives any arguments it fails to raise in writing within twenty-one (21) calendar days of receiving the corrective action plan, liquidated damages, sanctions and/or Contract interpretations, and waives the right to use any materials, data, and/or information not contained in or accompanying the Vendor's submission submitted within the twenty-one (21) calendar days following its receipt of the liquidated damages, sanctions and/or Contract interpretations in any subsequent legal, equitable, or administrative proceeding (to include Circuit Court, Federal court and any possible administrative venue).
- d. The Deputy Secretary or his/her designee will decide the dispute under the reasonableness standard, reduce the decision to writing and serve a copy to the Vendor. This written decision will be final.
- e. The exclusive venue of any legal or equitable action that arises out of or relating to the Contract, including an appeal of the final decision of the Deputy Secretary or his/her designee, will be Circuit Court in Leon County, Florida. In any such action, the Vendor agrees to waive its right to a jury trial, and that the Circuit Court can only review the final decision

ATTACHMENT I SCOPE OF SERVICES

for reasonableness, and Florida law shall apply. In the event the Agency issues any action under F.S. or F.A.C. apart from the Contract, the Agency will notice the Vendor of the appropriate administrative remedy.

IV. Financial Requirements

A. General Provisions

The Vendor shall meet all financial requirements established by this Contract and report financial information, including but not limited to quarterly and annual financial Statements, in accordance with Section D., Reporting Requirements. The Vendor shall certify that information it submits to the Agency is accurate, truthful, and complete, under penalty of perjury [42 CFR § 438.606 (a) and (b); § 457.1201(o)].

1. Inspection and Audit of Financial Records

The State or branches within the Department of Health and Human Services may inspect and audit any financial records of the Vendor or its subcontractors, as well as financial records from parent companies relating to corporate or administrative charges included on financial reports submitted by the Vendor to the Agency.

2. Financial Reporting

- a. The Vendor shall submit annual audited and quarterly unaudited financial Statements that are specific to the processes of the Vendor rather than to a parent or umbrella organization.
- b. The Vendor shall submit all financial reports to the Agency in accordance with Section D., Reporting Requirements.
- c. The Vendor shall submit their audited reports in accordance to the timeline in the Financial Report template.

V. Attorney's Fees

In the event of a dispute, each party to this Contract shall be responsible for its own attorneys' fees, except as otherwise provided by law.

VI. Legal Action Notification

The Vendor shall give the Agency, by certified mail, immediate written notification (no later than thirty (30) calendar days after service of process) of any action or suit filed or of any claim made against the Vendor by any subcontractor, vendor, or other party that results in litigation related to this Contract for disputes or damages exceeding the amount of **\$50,000.00**. In addition, the Vendor shall immediately advise the Agency of the insolvency of a subcontractor or of the filing of a petition in bankruptcy by or against a principal subcontractor.

VII. Failure to Implement Contract Requirements

If the Vendor fails to establish an agreement(s) with a Canadian manufacturer(s) or Canadian wholesaler(s) that would result in the acquisition of imported prescription drugs at prices that would yield significant savings to the State, such an event will result in the dissolution of this

ATTACHMENT I SCOPE OF SERVICES

Contract and release both parties from any further payments, obligations, responsibilities, duties, and deliverables specified in this contract.

VIII. Damages for Failure to Meet Contract Requirements

In addition to remedies available through this Contract, in law or equity, the Vendor shall reimburse the Agency for any Federal disallowances or sanctions imposed on the Agency as a result of the Vendor's failure.

IX. Corrective Action Plan (CAP)

- A. If the Agency determines that the Vendor is out of compliance with any of the provisions of this Contract, the Agency may require the Vendor to submit a Corrective Action Plan (CAP) within a specified timeframe. The CAP shall provide an opportunity for the Vendor to resolve deficiencies without the Agency invoking more serious remedies, up to and including contract termination.
- B. The Vendor shall respond by providing a CAP to the Agency within the timeframe specified by the Agency.
- C. The Vendor shall implement the CAP only after Agency approval.
- D. The Agency may require changes or a complete rewrite of the CAP and provide a specific deadline.
- E. If the Vendor does not meet the standards established in the CAP within the agreed upon timeframe, the Vendor shall be in violation of the provisions of this Contract and shall be subject to liquidated damages.

X. Performance Bond

- A. A performance bond in the amount specified in **Table 2**, Performance Bond Requirements, below, shall be furnished to the Agency by the Vendor for the specified Contract term.

TABLE #2 PERFORMANCE BOND REQUIREMENTS		
Contract Term	"Estimated" Annual Contract Amount	Performance Bond Amount (10%)
Year 1: Contract execution – June 30, 2021	\$9,825,200.00	\$982,520.00
Year 2: July 1, 2021 – June 30, 2022	\$14,496,000.00	\$1,449,600.00
Year 3: July 1, 2022 – June 30, 2023	\$14,496,000.00	\$1,449,600.00

B. Performance Bond Requirements

- 1. The initial performance bond shall be furnished to the Agency's Procurement Office within thirty (30) calendar days after execution of this Contract and prior to commencement of any work under this Contract.

ATTACHMENT I SCOPE OF SERVICES

2. Thereafter, the performance bond shall be furnished on an annual basis, thirty (30) calendar days prior to the new contract year.
3. The initial performance bond shall be in the amount of ten percent (10%) of the current annual Contract amount and shall be submitted to the Agency's Procurement Office at:

**Procurement Office
Agency for Health Care Administration
2727 Mahan Drive, Mail Stop 15
Tallahassee, FL 32308**
4. A copy of all performance bonds shall be submitted to the Agency's Contract Manager.
5. The performance bond shall not contain any provisions that shorten the time for bringing an action to a time less than that provided by § 95.03, F.S.
6. No payments will be made to the Vendor until an acceptable performance bond is furnished to the Agency. The performance bond shall remain in effect for the full term of this Contract, including any renewal period. The Agency shall be named as the beneficiary of the Vendor's bond. The bond shall provide that the insurer(s) or bonding company(s) pay losses suffered by the Agency directly to the Agency.
7. The cost of the performance bond will be borne by the Vendor.
8. Should the Vendor terminate this Contract prior to the end of this Contract period, an assessment against the bond will be made by the Agency to cover the costs of selecting a new Vendor. The Vendor agrees that the Agency's damages in the event of termination by the Vendor shall be considered to be for the full amount of the bond. The Agency need not prove the damage amount in exercising its right of recourse against the bond.

XI. Contract Transition

- A. At the time of this Contract's completion, the Vendor shall cooperate with the Agency in transitioning responsibilities of this Contract to the Agency or another vendor.
- B. Prior to the ending or termination of this Contract, the Vendor shall coordinate with the Agency to develop and implement a wind down strategy to utilize current drug inventory and minimize the total amount of products that must be transferred to State custody by the end of the Contract.
- C. The Vendor shall deliver to the Agency, or its authorized representative, all Contract-related records and data in a format specified by the Agency, within sixty (60) calendar days from the expiration or termination of this Contract. This obligation survives termination of this Contract.
- D. Prior to the ending or termination of this Contract, the Vendor shall meet with the new vendor or the Agency's designated representative(s) to develop a HIPAA compliant, written agreement that sets forth how the entities will cooperate to ensure an effortless

ATTACHMENT I SCOPE OF SERVICES

transition. The agreement shall be approved by the Agency prior to execution and shall include at a minimum, the following:

1. Designated point of contact for both entities;
2. A calendar of regularly scheduled meetings;
3. A detailed list of data that will be shared;
4. A mechanism and timeframe for transmitting records and data from the Vendor's system;
5. A mechanism and timeframe for transmitting documents produced under this Contract, as requested by the Agency;
6. A clear description of the mutual needs and expectations of both entities; and
7. Identification of risks and barriers associated with the transition of services to a new vendor and solutions for overcoming them.

XII. System Functionality

- A. The Vendor shall have the capacity (hardware, software, and personnel) sufficient to access and generate all data and reports needed for this Contract.
- B. The Vendor shall comply with HIPAA and the HITECH Act.
- C. The Vendor shall have protocols and internal procedures for ensuring system security and the confidentiality of state agency or designee identifiable data.
- D. The Vendor shall ensure an annual SOC 2 Type II audit is performed on the application hosting center. The Vendor shall provide a copy of the most recent audit report to the Agency.

XIII. Information Technology

- A. The Vendor shall have the necessary IT resources needed to fully manage the product required in this Contract.
- B. The Vendor shall develop an online platform to allow state agencies or their designees to place orders, make payments, and receive invoices for orders of imported prescription drugs. The online platform shall comply with the following:
 1. Be accessible only to state agencies or their designees via a password protected portal;
 2. Be user friendly and require minimal clicks for navigating;
 3. Have security measures in place to maintain confidentiality of state agency or designee information;

ATTACHMENT I SCOPE OF SERVICES

4. Allow state agencies or their designees to upload all information required in Section II., Manner of Service(s) Provision, Sub-Section B., Services Provided by the Vendor, Item 8., Ordering and Invoicing;
 5. Provide digital invoices that contain all information required in Section II., Manner of Service(s) Provision, Sub-Section B., Services Provided by the Vendor, Item 8., Ordering and Invoicing;
 6. Provide up-to-date information on the types, quantities, strengths, dosages, and forms of imported prescription drugs available for purchase; and
 7. Maintain a list of employed or contracted staff who have made changes or updates to the online platform.
- C.** The Vendor shall make updates within ninety (90) days of Agency notification to its online platform as necessary in the event of policy, procedural, or technological changes by state agencies that affect requirements for the placing of orders, making payments, or receiving invoices for orders of imported prescription drugs.
- D.** The Vendor shall have a system capable of storing all information as required by the FDA, State of Florida, and this Contract.
- E.** The Vendor shall ensure that the Customer Service Call Center, IT help desks or any other type of customer support provided directly under this Contract, shall be located only in the forty-eight (48) contiguous United States.
- F.** The Vendor shall conform to current and updated publications of the principles, standards, and guidelines of the Federal Information Processing Standards (FIPS), the National Institute of Standards and Technology (NIST) publications, including but not limited to [Cybersecurity-Framework](#) and [NIST.SP.800-53r4](#).
- G.** The Vendor shall employ traffic and network monitoring software and tools on a continuous basis to identify obstacles to optimum performance.
- H.** The Vendor shall employ traffic and network monitoring software and tools on a continuous basis to identify email and Internet spam and scams and restrict or track user access to appropriate websites.
- I.** The Vendor shall employ traffic and network monitoring software and tools on a continuous basis to identify obstacles to detect and prevent hacking, intrusion and other unauthorized use of the Vendor's resources.
- J.** The Vendor shall employ traffic and network monitoring software and tools on a continuous basis to prevent adware or spyware from deteriorating system performance.
- K.** The Vendor shall employ traffic and network monitoring software and tools on a continuous basis to update virus blocking software daily and aggressively monitor for and protect against viruses.
- L.** The Vendor shall employ traffic and network monitoring software and tools on a continuous basis to monitor bandwidth usage and identify bottlenecks that impede performance.

ATTACHMENT I SCOPE OF SERVICES

- M.** The Vendor shall conduct all activities in compliance with 45 CFR § 164 Subpart C to ensure data security, including, but not limited to encryption of all information that is confidential under Florida or Federal law, while in transmission and while resident on portable electronic media storage devices. Encryption is required and shall be consistent with FIPS, and/or the National Institute of Standards and Technology (NIST) publications regarding cryptographic standards.
- N.** In order to enable the Agency to effectively measure and mitigate the Vendor's security risks, Agency may conduct an initial IT security rating score scan on the Vendor, as well as periodic or continuous security monitoring through an information security rating service, at the Agency's expense, to enable the Agency to effectively measure and mitigate the Vendor's security risks. The Vendor will work with the Agency's Security Rating Score Provider to define the relevant Vendor assets providing Agency services. If the Vendor does not maintain a top tier security rating score, the Agency will impose liquidated damage(s) and/or other applicable sanction(s).

XIV. Disaster Recovery

- A.** The Vendor shall develop and maintain a disaster recovery plan for restoring the application of software and current master files and for hardware backup in the event the production systems are disabled or destroyed. The disaster recovery plan shall limit service interruption to a period of twenty-four (24) clock hours and shall ensure compliance with all requirements under this Contract. The records backup standards and a comprehensive disaster recovery plan shall be developed and maintained by the Vendor for the entire period of this Contract and submitted for review annually by the anniversary date of this Contract.
- B.** The Vendor shall maintain a disaster recovery plan for restoring day-to-day operations including alternative locations for the Vendor to conduct the requirements of this Contract. The disaster recovery plan shall limit service interruption to a period of twenty-four (24) clock hours and shall ensure compliance with all requirements of this Contract.
- C.** The Vendor shall maintain database backups in a manner that shall eliminate disruption of service or loss of data due to system or program failures or destruction.
- D.** The disaster recovery plan shall be finalized no later than thirty (30) calendar days prior to this Contract effective date. The Agency shall review the Vendor's disaster recovery plan during the readiness review.
- E.** The Agency, at its discretion, reserves the right to direct the Vendor to amend or update its disaster recovery plan in accordance with the best interests of the Agency and at no additional cost to the Agency.
- F.** The Vendor shall make all aspects of the disaster recovery plan available to the Agency at all times.
- G.** The Vendor shall conduct an annual Disaster Recovery Plan test and submit results for review to the Agency in the annual plan submitted in compliance with **Section XII., Disaster Recovery, Sub-Section A.**

ATTACHMENT I SCOPE OF SERVICES

XV. Agency Contract Management

- A.** The Agency shall be responsible for management of this Contract. Contract management shall be conducted in good faith, with the best interest of the State and the residents it serves being the prime consideration. The Agency shall make all statewide policy decisions via issuance of a Policy Transmittal or Contract Interpretation, which shall be included in the next amendment.
- B.** The Vendor shall submit all procedures to the Agency as required by this Contract. Unless specified elsewhere in this Contract, procedures required by this Contract shall be submitted to the Agency at least seventy-five (75) days before the proposed effective date of the policy and procedure or change. Other procedures related to this Contract shall be submitted to the Agency upon request. If the Agency has requested procedures, the Vendor shall notify the Agency of any subsequent changes in such materials.
- C.** The Vendor may seek an interpretation from the Agency of any Contract requirement. When an interpretation of this Contract is sought, the Vendor shall submit a written request to the Agency's Deputy Secretary for Medicaid in a format prescribed by the Agency.
- D.** The terms of this Contract do not limit or waive the ability, authority or obligation of the OIG, its contractors, or other duly constituted government units (State or federal) to audit or investigate matters related to or arising out of this Contract.
- E.** This Contract shall be amended only as follows (unless specified elsewhere in this Contract):
 - 1.** The parties cannot amend or alter the terms of this Contract without a written amendment and/or change order to this Contract.
 - 2.** The Agency and the Vendor understand that any such written amendment to amend or alter the terms of this Contract shall be executed by an officer of each party, who is duly authorized to bind the Agency and the Vendor.
 - 3.** The Agency reserves the right to amend this Contract within the scope set forth in the procurement (to include original Contract and all Attachments) in order to clarify requirements or if it is determined by the Agency that modifications are necessary to better serve or provide covered services to the eligible population.

XVI. Disputes

- A.** To dispute an interpretation of this Contract, the Vendor must request that the Agency's Deputy Secretary for Medicaid hear and decide the dispute. The Vendor must submit a written dispute of this Contract interpretation directly to the Deputy Secretary; by U.S. mail and/or commercial courier service (hand delivery shall not be accepted); this submission must be received by the Agency within twenty-one (21) days after the interpretation of this Contract and shall include all arguments, materials, data, and information necessary to resolve the dispute (to include all evidence, documentation and exhibits). The Vendor shall submit such written requests for appeal or dispute as allowed under this Contract by U.S. mail and/or commercial courier service, shall submit such appeal or dispute to the following mailing address:

ATTACHMENT I SCOPE OF SERVICES

Deputy Secretary for Medicaid

Agency for Health Care Administration
Attn: Prescription Drug Importation Program, MS 1
2727 Mahan Drive Bldg. 3
Tallahassee, FL 32308

Regardless of whether delivered by U.S. mail or commercial courier service, appeals or disputes not delivered to the above address will be denied. The Vendor waives any dispute not raised within twenty-one (21) days of receiving a notice of this Contract interpretation. It also waives any arguments it fails to raise in writing within twenty-one (21) days of receiving a Contract interpretation, and waives the right to use any materials, data, and/or information not contained in or accompanying the Vendor's submission submitted within the twenty-one (21) days following its receipt of the notice of this Contract interpretation in any subsequent legal, equitable, or administrative proceeding (to include circuit court, federal court and any possible administrative venue).

- B.** The Deputy Secretary or his/her designee shall decide the dispute under the reasonableness standard, reduce the decision to writing and serve a copy to the Vendor. This written decision shall be final.
- C.** The exclusive venue of any legal or equitable action that arises out of or relating to this Contract, including an appeal of the final decision of the Deputy Secretary or his/her designee, shall be Circuit Court in Leon County, Florida; in any such action, the Vendor agrees to waive its rights to a jury trial, and that the Circuit Court can only review the final decision for reasonableness, and Florida law shall apply. In the event the Agency issues any action under Florida Statutes or Florida Administrative Code apart from this Contract, the Vendor shall receive notice of the appropriate administrative remedy.

XVII. Definitions and Acronyms

A. Definitions

Active Ingredient – As defined in 21 CFR § 210.3.

Ad Hoc – A report designed for a specific purpose, case, or situation.

Agency – State of Florida, Agency for Health Care Administration (Agency), its employees acting in their official capacity, or its designee.

Agency Information Technology (IT) Enterprise – Any interconnected system(s) or subsystem(s) or equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by the Agency.

Batch – As defined in Title 21 CFR § 210.3.

Business Day – Traditional workday, including Monday, Tuesday, Wednesday, Thursday, and Friday. State holidays are excluded.

Calendar Day – All seven days of the week. A twenty-four (24) hour period between midnight and midnight, regardless of whether or not it occurs on a weekend or holiday.

ATTACHMENT I SCOPE OF SERVICES

Calendar Year – A twelve (12) month period of time beginning on January 1 and ending on December 31.

Canadian Supplier – As defined in Section 381.02035, F.S.

Contract – The written agreement between the Agency and the Vendor comprised of the Contract, any addenda, appendices, attachments, or amendments thereto.

Contract Amendment – Any written alteration in the specifications, delivery point, rate of delivery, Contract period, price, quantity, or other Contract provisions of any existing Contract.

Contract Manager – An individual designated to act as liaison between the Agency and the Vendor and is responsible for the management of this Contract.

Contract Year – A twelve (12) month period of time beginning with the month of contract execution and ending on the last day of the twelfth month following, and each twelve (12) month period thereafter.

Importer – The entity designated by the State to arrange for the transport of prescription drugs from Canada to the U.S. through a port of entry.

Interoperability – The ability of a system to work with or use the parts or equipment of another system and characterized by seamless coordination and integration with other systems.

Manufacturer – A Canadian entity that produces prescription drugs approved by Canada's Health Products and Food Branch intended for sale to the Canadian market.

Prescription Drug – As defined in Section 381.02035, F.S.

Prescription Drug Class – A group of prescription drugs approved by the FDA and Canadian HPFB for the treatment of the same disease(s) or health condition(s).

Program – As defined in Section 381.02035, F.S.

Representative Sample – As defined in 21 CFR § 210.3.

Top Tier Security Rating – A vendor information security rating service (e.g., BigSight Technologies, Security Scorecard, CORL Technologies) that rates vendor information security.

Track and Trace – As defined in Section 381.02035, F.S.

Vendor – The entity that contracts directly with the Agency for the work specified within this Contract.

Willful Misconduct – Conduct committed with an intentional or reckless disregard for the safety of others.

Wholesaler – As defined in Section 499.003(49), F.S.

ATTACHMENT I SCOPE OF SERVICES

B. Acronyms

APD	Agency for Persons with Disabilities
Apps	Applications
BAA	Business Associate Agreement
CAP	Corrective Action Plan
CFR	Code of Federal Regulations
DCF	Department of Children and Families
DOC	Department of Corrections
DOH	Department of Health
DPPA	Driver Privacy Protection Act
DQSA	Drug Quality Security Act
DSCSA	Drug Supply Chain Security Act
EEO	Equal Employment Opportunity
FAC	Florida Administrative Code
FDA	U.S. Food and Drug Administration
FIPS	Federal Information Processing Standards
F.S.	Florida Statutes
HIPAA	Health Insurance Portability and Accountability Act
HITECH	Health Information Technology for Economic and Clinical Health
IQC	Internal Quality Control
ISM	Information Security Manager
ISO	International Organization for Standardization
IT	Information Technology
NDC	National Drug Code
NIST	National Institute for Standards and Technology
PHI	Protected Health Information
PII	Personally Identifiable Information

**ATTACHMENT I
SCOPE OF SERVICES**

PL	Public Law
SOC	Service Organization Controls
URL	Uniform Resource Locator
U.S.	United States
U.S.C.	United States Code
W3C	World Wide Web Consortium

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**EXHIBIT A
DELIVERABLES AND ASSOCIATED PAYMENTS**

Table 2 Payment Schedule				
#	State Fiscal Year - SFY	Deliverable / Service Description	Unit Cost	Number of Units
Year One Operations (Readiness) (December 18, 2020 through June 30, 2021)				
1	SFY 20/21 (December)	<p>The Vendor shall conduct implementation activities as described in Attachment I, Section II., Manner of Service(s) Provision, Sub-Section B. Services Provided by the Vendor, Item 18. Implementation Plan. The Vendor must provide all of the following to receive payment:</p> <ul style="list-style-type: none"> • Detailed Implementation plan and timeframes for completion of steps in development and implementation of the Program • Description of operational framework for importation of prescription drugs • Identification of key staff • Identification of a Canadian drug product and proposed labeling for FDA review • Copies of inspection history • Copies of disciplinary history 	\$2,127,000.00	1
2	SFY 20/21 (January)	<p>The Vendor shall conduct implementation activities as described in Attachment I, Section II., Manner of Service(s) Provision, Sub-Section B. Services Provided by the Vendor, Item 18. Implementation Plan. Vendor must provide all of the following to receive payment:</p> <ul style="list-style-type: none"> • Proof of submission for completed application for Florida prescription drug wholesaler and distributor license • Description of build design for online platform • Organizational chart and resumes of key staff • Completion of face-to-face meeting and conference calls with the Agency and relevant parties for purposes 	\$2,127,000.00	1

EXHIBIT A
DELIVERABLES AND ASSOCIATED PAYMENTS

		of coordinating implementation activities		
3	SFY 20/21 (February)	<p>The Vendor shall conduct implementation activities as described in Attachment I, Section II., Manner of Service(s) Provision, Sub-Section B. Services Provided by the Vendor, Item 18. Implementation Plan. The Vendor must provide all of the following to receive payment:</p> <ul style="list-style-type: none"> • Copies of all site permitting • Copy of agreement with a repackager • Completion of face-to-face meeting and conference calls with the Agency and relevant parties for purposes of coordinating implementation activities required reports and submissions are the supporting documentation the Agency will use to verify the completion of implementation activities. 	\$2,127,000.00	1
4	SFY 20/21 (March)	<p>The Vendor shall conduct implementation activities as described in Attachment I, Section II., Manner of Service(s) Provision, Sub-Section B. Services Provided by the Vendor. Vendor shall submit all of the following to receive payment:</p> <ul style="list-style-type: none"> • Provide evidence of active Florida prescription drug wholesaler and distributor license • Provide copies of executed agreements with the shipping provider(s) that will transport, ship and distribute imported prescription drugs • Provide copies of executed agreements with Canadian manufacturers or wholesalers for the purchase of eligible prescription drugs • Completion of face-to-face meeting and conference calls with the Agency and relevant parties for purposes of coordinating implementation activities. 	\$861,050.00	1

EXHIBIT A
DELIVERABLES AND ASSOCIATED PAYMENTS

5	SFY 20/21 April	<p>The Vendor shall conduct implementation activities as described in Attachment I, Section II., Manner of Service(s) Provision, Sub-Section B. Services Provided by the Vendor. The Vendor shall submit all of the following to receive payment:</p> <ul style="list-style-type: none"> • Provide evidence of completed training with: <ul style="list-style-type: none"> ○ Pharmacies ○ Agency staff ○ Other State agencies • Provide evidence of completion of remaining Phase I milestones as specified in the Vendor's implementation plan • Completion of face-to-face meeting and conference calls with the Agency and relevant parties for purposes of coordinating implementation activities 	\$861,050.00	1
6	SFY 20/21 May	<p>The Vendor shall conduct implementation activities as described in Attachment I, Section II., Manner of Service(s) Provision, Sub-Section B. Services Provided by the Vendor. The Vendor shall submit all of the following to receive payment:</p> <ul style="list-style-type: none"> • Provide copy of final certificate of occupancy for warehouse • Provide evidence of completion of Phase II milestones as specified in the Vendor's implementation plan • Completion of face-to-face meeting and conference calls with the Agency and relevant parties for purposes of coordinating implementation activities 	\$861,050.00	1
7	SFY 20/21 June	<p>The Vendor shall conduct implementation activities as described in Attachment I, Section II., Manner of Service(s) Provision, Sub-Section B. Services Provided by the Vendor. The Vendor shall submit</p>	\$861,050.00	1

**EXHIBIT A
DELIVERABLES AND ASSOCIATED PAYMENTS**

		<p>all of the following to receive payment:</p> <ul style="list-style-type: none"> • Provide evidence of completion of successful testing of online platform • Completion of face-to-face meeting and conference calls with the Agency and relevant parties for purposes of coordinating implementation activities 		
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**Table 2
Payment Schedule**

#	State Fiscal Year - SFY	Deliverable / Service Description	Unit Cost	Number of Units
Year Two Operations (July 1, 2021 through June 30, 2022)				
8	SFY 21/22 (July-June)	The Vendor shall provide prescription drug importation services as described in Attachment I, Section II., Manner of Service(s) Provision, Sub-Section B. Services Provided by the Vendor. The required reports are the supporting documentation the Agency will use to verify the completion of services.	\$1,208,000.00 (Not to exceed \$14,496,000.00)	12
Year Three Operations (July 1, 2022 through June 30, 2023)				
9	SFY 22/23 (July- June)	The Vendor shall provide prescription drug importation services as described in Attachment I, Section II., Manner of Service(s) Provision, Sub-Section B. Services Provided by the Vendor. The required reports are the supporting documentation the Agency will use to verify the completion of services.	\$1,208,000.00 (Not to exceed \$14,496,000.00)	12

**Table 3
Payment Schedule – Renewal Years**

#	State Fiscal Year - SFY	Deliverable / Service Description	Unit Cost	Number of Units
Year Four Operations (If Renewed) (July 1, 2023 through June 30, 2024)				
10	SFY 23/24 (July-June)	The Vendor shall provide prescription drug importation services as described in Attachment I, Section II., Manner of Service(s) Provision, Sub-Section B. Services Provided by the Vendor. The required reports are the supporting documentation the	\$1,208,000.00 (Not to exceed \$14,496,000.00)	12

**EXHIBIT A
DELIVERABLES AND ASSOCIATED PAYMENTS**

		Agency will use to verify the completion of services.		
Year Five Operations (If Renewed) (July 1, 2024 through June 30, 2025)				
11	SFY 24/25 (July- June)	The Vendor shall provide prescription drug importation services as described in Attachment I , Section II., Manner of Service(s) Provision, Sub-Section B. Services Provided by the Vendor. The required reports are the supporting documentation the Agency will use to verify the completion of services.	\$1,208,000.00 (Not to exceed \$14,496,000.00)	12
Year Six Operations (If Renewed) (July 1, 2025 through June 30, 2026)				
12	SFY 25/26 (July- June)	The Vendor shall provide prescription drug importation services as described in Attachment I , Section II., Manner of Service(s) Provision, Sub-Section B. Services Provided by the Vendor. The required reports are the supporting documentation the Agency will use to verify the completion of services.	\$1,208,000.00 (Not to exceed \$14,496,000.00)	12

Note: Failure by the Vendor to provide the deliverables in accordance with the requirements of Attachment I, Scope of Services, shall be subject to the performance measures and liquidated damages provided in section III. Method of Payment, subsection C. Financial Consequences as Liquidated Damages.

ATTACHMENT II BUSINESS ASSOCIATE AGREEMENT

The parties to this Attachment agree that the following provisions constitute a business associate agreement for purposes of complying with the requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). This Attachment is applicable if the Vendor is a business associate within the meaning of the Privacy and Security Regulations, 45 C.F.R. 160 and 164.

The Vendor certifies and agrees as to abide by the following:

1. Definitions. Unless specifically stated in this Attachment, the definition of the terms contained herein shall have the same meaning and effect as defined in 45 C.F.R. 160 and 164.
 - a. Protected Health Information. For purposes of this Attachment, protected health information shall have the same meaning and effect as defined in 45 C.F.R. 160 and 164, limited to the information created, received, maintained or transmitted by the Vendor from, or on behalf of, the Agency.
 - b. Security Incident. For purposes of this Attachment, security incident means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system and includes any event resulting in computer systems, networks, or data being viewed, manipulated, damaged, destroyed or made inaccessible by an unauthorized activity.
2. Applicability of HITECH and HIPAA Privacy Rule and Security Rule Provisions. As provided by federal law, Title XIII of the American Recovery and Reinvestment Act of 2009 (ARRA), also known as the Health Information Technology Economic and Clinical Health (HITECH) Act, requires a Business Associate (Vendor) that contracts with the Agency, a HIPAA covered entity, to comply with the provisions of the HIPAA Privacy and Security Rules (45 C.F.R. 160 and 164) and comply with 45 C.F.R. 162 as applicable.
3. Use and Disclosure of Protected Health Information. The Vendor shall comply with the provisions of 45 CFR 164.504(e)(2)(ii). The Vendor shall not use or disclose protected health information other than as permitted by this Contract or by federal and state law. The sale of protected health information or any components thereof is prohibited except as provided in 45 CFR 164.502(a)(5). The Vendor will use appropriate safeguards to prevent the use or disclosure of protected health information for any purpose not in conformity with this Contract and federal and state law. The Vendor will implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information the Vendor creates, receives, maintains, or transmits on behalf of the Agency.
4. Use and Disclosure of Information for Management, Administration, and Legal Responsibilities. The Vendor is permitted to use and disclose protected health information received from the Agency for the proper management and administration of the Vendor or to carry out the legal responsibilities of the Vendor, in accordance with 45 C.F.R. 164.504(e)(4). Such disclosure is only permissible where required by law, or where the Vendor obtains reasonable assurances from the person to whom the protected health information is disclosed that: (1) the protected health information will be held confidentially, (2) the protected health information will be used or further disclosed only

**ATTACHMENT II
BUSINESS ASSOCIATE AGREEMENT**

as required by law or for the purposes for which it was disclosed to the person, and (3) the person notifies the Vendor of any instance of which it is aware in which the confidentiality of the protected health information has been breached.

5. Disclosure to Third Parties. The Vendor will not divulge, disclose, or communicate protected health information to any third party for any purpose not in conformity with this Contract without prior written approval from the Agency. The Vendor shall ensure that any agent, including a subcontractor, to whom it provides protected health information received from, or created or received by the Vendor on behalf of the Agency, agrees to the same terms, conditions, and restrictions that apply to the Vendor with respect to protected health information. The Vendor's subcontracts shall fully comply with the requirements of 45 CFR 164.314(a)(2)(iii).
6. Access to Information. The Vendor shall make protected health information available in accordance with federal and state law, including providing a right of access to persons who are the subjects of the protected health information in accordance with 45 C.F.R. 164.524.
7. Amendment and Incorporation of Amendments. The Vendor shall make protected health information available for amendment and to incorporate any amendments to the protected health information in accordance with 45 C.F.R. 164.526.
8. Accounting for Disclosures. The Vendor shall make protected health information available as required to provide an accounting of disclosures in accordance with 45 C.F.R. 164.528. The Vendor shall document all disclosures of protected health information as needed for the Agency to respond to a request for an accounting of disclosures in accordance with 45 C.F.R. 164.528.
9. Privacy Protection. The Vendor shall permit an individual to request a restriction on the use and disclosure of protected health information about the individual to carry out treatment, payment, or health care operations; and disclosures permitted under 164.510(b) in accordance with 45 C.F.R. 164.522. The Vendor shall permit an individual to request to receive communications of protected health information from the Vendor by alternative means or at alternative locations in accordance with 45 C.F.R. 164.522.
10. Access to Books and Records. The Vendor shall make its internal practices, books, and records relating to the use and disclosure of protected health information received from, or created or received by the Vendor on behalf of the Agency, available to the Secretary of the Department of Health and Human Services ("HHS") or the Secretary's designee for purposes of determining compliance with the HHS Privacy Regulations.
11. Reporting. The Vendor shall make a good faith effort to identify any use or disclosure of protected health information not provided for in this Contract.
 - a. To Agency. The Vendor will report to the Agency in the manner and format obtained from the Contract Manager or Agency contact, within ten (10) business days of discovery, any use or disclosure of protected health information not provided for in this Contract of which the Vendor is aware. The Vendor will report to the Agency in the manner and format obtained from the Contract Manager or Agency contact, within twenty-four (24) hours of discovery, any security incident

**ATTACHMENT II
BUSINESS ASSOCIATE AGREEMENT**

of which the Vendor is aware. A violation of this paragraph shall be a material violation of this Contract. Such notice shall include the identification of each individual whose unsecured protected health information has been or is reasonably believed by the Vendor to have been, accessed, acquired, used, or disclosed during such breach.

- b. To Individuals. In the case of a breach of protected health information discovered by the Vendor, the Vendor shall first notify the Agency of the pertinent details of the breach and upon prior review by the Agency shall notify each individual whose unsecured protected health information has been, or is reasonably believed by the Vendor to have been, accessed, acquired, used or disclosed as a result of such breach. Such notification shall be in writing by first-class mail to the individual (or the next of kin if the individual is deceased) at the last known address of the individual or next of kin, respectively, or, if specified as a preference by the individual, by electronic mail. Where there is insufficient, or out-of-date contact information (including a phone number, email address, or any other form of appropriate communication) that precludes written (or, if specifically requested, electronic) notification to the individual, a substitute form of notice shall be provided, including, in the case that there are 10 or more individuals for which there is insufficient or out-of-date contact information, a conspicuous posting for a period of at least 90 days on the Web site of the covered entity involved or notice in major print or broadcast media, including major media in the geographic areas where the individuals affected by the breach likely reside. In any case deemed by the Vendor to require urgency because of possible imminent misuse of unsecured protected health information, the Vendor may also provide information to individuals by telephone or other means, as appropriate.
- c. To Media. In the case of a breach of protected health information discovered by the Vendor where the unsecured protected health information of more than 500 persons is reasonably believed to have been, accessed, acquired, used, or disclosed, after prior review by the Agency, the Vendor shall provide notice to prominent media outlets serving the State, relevant portion of the State, or jurisdiction involved.
- d. To Secretary of Health and Human Services (HHS). The Vendor shall cooperate with the Agency to provide notice to the Secretary of HHS of unsecured protected health information that has been acquired or disclosed in a breach.
- i. Vendors Who Are Covered Entities. In the event of a breach by the Vendor, or a contractor or subcontractor of the Vendor, and the Vendor is a HIPAA covered entity, the Vendor, not the Agency, shall be considered the covered entity for purposes of notification to the Secretary of HHS pursuant to 45 CFR 164.408. The Vendor shall be responsible for filing the notification to the Secretary of HHS and will identify itself as the covered entity in the notice. If the breach was with respect to 500 or more individuals, at least 5 business days prior to filing notice with the Secretary of HHS the Vendor shall provide a copy of the notice and breach risk assessment to the Agency for review. Upon prior review by the Agency of the notice and breach risk assessment, the Vendor shall file the notice

**ATTACHMENT II
BUSINESS ASSOCIATE AGREEMENT**

with the Secretary of HHS within the notification timeframe imposed by 45 C.F.R. 164.408(b) and contemporaneously submit a copy of said notification to the Agency. If the breach was with respect to less than 500 individuals, the Vendor shall notify the Secretary of HHS within the notification timeframe imposed by 45 C.F.R. 164.408(c) and shall contemporaneously submit a copy of said notification to the Agency.

- e. Content of Notices. All notices required under this Attachment shall include the content set forth in 42 U.S.C. 17932(f) and 45 C.F.R. 164 Subpart D, except that references therein to a “covered entity” shall be read as references to the Vendor.
 - f. Financial Responsibility. The Vendor shall be responsible for all costs related to the notices required under this Attachment.
 - g. Other Reporting. The Vendor shall comply with any other applicable reporting requirements in conformity with federal and state laws. If notifications are made under any such laws, copies of said notifications shall be provided contemporaneously to the Agency.
12. Mitigation. Vendor shall mitigate, to the extent practicable, any harmful effect that is known to the Vendor of a use or disclosure of protected health information in violation of this Attachment.
 13. Termination. Upon the Agency’s discovery of a material breach of this Attachment, the Agency shall have the right to assess liquidated damages as specified elsewhere in the contract to which this Attachment is included, and/or to terminate this Contract.
 14. Effect of Termination. At the termination of this Contract, the Vendor shall return all protected health information that the Vendor still maintains in any form, including any copies or hybrid or merged databases made by the Vendor; or with prior written approval of the Agency, the protected health information may be destroyed by the Vendor after its use. If the protected health information is destroyed pursuant to the Agency’s prior written approval, the Vendor must provide a written confirmation of such destruction to the Agency. If return or destruction of the protected health information is determined not feasible by the Agency, the Vendor agrees to protect the protected health information and treat it as strictly confidential.

The Vendor has caused this Attachment to be signed and delivered by its duly authorized representative, as of the date set forth below.

LIFE SCIENCE LOGISTICS, LLC

SIGNED BY: DocuSigned by:
Richard Beeny
4FB00D9F3D844C1... _____ **DATE:** 12/29/2020

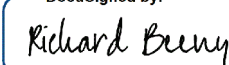
NAME: Richard Beeny **TITLE:** CEO

**ATTACHMENT III
CERTIFICATION REGARDING LOBBYING
CERTIFICATION FOR CONTRACTS, GRANTS, LOANS AND COOPERATIVE AGREEMENTS**

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or employee of congress, or an employee of a member of congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or employee of congress, or an employee of a member of congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

DocuSigned by:

 4FB00D9F3D844C1...
 Signature

Richard Beeny

Name of Authorized Individual

Life Science Logistics

Name and Address of Organization

12/29/2020

Date

MED214

Application or Contract Number

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**ATTACHMENT IV
CERTIFICATION REGARDING
DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION
CONTRACTS/SUBCONTRACTS**

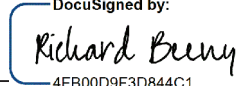
This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, signed February 18, 1986. The guidelines were published in the May 29, 1987, Federal Register (52 Fed. Reg., pages 20360-20369).

INSTRUCTIONS

1. Each Vendor whose contract/subcontract equals or exceeds \$25,000 in federal monies must sign this certification prior to execution of each contract/subcontract. Additionally, Vendors who audit federal programs must also sign, regardless of the contract amount. The Agency for Health Care Administration cannot contract with these types of Vendors if they are debarred or suspended by the federal government.
2. This certification is a material representation of fact upon which reliance is placed when this contract/subcontract is entered into. If it is later determined that the signer knowingly rendered an erroneous certification, the Federal Government may pursue available remedies, including suspension and/or debarment.
3. The Vendor shall provide immediate written notice to the contract manager at any time the Vendor learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "debarred," "suspended," "ineligible," "person," "principal," and "voluntarily excluded," as used in this certification, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the contract manager for assistance in obtaining a copy of those regulations.
5. The Vendor agrees by submitting this certification that, it shall not knowingly enter into any subcontract with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this contract/subcontract unless authorized by the Federal Government.
6. The Vendor further agrees by submitting this certification that it will require each subcontractor of this contract/subcontract, whose payment will equal or exceed \$25,000 in federal monies, to submit a signed copy of this certification.
7. The Agency for Health Care Administration may rely upon a certification of a Vendor that it is not debarred, suspended, ineligible, or voluntarily excluded from contracting/subcontracting unless it knows that the certification is erroneous.
8. This signed certification must be kept in the contract manager's contract file. Subcontractor's certifications must be kept at the contractor's business location.

CERTIFICATION

- (1) The prospective Vendor certifies, by signing this certification, that neither he nor his principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract/subcontract by any federal department or agency.
- (2) Where the prospective Vendor is unable to certify to any of the statements in this certification, such prospective Vendor shall attach an explanation to this certification.

<p><small>DocuSigned by:</small>  <small>4FB00D9F3D844C1...</small> Signature</p>	<p>12/29/2020 Date</p>
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Richard Beeny CEO

Name and Title of Authorized Signer

ATTACHMENT V

AGENCY APPROVED MODIFICATIONS AND ADDITIONS TO THE STANDARD CONTRACT

A. Modifications to Standard Contract

1. Section I., THE VENDOR HEREBY AGREES, Sub-Section C, MyFloridaMarketPlace is modified in its entirety to read as follows:

1. Each Vendor doing business with the State of Florida for the sale of commodities or contractual services as defined in Section 287.012, Florida Statutes (F.S.), shall register in MyFloridaMarketPlace, in compliance with Rule 60A-1.033, Florida Administrative Code (F.A.C.), unless exempt under Rule 60A-1.033(3), F.A.C.
2. The State of Florida, through the Department of Management Services, has instituted MyFloridaMarketPlace, a statewide eProcurement system. Pursuant to Section 287.057(23), F.S. (2002), all payments for commodities and/or contractual services as defined in Section 287.012, F.S., shall be assessed a Transaction Fee, which the Vendor shall pay to the State, unless exempt under Rule 60A-1.031(3), F.A.C. Notwithstanding the provisions of Rule 60A-1.031, et seq., the assessment of a transaction fee shall be contingent upon Federal approval of the transaction fee assessment program and continued payment of applicable Federal matching funds.

Pharmacy drug purchases under the Contract that are paid with federal funds are exempt from the Transaction Fee, per Rule 60A-1.031(3)(i), F.A.C.

3. For payments within the State accounting system (FLAIR or its successor), the Transaction Fee shall, when possible, be automatically deducted from payments to the Vendor. If automatic deduction is not possible, the Vendor shall pay the Transaction Fee pursuant to Rule 60A-1.031(2), F.A.C. By submission of these reports and corresponding payments, the Vendor certifies their correctness. All such reports and payments shall be subject to audit by the State or its designee.
4. The Vendor shall receive a credit for any Transaction Fee paid by the Vendor for the purchase of any item(s) if such item(s) are returned to the Vendor through no fault, act, or omission of the Vendor. Notwithstanding the foregoing, a Transaction Fee is non-refundable when an item is rejected or returned, or declined, due to the Vendor's failure to perform or comply with specifications or requirements of the agreement.
5. **Failure to comply with these requirements shall constitute grounds for declaring the Vendor in default and recovering procurement costs from the Vendor in addition to all outstanding fees. VENDORS DELINQUENT IN PAYING TRANSACTION FEES MAY BE EXCLUDED FROM CONDUCTING FUTURE BUSINESS WITH THE STATE.**

ATTACHMENT V

AGENCY APPROVED MODIFICATIONS AND ADDITIONS TO THE STANDARD CONTRACT

2. Section I., THE VENDOR HEREBY AGREES, Sub-Section K, Background Screening is modified in its entirety to read as follows:
 1. Except as otherwise noted in this section, the Vendor shall adhere to the Vendor's Scope of Services, and any corresponding exhibits to the scope for background screening requirements for Vendor employees.
 2. The Vendor shall perform background screening and ensure that a background investigation is performed on all individuals hired as IT workers with access to information processing facilities, or who have system, database, developer, network, or other administrative capabilities for systems, applications, or servers.
 3. The Vendor shall ensure that background screening standards for IT workers as described in K.2 include, but need not be limited to, fingerprinting for statewide criminal history records checks through the Department of Law Enforcement, and national criminal history records checks through the Federal Bureau of Investigation, and may include local criminal records checks through local law enforcement agencies.
 4. The Vendor shall ensure that background screening, as specified in this section, be completed within thirty (30) calendar days of contract execution and prior to IT workers being granted privileged access. Privileged access means computer access with higher access rights, generally root access, Administrator access, or access to service accounts. In addition, access to the command line on a server is considered privileged access.
 - i. The Vendor shall ensure that background screening results for IT personnel with access to Agency IT systems be provided to the Agency within thirty (30) calendar days of contract execution and prior to IT workers being granted privileged access.
 - ii. The Vendor shall keep a record of all background screening records to be available for Agency review upon request for the life of this contract.
 5. The Vendor shall perform renewal background screenings and ensure that a background investigation is performed, as specified in this section, on IT workers as described in K.2 at least every three (3) years from the initial screening.
 6. Any Vendor worker or managing worker with background results that are unacceptable to the State as described in Section 435.04, F.S., or related to the criminal use of PII as described in Section 817, F.S., or has been subject to criminal penalties for the misuse of PHI under 42 U.S.C. 1320d-5, or has been subject to criminal penalties for the offenses described in Section 812.0195, F.S., Section 815, F.S., Section 815.04, F.S., or Section 815.06, F.S., shall be denied employment or be immediately dismissed from performing services under this Contract by the Vendor unless an exemption is granted.

ATTACHMENT V

AGENCY APPROVED MODIFICATIONS AND ADDITIONS TO THE STANDARD CONTRACT

7. The Vendor shall develop and submit policies and procedures related to this criminal background screening requirement to the Agency for review and approval within thirty (30) calendar days of this Contract execution. The Vendor's policies and procedures shall include a procedure to grant an exemption from disqualification for disqualifying offenses revealed by the background screening, as described in Section 435.07, F.S.
 8. Failure to comply with background screening requirements shall subject the Vendor to liquidated damages as described in the method of payment section in the Standard Contract or in the Vendor's Scope of Services.
3. Section I., THE VENDOR HEREBY AGREES, Sub-Section M, Indemnification is modified in its entirety to read as follows:
1. Indemnification. The Vendor agrees to indemnify, defend, and hold harmless the Agency, as provided in this Clause.
 - a. The Vendor shall be fully liable for the actions of its agents, employees, partners, or subcontractors and shall fully indemnify, defend, and hold harmless the State and the Agency, and their officers, agents, and employees, from suits, actions, damages, and costs of every name and description brought by a third Party, including attorneys' fees, alleged to be caused in whole or in part by Vendor, its agents, employees, partners, or subcontractors, arising from or relating to: i) personal injury; ii) damage to real or personal tangible property; iii) any civil, criminal, or administrative action; iv) any violation of a federal or state statute or promulgated rule; v) and any action related to the Agency's role as the Medicaid administrator for the State of Florida, provided, however, that the Vendor shall not indemnify for that portion of any loss or damages proximately caused by the negligent act or omission of the State or the Agency.
 - b. Further, the Vendor shall fully indemnify, defend, and hold harmless the State and the Agency from any third-party suits, actions, damages, and costs of every name and description, including attorneys' fees, arising from or relating to an actual or alleged violation, misappropriation, or infringement of a trademark, copyright, patent, trade secret or intellectual property right, provided, however, that the foregoing obligation shall not apply to an Agency's misuse or modification of Vendor's products or an Agency's operation or use of Vendor's products in a manner not contemplated by the Contract.
 - c. The Vendor's obligations under the preceding two paragraphs with respect to any legal action are contingent upon the State or Agency giving the Vendor (1) written notice of any action or threatened action, and (2) assistance in defending the action at Vendor's sole

ATTACHMENT V**AGENCY APPROVED MODIFICATIONS AND ADDITIONS
TO THE STANDARD CONTRACT**

expense. The Agency, in its sole discretion, may provide the Vendor with the opportunity to take over and settle or defend any such action at Vendor's sole expense. The Vendor shall not be liable for any cost, expense, or compromise incurred or made by the State or Agency in any legal action without the Vendor's prior written consent, which shall not be unreasonably withheld.

- d. The duty to indemnify under these provisions will continue in full force and effect notwithstanding the expiration or early termination of the Contract.

2. Liability. The liabilities of the Parties are as provided by this Clause.

- a. Limitations of Liability. The Vendor's liability for damages to the State for any cause, regardless of the form of action, whether in contract or in tort, (including negligence), shall be limited to ten million dollars (\$10M USD) (the "General Liability Cap"). This limitation shall not apply to claims arising under subsections M(1)(a)(i) or (ii) of the Indemnity paragraph contained in this Contract. However, the Vendor's aggregate liability for or with respect to the Vendor's obligations described by subsections M(1)(a)(iii) to (v) of the Indemnity paragraph contained in this Contract shall be capped at an amount equal to forty million dollars (\$40M USD) (the "Special Indemnities Cap"). Any amount recovered by the Agency from the Vendor under the Special Indemnities Cap shall reduce the amount of the General Liability Cap dollar-for-dollar.

Unless otherwise specifically enumerated in the Contract or in the purchase order, no party shall be liable to another for special, indirect, punitive, or consequential damages, even if the party has been advised that such damages are possible. No party shall be liable for lost profits, lost revenue, or lost institutional operating savings.

- b. Joint Responsibilities. The Parties acknowledge that the Vendor's performance and pricing as described by this Contract depend on each party's timely, substantial performance of its express obligations under this Contract. In the event of a material delay or failure by one party (or their agents or contractors) to meet its obligations in a timely fashion, then the other party will not be in default or liable for any failures that were caused by such non-performance.
- c. Sovereign Immunity. The Agency will not, and does not, indemnify the Vendor for any costs or services. Any provision, implication, or suggestion to the contrary is null and void. Nothing herein shall be construed as waiving the sovereign immunity of the State.

ATTACHMENT V

AGENCY APPROVED MODIFICATIONS AND ADDITIONS TO THE STANDARD CONTRACT

4. Section I., THE VENDOR HEREBY AGREES, Sub-Section O. Assignments and Subcontracts is modified in its entirety to read as follows:

To neither assign the responsibility of this Contract to another party nor subcontract for any of the critical or substantial work contemplated under this Contract without prior written approval of the Agency. No such approval by the Agency of any assignment or subcontract shall be deemed in any event or in any manner to provide for the incurrence of any obligation of the Agency in addition to the total dollar amount agreed upon in this Contract. All such assignments or subcontracts shall be subject to the conditions of this Contract and to any conditions of approval that the Agency shall deem necessary.

5. Section I., THE VENDOR HEREBY AGREES, Sub-Section P. Subcontracting, Item 1. is modified in its entirety to read as follows:

To not subcontract, assign, or transfer any critical or substantial work identified under this Contract, without prior written consent of the Agency.

6. Section I., THE VENDOR HEREBY AGREES, Sub-Section GG. Performance of services is modified in its entirety to read as follows:

The Vendor shall ensure all services provided under this Contract will be performed within the borders of the United States, its territories and protectorates, and Canada, as permitted in Attachment I, Scope of Services. State-owned Data (data collected or created for or provided by the Agency) will be processed and stored in data centers that are located only in the forty-eight (48) contiguous United States.

7. Section III., THE VENDOR AND AGENCY HEREBY MUTUALLY AGREE, Sub-Section D. All Terms and Conditions is modified in its entirety to read as follows:

This Contract and its attachments as referenced herein, and the [PUR 1000, General Contract Conditions](#), which is incorporated herein by reference, contain all the terms and conditions agreed upon by the Parties. In case of conflict between the terms and conditions of the Contract and the PUR 1000, the terms and conditions of the Contract shall take precedence, unless the conflicting term in the PUR 1000 is required by Florida Statutes, in which case the term contained in PUR 1000 shall take precedence.

This Contract is and shall be deemed jointly drafted and written by all Parties to it and shall not be construed or interpreted against the Party originating or preparing it. Each Party has the right to consult with counsel and has either consulted with counsel or knowingly and freely entered into this Contract without exercising its right to counsel.

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