

**Solicitation Number: RFP #022422****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and McKesson Medical-Surgical Government Solutions LLC, 9954 Mayland Drive, Suite 5176, Henrico, VA 23233-1464 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Medical Supply Solutions from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires April 30, 2026, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.
- C. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above. Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated

into this Contract. Supplier is a distributor of third-party products and services and is not the manufacturer of such products or the provider of such services.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. **WARRANTY.** Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances. Supplier will pass through any manufacturer warranty of design, materials, workmanship, and suitability to the Participating Entity. Supplier must agree to reasonably assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Intentionally omitted.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcwell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers nonconforming Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity. Sales tax will be invoiced, if applicable, when valid exemption documentation is not on file with Supplier.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcwell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcwell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcwell Price and Product Change Request Form to the assigned Sourcwell Supplier Development Administrator. This approved form is available from the assigned Sourcwell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcwell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities in the United States that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures made available to Supplier by advance written notice, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract and designate Sourcewell as its primary group purchasing organization; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. **ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM.** Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum; the terms of which will be negotiated directly between the Participating Entity and the Supplier. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract, and Supplier and Participating Entity may determine by agreement that the negotiated additional terms and conditions are not less favorable to the Participating Entity than the terms of this Contract.

C. **SPECIALIZED SERVICE REQUIREMENTS.** In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. **TERMINATION OF ORDERS.** Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. **GOVERNING LAW AND VENUE.** The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. **PRIMARY ACCOUNT REPRESENTATIVE.** Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcewell and Participating Entity inquiries; and

- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be

mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract. Sourcewell will provide Supplier with reasonable advance written notice of such an audit of administrative fees paid. Such audit will be performed during Supplier's regular business hours and will be conducted no more frequently than once per calendar year. Sourcewell will be responsible for the cost of any such audit.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. **ASSIGNMENT.** Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld, conditioned, or delayed. Any prohibited assignment will be invalid.

C. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. **WAIVER.** Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the

circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. **CONTRACT COMPLETE.** This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any third-party claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees. Supplier will not be liable for any indirect, incidental, or consequential damages, whether or not Supplier is advised of the possibility of such damages, and whether based on breach of contract, warranty, tort, product liability, or otherwise. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Supplier under this Contract. Sourcewell and Supplier acknowledge that compliance with the Minnesota Government Data Practices Act extends only to that data to which the Act applies.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
 - a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.

- b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier as an awarded supplier of Equipment, Products, and Services under this Contract.
- 2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purposes as stated above in Section 1. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.
- 3. *Use; Quality Control.*
 - a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.
 - b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated. Notwithstanding the 30-day cure period, a party may seek injunctive or such other relief as it deems necessary in its sole discretion to protect its trademarks at any time.
- 4. As applicable, Supplier agrees to indemnify, defend, and hold harmless Sourcewell and its Participating Entities for any third-party claim alleging that the use of any Equipment or Products supplied by Supplier to Sourcewell or its Participating Entities violates the intellectual property rights of such third party.
- 5. *Termination.* Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Each party must return all marketing and promotional materials, including signage, provided by the other party, or dispose of such material, according to the other party's written directions.

B. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. A party may withhold its approval of the proposed publicity by the other party in the party's sole discretion. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development

Administrator assigned to this Contract. A party may withhold its approval to marketing by the other party in the the party's sole discretion.

D. ENDORSEMENT. The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held liable to the other party for failure or delay in performance caused by acts of God, fires, shortage of materials or transportation, epidemics, government acts, acts of terrorism, or any other matters that are beyond the non-performing party's reasonable control, and such failure or delay will not constitute a material breach of the Contract. Supplier is not the manufacturer of the Equipment and Products sold under this Contract and Supplier is not responsible for or able to prevent industry-wide supply chain issues such as manufacturer backorders, discontinuations, or allocations due to high demand or short supply. Additionally, Supplier will provide the Equipment and Products sold under this Contract so long as Supplier is not contractually prohibited by the manufacturer from doing so. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.

2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute.

B. **DEFAULT AND REMEDIES.** Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

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

18. INSURANCE

A. **REQUIREMENTS.** At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

- \$500,000 each accident for bodily injury by accident
- \$500,000 policy limit for bodily injury by disease
- \$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations, contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage
\$1,000,000 Personal and Advertising Injury
\$2,000,000 aggregate for Products-Completed operations
\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below.

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance.* During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Network Security and Privacy Liability Insurance.* During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence
\$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. At annual renewal of the required insurance policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. **ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE.** Supplier agrees to include Sourcewell, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. **WAIVER OF SUBROGATION.** Supplier waives and must require all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. **UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION.** The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. **LAWS AND REGULATIONS.** All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. **LICENSES.** Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject

matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcwell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions, and in that event the Participating Entity will make the additional requirement known to Supplier in writing in advance. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

- A. EQUAL EMPLOYMENT OPPORTUNITY. Intentionally omitted.
- B. DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148). Intentionally omitted.
- C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Intentionally omitted.
- D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. Intentionally omitted.
- E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.
- F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for

debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. Intentionally omitted.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery;

and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier not use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

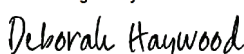
Sourcewell

DocuSigned by:

C0FD2A139D06489...

By: _____
Jeremy Schwartz
Title: Chief Procurement Officer
7/15/2022 | 11:59 AM CDT
Date: _____

McKesson Medical-Surgical Government
Solutions LLC

DocuSigned by:

5CA2CB1465654B0...

By: _____
Deborah Haywood
Title: Vice President, Government Solutions
7/15/2022 | 12:42 PM EDT
Date: _____

Approved:

DocuSigned by:

7E42B8F817A64CC...

By: _____
Chad Coauette
Title: Executive Director/CEO
7/15/2022 | 12:29 PM CDT
Date: _____

RFP 022422 - Medical Supply Solutions

Vendor Details

Company Name: McKesson

Does your company conduct business under any other name? If yes, please state: McKesson Medical-Surgical Government Solutions LLC

Address: 9954 Mayland Drive
Suite 5176
Henrico, VA 23233

Contact: Bryan Figura

Email: government.bids@mckesson.com

Phone: 833-646-2700

HST#:

Submission Details

Created On: Monday January 24, 2022 07:35:54

Submitted On: Thursday February 24, 2022 14:37:43

Submitted By: Bryan Figura

Email: government.bids@mckesson.com

Transaction #: 6916247d-21f4-4cc6-8c78-f563d4e44130

Submitter's IP Address: 137.83.250.169

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	McKesson Medical-Surgical Government Solutions LLC ("MMSGS")	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	N/A	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	N/A	*
4	Provide your CAGE code or DUNS number:	051420107	*
5	Proposer Physical Address:	9954 Mayland Drive, Suite 5176 Henrico, VA 23233-1464	*
6	Proposer website address (or addresses):	www.McKesson.com	*
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Amanda Johnson / Government Contract Manager / 9954 Mayland Drive, Suite 5176, Henrico, VA 23233-1464 / Amanda.Johnson@McKesson.com / 833-343-2700 Anne McCann / Vice President / 9954 Mayland Drive, Suite 5176, Henrico, VA 23233-1464 / anne.mccann@mckesson.com / 833-343-2700 Bryan Figura / Government Contract Manager / 9954 Mayland Drive, Suite 5176, Henrico, VA 23233-1464 / bryan.figura@mckesson.com / 833-646-2700 Deborah Haywood / Vice President, Government Solutions / 9954 Mayland Drive, Suite 5176, Henrico, VA 23233-1464 / deborah.haywood@mckesson.com / 833-343-2700 Hazel Gianatiempo / Manager, Government Strategic Accounts / 9954 Mayland Drive, Suite 5176, Henrico, VA 23233-1464 / hazel.gianatiempo@mckesson.com / 833-343-2700 Kameren Jewett / Senior Contracts Compliance Manager / 9954 Mayland Drive, Suite 5176, Henrico, VA 23233-1464 / kameren.jewett@mckesson.com / 833-343-2700 Kathy Adams-Joyce / Director, Government Sales Administration / 9954 Mayland Drive, Suite 5176, Henrico, VA 23233-1464 / kathleen.adams@mckesson.com / 833-343-2700 Kimberly Zabriskie / Proposal Specialist / 9954 Mayland Drive, Suite 5176, Henrico, VA 23233-1464 / Kim.Zabriskie@McKesson.com / 833-343-2700 Stanton J. McComb / President, Medical-Surgical / 9954 Mayland Drive, Suite 5176, Henrico, VA 23233-1464 / Stanton.McComb@McKesson.com / 833-343-2700	*
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Amy Snow Field Vice President, Government 9954 Mayland Drive, Suite 5176 Henrico, VA 23233-1464 amy.snow@mckesson.com 614-967-8988	*

9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Bryan Figura Government Contract Manager 9954 Mayland Drive, Suite 5176 Henrico, VA 23233-1464 833-646-2700 Moriah Atkinson Strategic Account Manager 9954 Mayland Drive, Suite 5176 Henrico, VA 23233-1464 804-264-7594
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Table 2: Company Information and Financial Strength

Line Item	Question	Response *
10	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	McKesson Corporation ("McKesson") is a publicly traded, Fortune 7 corporation with annualized revenues in excess of \$238 billion. McKesson has become the largest multi-market distributor of pharmaceutical and medical-surgical products, while exceeding industry-leading standards of availability, accuracy and efficiency. Founded in 1833, McKesson provides comprehensive products, services and technology nationally, to all sites of care from retail pharmacies to physician offices, extended care facilities and surgery centers. McKesson's vision is to help create a healthcare system where quality is higher, mistakes are fewer, and costs are lower. As the nation's leading healthcare services company, McKesson provides pharmaceuticals, medical-surgical supplies and technologies that make healthcare safer and more efficient, at the same time reducing costs. As a wholly owned subsidiary of McKesson, MMSGs is the distributor of choice in health care supply management for the government market. With its nationwide logistics network, unparalleled information technology and the strong financial backing provided by its parent company, MMSGs is able to address the increasingly complex supply needs of customers.
11	What are your company's expectations in the event of an award?	MMSGs's expectation is to continue to have opportunity under this contract with Sourcewell and Sourcewell Participating Entities ("Participating Entities") and look forward to a collaborative and more interactive relationship in the next contract. If awarded, MMSGs requests notification be provided to Government.Bids@McKesson.com. Award notice should be provided prior to the contract start date to allow for standard steps that may include account number setup, item number setup, and price load.
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	Our financial results are a component of the Distribution Solutions segment of McKesson Corporation. Please access the publicly available financial statements, using the following link: http://investor.mckesson.com/reports .
13	What is your US market share for the solutions that you are proposing?	MMSGs's US market share in medical supplies and equipment is 16% at the state level and 35% at the local level.
14	What is your Canadian market share for the solutions that you are proposing?	MMSGs does not conduct business in Canada.
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No. MMSGs has never petitioned for bankruptcy.

16	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	MMSGGS is a distributor of Medical Products for many different lines of products. We are authorized to distribute all products outlined within our product offering. If Letters of Authorization are needed, it will take some time to get as there are hundreds of manufacturers that we deal with. Individual Authorization Letters can be provided upon request.	*
17	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	MMSGGS can provide any required licenses and certifications upon contract award.	*
18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	MMSGGS has not had any suspensions or disbarments.	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *	
19	Describe any relevant industry awards or recognition that your company has received in the past five years	MMSGGS has been awarded the ACE Award (Achievement in Customer Excellence) from Conformat for the 4th straight year (2014, 2015, 2016, and 2017). This distinct honor demonstrates MMSGGS's rigorous application of "Voice of the Customer" processes and outstanding performance as measured by those processes. The ACE Award demonstrates MMSGGS's employees' commitment to listening to – and delivering – outstanding customer experiences. In 2014, MMSGGS was awarded the NorthFace ScoreBoard Award, recognizing organizations who not only offer exemplary customer service, but that also center their existence on a deep commitment to exceeding customer expectations. Recently, MMSGGS was awarded centralized distributor for CDC Project "Warp Speed" COVID-19 vaccine program. MMSGGS was also awarded distributor for BD Veritor analyzers and "COVID-19 tests for nursing homes".	*
20	What percentage of your sales are to the governmental sector in the past three years	Approximately 42% of MMSGGS's business is from states, 40% is from the federal government, and 18% from local entities.	*
21	What percentage of your sales are to the education sector in the past three years	Please refer to our response for #20.	*
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	City of Chicago – 2019: \$2,262,927.52 / 2020: \$2,937,943.69 / 2021: \$4,522,331.16 City of LA – 2019: \$1,846,110.36 / 2020: \$2,462,400.72 / 2021: \$1,535,847.15 MMCAP – 2019: \$147,341,201.96 / 2020: \$221,142,853.39 / 2021: \$211,469,529.59 North County EPC (Vista USD) – 2019: \$79,384.24 / 2020: \$44,842.40 / 2021: \$81,341.56 OCM BOCES – 2019: \$1,435.23 / 2020: \$3,851.75 / 2021: \$6,009.15 Sourcewell – 2019: \$5,886,113.39 / 2020: \$8,098,621.92 / 2021: \$9,926,559.43 State of CT – 2019: \$1,204,284.15 / 2020: \$2,828,793.59 / 2021: \$7,700,706.63 State of MA – 2019: \$4,637,519.66 / 2020: \$7,982,880.75 / 2021: \$9,762,556.31 State of PA – 2019: \$7,459,455.25 / 2020: \$11,656,674.95 / 2021: \$10,472,840.39 MMSGGS can provide additional information at the time of request.	*
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	Please refer to our response for #22.	*

Table 4: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
Southern Illinois University	Michael Black	(217) 545-7416	*
California Department of Corrections	Arlene Sakazaki	(916) 691-3342	*
City of Sioux Falls, South Dakota	Matthew Newman	(605) 978-6881	*

Table 5: Top Five Government or Education Customers

Line Item 25. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
State of PA	Government	Pennsylvania - PA	Medical Supplies and Equipment	See Dollar Volume Past 3 Years	\$29,588,970.59	*
State of MA	Government	Massachusetts - MA	Medical Supplies and Equipment	See Dollar Volume Past 3 Years	\$22,382,956.72	*
State of CT	Government	Connecticut - CT	Medical Supplies and Equipment	See Dollar Volume Past 3 Years	\$11,733,784.37	*
City of Chicago	Government	Illinois - IL	Medical Supplies and Equipment	See Dollar Volume Past 3 Years	\$9,723,202.37	*
City of LA	Government	California - CA	Medical Supplies and Equipment	See Dollar Volume Past 3 Years	\$5,844,358.23	*

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *	
26	Sales force.	Three key personnel that will be involved in the Sourcewell's contract include the following: Cathy Dimberger, Vice President, GPOs Amy Snow, Field Vice President, Government Hazel A. Gianatiempo, Manager, Government Strategic Accounts In addition to the key personnel listed above, Participating Entities will be supported by the following personnel/roles: -Account Management – The account executive will be the primary day-to-day contact for Participating Entities and is supported by a team of MMSGs sales management, lab consultants, surgery center experts and Six Sigma logistics resources. This team will assist Sourcewell and Participating Entities in identifying opportunities for improved efficiencies and cost savings. -Customer Service – MMSGs's knowledgeable customer service team provides practices with timely answers on an extensive list of topics. During an extensive training program, customer service representatives ("CSRs") gain an understanding of medical terminology, become experts on MMSGs product and service offerings and familiarize themselves with the healthcare market. Our qualified CSRs work closely with the MMSGs account executives to respond to any needs our customers may have. -Vice Presidents of Sales and Sales Managers – This leadership team enhances the relationship by selling MMSGs's strategic programs and developing the MMSGs offering. These positions are the key contacts for issues related to the customer's strategic initiatives.	*

27	Dealer network or other distribution methods.	MMSGGS recognizes that the pandemic forced many changes in healthcare, specifically amongst supply chain services. COVID-19 exposed the operational and emergency supply vulnerabilities of the acute and non-acute supply chain, placing a greater reliance on non-acute settings for diagnosis and treatment of virus patients. The expansion of supply chain roles into new areas and responsibilities, such as sourcing and diversification, has forced our customers to be more nimble, collaborative and innovative. Supply chain resilience is a corporate responsibility and MMSGGS has invested in the innovative solutions and service models to help our customers build a secure, high-performing non-acute supply chain – keeping patient care top of mind. Diversification, Communication and Visibility – MMSGGS monitors more than 41,000 products daily, providing customers with regular updates including: alternative product lists, critical product availability reports, allocation, quick order options and general ordering assistance, and quality and compliance management. From just-in-time to just-in-case inventory solutions, we keep our customers well-informed of any major risks or changes that may disrupt patient care along the way. Strategic Sourcing – Through MMSGGS, Participating Entities will have access to our global network and custom U.S. team to actively identify new sources including – Latin America, Asia, United States – analyzing new options to understand capacity for high-quality medical products. MMSGGS helps ensure quality product availability through our diversified domestic and global sourcing capabilities. Risk Mitigation – MMSGGS has the quality control measures and team of experts in place to protect our customers from fraudulent and counterfeit products. Through utilization of our global network and reach, MMSGGS provides incremental vetting of all new suppliers, conducting site visits to all new manufacturer sources and routine, thorough business investigations to help ensure quality control, product testing and social responsibility standards are met. Technology Solutions – MMSGGS's Business AnalyticsSM ("MBA") tool will provide a bridge for all non-acute locations to give visibility into its supply chain processes, including product trends, inventory and benchmarking. Through this MBA tool, Participating Entities will have access to a variety of tools and reports including: -PPE Estimator – Developed to help you plan for critical PPE products, enabling you to convert your inputs and data to estimate how long your inventory will last and anticipate your daily, weekly and monthly PPE needs; -Country of Origin – Provides visibility into the geographic origin of products purchased to assess potential areas of risk due to supply chain disruptions; and -Supplier Concentration – Allows you to better assess supply diversification and dependency based on the purchase volume by supplier. Supply Chain Optimization – Care Anywhere – MMSGGS can help Participating Entities build a high-performing non-acute strategy that meets the needs of their individual care settings. From improving their financial performance to evolving their clinical infrastructure for higher quality care and better patient access, MMSGGS has a team of specialists to help. We have a vision for Participating Entities – to build a fully integrated supply chain program from product sourcing to patient home delivery. We deliver for them, so they can deliver a difference to their patients. Operational Enrichment – Customer Support – The people matter at MMSGGS and we believe our culture aligns with Sourcewell – to deliver better health to the communities that we serve. From the factory to the sites of care, our team of experts will help Participating Entities with integration, reporting, and product sourcing. MMSGGS has expanded its sourcing team to provide our customers with additional support in areas such as: supplier performance management or key performance indicators ("KPIs"), sourcing analytics, factory and product expectations, in-house brokerage and customers clearance ("CIB"), and social responsibility programs. We are confident in our people and as a result, our ability to help Participating Entities build a resilient supply chain in the process.
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28	Service force.	SupplyManagerSM, our web-based ordering platform, is available to those who prefer an online ordering option. SupplyManagerSM allows you to place bulk or patient-specific orders to be shipped directly to any customer location or a patient's home. SupplyManagerSM provides real-time information on the availability of products, as well as, order status information. SupplyManagerSM includes features, such as, creating custom order lists, determining product usage, tracking 12-month trends and the ability to access reports with a click of a button. Many reports are available through SupplyManagerSM; this allows the location to also customize the report to fit their unique needs. The reports are accessed using the Reports Tab and many can be exported to Microsoft® Excel. Some examples are: -Material Usage: 24 months of usage by manufacturer and item, with quantity shipped by account, ship to, and total sales. -Item History 12 Month Trend: View Item History total dollars by ship to and item number. -Invoice Order: Invoice Order report by customer including purchase order, invoice#, order#, ship to#, order totals, tracking number and shipper information. -Drill to Invoice: Logical drill-down to invoice line detail during selected month and year (of last 24 months). -View Invoice: View a specific invoice by purchase order number or invoice number. -Invoice Line Detail: View invoice line detail during selected time period in last 24 months, with options to customize and save your own report. -Purchase Order Detail: View purchase order detail during selected time period in last 24 months. -Invoice Tracking: Shipment tracking report by patient including invoice number, tracking number, shipper information, and order totals. -Account Balances: Account balances, aging, date of last sale, date of last payment, and last payment amount with access to open invoices and credits not taken. Access current and past statements, view, print and email. -View Packing Slip: View packing slip by invoice, purchase order, or order number. -SDS Reporting: Review items and download SDS sheets based on purchase history.	*
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	MMSGS offers multiple methods of order processing. Product is not shipped to customers until the customer sends an order request to MMSGS. A Purchase Order number displays on the packing list and invoice when it is applied during the order entry process. Upon request, more information can be provided regarding our order processing methods. As mentioned in #28, SupplyManagerSM is available to those who prefer an online ordering option. Customer Service is also available to assist with order placement via our toll-free phone, fax number or email. Although a specific time frame is not guaranteed, orders received by Customer Service are processed in a timely fashion. SupplyManagerSM is available to view order status information. When using SupplyManagerSM to place orders, the system will indicate if a product is in stock, on backorder, has limited quantities in stock or if the product is shipping from another distribution center. If a product is on backorder, the individual placing the order will be asked if they would like to order a recommended substitute (if MMSGS has been made aware of a substitute) or leave the item on back order. Customer Service is also available to assist with order status questions.	*
30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	Participating Entities will be given a toll-free phone number which automatically routes the call to the next available individual within your dedicated team of customer service representatives. Customer service also has a toll-free fax number and email available if this is a preferred method of communication. This highly skilled customer service group is dedicated to serving the needs of our government customers and is available to handle all order fulfillment needs, such as: -Help locate products -Provide order status information -Place orders Issues reported are promptly resolved by our customer service department according to standard operating procedures and metrics to quickly and efficiently resolve complaints, disputes and grievances. The Customer Service Supervisors help manage workflow so calls are answered and issues are handled timely or are there to assist if an issue requires escalation. The Director of Customer Service is also available to help ensure prompt resolution to situations. Hours of operation are: 8:00 a.m. to 8:00 p.m. EST, Monday through Friday (excluding holidays).	*

31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	MMSGGS is able and willing to provide products and services to Participating Entities in the United States. With its nationwide logistics network, unparalleled information technology and the strong financial backing provided by its parent company, MMSGGS is able to address the increasingly complex supply needs of customers across the primary and extended care markets nationwide.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	MMSGGS does not provide products or services in Canada.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	MMSGGS does not service Canada.	*
34	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	MMSGGS will continue to support government customers under the Sourcewell contract.	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	MMSGGS ships and services the continental U.S., Alaska, Hawaii, and all U.S. territories. Please see our response in #63 for details on time, transit, and additional shipping/freight fees.	*

Table 7: Marketing Plan

Line Item	Question	Response *	
36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	MMSGGS sales representatives are eager to earn and service customers through Sourcewell. Our team currently provides medical-surgical distribution services for hundreds of municipal agencies and state and locally run education institutions across the country. Our experience enables us to offer the Sourcewell network unmatched customer support and operational excellence to support Participating Entities' unique needs. Our four state-and-local Field Vice Presidents ("FVPs") will build and manage relationships with Participating Entities. Each FVP has a designated geographical territory and is supported by inside sales representatives. The FVPs will offer Participating Entities – at no additional cost – a variety of digital reporting mechanisms to help standardize products and processes to reduce costs. The FVPs will also conduct quarterly business reviews with Sourcewell Participating Entities to assess purchasing habits; this review process affords opportunities for data-driven decisions that lead to improved patient care. MMSGGS FVPs will seek to expand their market understanding and spread the word about our Sourcewell product and service offerings by attending relevant conferences and events and employing various Sourcewell-approved multimedia as appropriate.	*
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	MMSGGS SupplyManagerSM has a Bulletin Board feature, which allows social media style messaging by authorized Sourcewell employees to help communicate specials, product changes or process improvements. MMSGGS also can support individual Sourcewell Participating Entities' unique needs through the use of the MMSGGS's Business AnalyticsSM ("MBA") tool, which offers actionable purchasing insights to reduce costs, standardize products, and increase efficiency. All Sourcewell Participating Entities will have access to MBA at no cost. MMSGGS does not plan to use external-facing social media channels to promote a Sourcewell agreement.	*
38	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	MMSGGS will leverage its dedicated, government-focused sales training team to socialize the Sourcewell opportunity internally. The sales training team will regularly work with Sourcewell and internal MMSGGS stakeholders for all Sourcewell contract adoption, change management, and customer support initiatives.	*
39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	Please refer to our response for #28 and #29. Government and educational customers have used SupplyManagerSM to place orders, view order status information, create custom order lists, determine product usage, track 12-month trends, generate various reports, and access ordering templates to support formulary management, assist with utilization, and help control supply spend.	*

Table 8: Value-Added Attributes

Line Item	Question	Response *
40	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	MedTrainer is a healthcare-specific, cloud-based platform that provides cost-efficient training, digitized tools for compliance to providers of all types and sizes to augment their revenue cycle management program. MedTrainer's capabilities and experience streamlines and simplifies the learning, compliance challenges and confusion. MedTrainer's program assists providers in gaining operational efficiencies and reducing costs. In conjunction with the Supplier, MMSGs provides a broad range of CEU opportunities, including sponsorship of OSHA seminars and product fairs. In addition, MMSGs account executives will provide onsite support for product and staff training and will work with Suppliers to provide staff and physician education. Regarding MMSGs's technology applications, Participating Entities can attend any one of the weekly Webcasts or MMSGs will coordinate a site-specific Webcast. A regional technology consultant will be employed to help with additional training for MMSGs's applications. This individual will work with Participating Entities' super-users and team leads to implement, install and train them on MMSGs's management level web tools. Examples include budget management tools such as McKesson Spend ManagerSM and McKesson Budget PlannerSM, order approval rules and OK to Pay electronic payment authorizations. On-site training at the Participating Entities' facility is offered. Our dedicated, industry-leading lab equipment staff has unmatched product expertise. In addition to offering over 40,000 lab equipment supplies, MMSGs provides lab specialist consulting services and staff support.
41	Describe any technological advances that your proposed products or services offer.	McKesson Brands – For more than 150 years, service and innovation have been the hallmark of McKesson's success. Today, MMSGs continues to build on that tradition with its branded product line, McKesson Brands. Each McKesson Brands product is manufactured to meet stringent quality standards and carries MMSGs's 100% Satisfaction Guarantee. MMSGs's strategic combination of quality and competitive pricing helps Participating Entities to make better product selections. Pharmaceutical Services – MMSGs carries pharmaceutical products to help provide quality patient care, but our services are what set us apart. Our pharmaceutical services are designed to enhance your business and help you manage costs and drive efficiencies. Drug Supply Chain Security Act – MMSGs follows the Drug Supply Chain Security Act ("DSCSA") that went into effect on January 1, 2015. MMSGs complies with the DSCSA law by tracking all required information and making it directly available to customers via our Web-based application, SupplyManagerSM. Flu Prevention – MMSGs is a leading distributor of flu vaccines, offering the widest portfolio in the market. MMSGs has historically assisted Participating Entities throughout the flu vaccine process – from ordering flu vaccines to supply updates and shipments. MMSGs account executives will work with Participating Entities to facilitate preordering sufficient quantities of the various formulations for their clinics to vaccinate patients and staff as needed during the upcoming flu season. During flu season, preordered flu vaccine quantities are reserved at local distribution center(s) and can be delivered via customized shipment schedules, if specified. This also allows Participating Entities' facilities to save on storage space. MMSGs account executives are available to provide guidance, educational resources and products to help you prepare for the flu season and manage an increased demand for services. UPrevent – MMSGs's UPrevent is a new web resource portal designed to help healthcare providers understand and adhere to infection prevention guidelines. Healthcare-Associated Infections ("HAIs") are an important health problem according to the United States Centers for Disease Control and Prevention ("CDC"), with more than 98,000 people dying from HAIs each year. The goal for the UPrevent portal is to create the healthcare industry's most comprehensive source for infection prevention information and provides the following at no charge: -Links to more than 300 resources from more than 25 leading organizations; -Follows seven content categories for easy navigation; and -Links directly McKesson SupplyManagerSM. McKesson SupplyManagerSM – Online Ordering and Reporting – SupplyManagerSM is MMSGs's Web-based application that will help Participating Entities access and manage product ordering and reporting information. This single, integrated Internet portal, which can be accessed at www.mckesson.com, provides hospitals, health systems, physicians, long-term care, home care, surgery centers and retail pharmacies the ability to select, order and track products. Utilization of this application creates a one-stop shop for Participating Entities to purchase products. McKesson Spend ManagerSM and McKesson Budget PlannerSM – Spend ManagerSM and

Budget PlannerSM, the latest enhancements to McKesson SupplyManagerSM, can help Participating Entities monitor and manage spend activity, providing detailed budget information in just a couple of clicks.

Specifically, McKesson Spend ManagerSM users can:

- Sort an analysis by ship-to, major category, minor category or entire spend;
- View specific items purchased in a variety of ways, including a Top 10 listing or purchases by location;
- Access information 24/7 once GL codes are set up by location;
- Manage reports for future reference, i.e., build a budget history for the year-end recap or for future budget planning;
- Save, print or export in-depth budget reports;
- Use report to find product alternatives; and
- Access 13 months of a customer's purchasing data.

McKesson Budget PlannerSM helps the customer to:

- Assign pre-set budget dollar amounts by ship-to, major category and minor category;
- Track GL code and/or locations for monthly budget amounts, rolling up yearly budget compliance data, if necessary;
- Receive e-mail notification alerts to track actual spending to plan within McKesson Spend ManagerSM module;
- Adjust budget amounts over time;
- Set budget to fiscal year;
- Watch overall spend or focus on specific areas or challenges; and
- Save, print or export a wide variety of reports.

Product Ordering Control – The following areas of McKesson SupplyManagerSM application also can help a customer to:

- Build purchasing lists of its preferred and most frequently ordered items, critical to formulary management;
- Designate one person as the supply manager for a customer. McKesson SupplyManagerSM determines the products approved for ordering and authorizes who can place orders. An authorized user can only order from the approved product lists, but can still browse all items;
- Set approval rules to help control spending based on dollar limits or by user;
- Implement a reorder suggestion area, which will help find items that may have been forgotten or are low in stock; and
- Build a standing or scheduled order for delivery on a regular basis.

OK to Pay ServiceSM – The OK to Pay Service within McKesson SupplyManagerSM allows Participating Entities to:

- Review invoices and mark as OK to Pay;
- Check invoice status;
- Run reports regarding open and closed invoices;
- Allow acceptance and approval of invoices once products are received;
- Set permissions and control who has authority to approve invoices; and
- Export to Excel or import to Participating Entities' accounts receivable program.

Reporting – In addition, McKesson SupplyManagerSM can assist Participating Entities with the following:

- Usage reporting;
- Conversion and substitution opportunities;
- Contract utilization;
- Order and backorder status;
- Visibility to outstanding and paid invoices;
- Visibility to credits and returns;
- Visibility to packing slips;
- Tracking UPS shipments and signatures, if applicable;
- Pulling SDSs; and
- GL coding on invoices.

Along with the standard reporting provided by McKesson SupplyManagerSM, MMSGs also has internal reporting which can be completed as needed and can assist Participating Entities with the following:

- Compliance tracking;
- Lost opportunity reporting;
- Usage reporting;
- Conversion opportunity analysis; and
- Product category analysis.

McKesson ScanManagerSM – McKesson ScanManagerSM is an inventory management system that puts the power to control costs in the hands of Participating Entities. This bar-code technology helps users to assemble orders and compile supply management information. Orders originate in the storeroom, where users scan bar codes to compile orders to be sent over the Internet. Participating Entities can check orders online to determine product availability and shipping status. Creating orders at the source helps organize both storeroom and ordering processes, reducing costs by reducing inventory fluctuations that cause

overstocks, understocks and aging inventory. Management reports generated by the McKesson ScanManagerSM system help Participating Entities analyze purchasing trends and compile budget and forecasting information. This application may be subject to fees associated with installation and hardware.

Other Technologies – Electronic Interface – MMSGGS has been active in EDI and cXML development and implementation for many years. In support of this, MMSGGS has an extensive array of electronic systems. These include a comprehensive electronic order entry (“EOE”) system, support of electronic funds transfer (“EFT”) and implementation of EDI ASC X12 transaction sets. Punchout technology is available for electronic data interchange (“EDI”) and cXML utilization.

Catering to Customers – With a consultative approach, MMSGGS is committed to helping Participating Entities enhance efficiency through the services outlined below.

Flexible Delivery Schedules – MMSGGS is strategically located to provide optimal service to Participating Entities and offers fast, reliable solutions to include next-day delivery, up to five days per week, in the most logical unit of measure. MMSGGS's delivery system makes use of company-operated vehicles, national/regional carrier agreements and overnight express shipments to provide a totally responsive delivery capability. MMSGGS's regular delivery schedules help customers to requisition and receive products when needed, so a customer can stay within its supply budget while keeping vital products in stock.

Business Reviews – MMSGGS is committed to achieving better alignment with each goal of each Participating Entity and believes in complete transparency to the business. Conducted by the account executive, the Business Review focuses on:

- Developing closure on past objectives;
- Developing realistic, achievable and measurable goals for the future;
- Establishing an action plan and ownership to achieve these goals;
- Disclosing specific performance measurements such as average order size, frequency of orders, fill rates and days sales outstanding;
- Creating opportunities to help enhance patient care;
- Identification of additional savings opportunities and purchasing process enhancements; and
- Introducing new products or services.

McKesson Business AnalyticsSM (“MBA”) – MBA is an interactive platform for advanced analytics that can provide Participating Entities insight, quickly and easily. From category spend to fill rates and order efficiency, MBA will provide Participating Entities with the information needed to inform supply chain decisions and help focus on the right savings initiatives. By utilizing MBA, MMSGGS can create a customized plan to help Participating Entities:

- Identify opportunities to improve efficiencies and increase cost savings;
- Align business strategies for measurable results;
- Financial analyses to help determine contract compliance, identify variations and control costs; and
- Operational performance metrics to assess each location individually, as sub-groups or across the entire system.

Conversion Opportunity ManagerSM – MMSGGS continuously identifies opportunities to provide its customers savings and value as part of its new tool - Conversion Opportunity ManagerSM. MMSGGS recently developed a new tool within McKesson SupplyManagerSM to direct customers to an alternative list of items for a chosen product, Conversion Opportunity ManagerSM. Facilities at Participating Entities can click the dollar symbol (\$) next to featured items on the McKesson SupplyManagerSM screen when placing an order, which will help them find savings opportunities or provide better value – without sacrificing quality.

Cost Saving Initiatives – MMSGGS understands there are cost reduction opportunities for both Participating Entities and MMSGGS associated with standardization and utilization. MMSGGS can work to drive standardization and the formulary process in order to help Participating Entities realize efficiencies and cost savings. MMSGGS is also willing to participate in standardization committees as required by Participating Entities. MMSGGS is committed to helping its customers reduce costs and manage spend, providing the right solutions at the most competitive prices. MMSGGS is experienced at capturing savings opportunities through the following services:

- Extensive McKesson Brands portfolio;
- Assisting in the negotiation of individual Supplier contracts; Analysis of purchase history and trends for additional efficiencies;
- Conversion Opportunity Manager (“COM”) reports available online and through account executives;
- Standardizing products;
- Developing electronic formulary management;
- Improving the ordering process through McKesson SupplyManagerSM; and
- Providing more than 6,000 “A” Rated generics.

42	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	Our transportation strategy focuses on optimizing delivery routes and the efficient use of delivery vehicles. To do that, we monitor mileage and fuel consumption, and we educate our drivers on eco-efficient driving. In Europe and the United States, we use a standard route optimization software solution, which helps our drivers find the most fuel-efficient routes for deliveries. Patients, pharmacies and hospitals depend on our medical supplies, making reliable and efficient last-mile delivery performance crucial to our business and customers' success and health. This tool enables us to continue to fulfill our customer service levels while reducing mileage, saving time, cutting down emissions, and minimizing unused vehicle capacity. In some geographies, we own our fleet. When buying or leasing new vehicles, we look for key criteria including fuel consumption and low carbon emissions, as well as ensuring the vehicles adhere to high quality standards. When we purchase or lease vehicles in the U.S., we specify such attributes as aerodynamic vehicle components to reduce drag and increase fuel economy. We also use lightweight materials for key components, and engine mapping technology to increase fuel efficiencies. Our fleet in North America has already seen the impact of these efforts, and we continue to adjust our fleet to increase efficiency. Trailers are also equipped with skirts that improve aerodynamics and help reduce fuel consumption, and we run bulkheads in our trailers for more efficient airflow and less use of refrigerant fuel. We are exploring additional opportunities to electrify our fleet. In Europe, our fleet is comprised of 55 electric (EV) or hybrid vehicles and we anticipate purchasing additional EVs as well. In addition, we have replaced some internal combustion engine vehicles with electric delivery bikes. These bicycles enable us to reduce our fuel consumption related to deliveries. In the U.S., we are enthusiastic at the prospect of increasing the number of electric vehicles we use to deliver key pharmaceutical and medical supplies across the country. We test EVs and compressed natural gas (CNG) vehicles to determine potential. In Europe and the United States, we use a standard route optimization software solution, which helps our drivers find the most fuel-efficient routes for deliveries. This tool enables us to continue to fulfill our customer service levels while reducing mileage, saving time, cutting down emissions, and minimizing unused vehicle capacity. opportunities to incorporate them into our fleet and realize emissions reductions. Our U.S. Medical-Surgical business, which owns and operates the largest fleet within our enterprise, recently placed its first order of EVs — marking the beginning of integrating these vehicles into our overall strategy. In fiscal year 2018 (FY18), McKesson made a commitment to design new office buildings in accordance with a newly developed connected buildings standard. We're also making an ongoing effort to apply this standard retroactively to as many existing assets as practical. This technology will give our teams elevated visibility to building operations, as well as a real-time analytics platform to identify and diagnose inefficiencies in HVAC, lighting and other building systems. We anticipate these findings will result in energy savings and extended equipment lifetimes. In FY21, we transitioned locations in Jacksonville, Fla.; Scottsdale, Ariz.; and Irving, Texas, into the program, and began similar work in Columbus, Ohio, and Mississauga, Ontario. We implement lighting retrofit projects to convert less efficient lighting fixtures to LEDs, which use far less electricity. Since FY20, in the U.S., we have realized an estimated average reduction of 23% in our electricity use at participating buildings due to these LED installations across 30 locations covering more than 6.3 million square feet. This equates to a reduction of 19.9 million kilowatt hours (kWh) of electricity. In FY21, we expanded the program to 450,000 additional square feet across two distribution centers. Leadership in Energy and Environmental Design (LEED) As part of McKesson's energy reduction strategy, we pursue Leadership in Energy and Environmental Design certification (LEED), when feasible, for newly constructed or renovated U.S. offices. We have earned LEED for Commercial Interiors Gold certification for Building 3 in Scottsdale, Ariz., in October 2020, and earned LEED for Commercial Interiors Silver certification for offices in Jacksonville, Fla. Jacksonville is also undergoing WELL Building certification. These two LEED certified offices join our portfolio of already-certified buildings, which includes offices in Irving, Texas; Richmond, Va.; San Francisco, Calif.; The Woodlands, Texas; the other two office buildings in Scottsdale, Ariz.; and our distribution center in Aurora, Ill. In addition to reducing our overall electricity emissions, we also work to increase the amount of renewable energy in our portfolio. In FY21, we signed two contracts to purchase local, physical renewable energy for most of the company's locations in Texas. The agreements provide approximately 40.5 million kWh of energy per year primarily sourced from the Foard City Wind Farm and Sweetwater Wind Farm in Texas, along with the concurrent Renewable Energy Credits (RECs). Energy from these wind farms will fully power participating facilities, including our headquarters building in Irving, Texas, beginning in 2022. The 1.1 megawatt (MW) rooftop solar array at our West Sacramento, Calif., distribution center has been live since FY20, and produced electricity equivalent to more than two-thirds of the facility's annual consumption in its first year. Construction is expected to be completed by FY23 on a larger, 2.7 MW solar array at our distribution center in Robbinsville, N.J.
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43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	MMSGs is not a manufacturer and it will take some time to get third-party issued eco-labels, ratings or certifications for all equipment and products included in our proposal as there are hundreds of manufacturers that we deal with. Information on an individual basis for equipment and products can be provided upon request and at time of purchase.	*
44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	N/A	*
45	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	Our team understands the needs of government facilities, as we support healthcare procurement and distribution at local, state and federal levels. Core components of our mission include: -Supporting operational efficiency for our government customers -Simplifying purchasing and providing unparalleled customer support to make things easy -Offering solutions beyond products for states to make data-driven, cost-saving decisions -Providing reliable distribution so states get the products they need when they need them We are dedicated to fully understanding our customers' needs, identifying impending market changes, and to offering solutions to support customer operations. This consultative approach has led to the following government partnership successes over the last few years: -Helped supply and establish 69 mobile hospitals in partnership with the DOD for COVID-19 -Awarded centralized distributor for CDC Project Warp Speed COVID-19 vaccine program -Continued 14-year partnership with CDC distributing Vaccines for Children (VFC) program -Exclusive central distributor for H1N1 vaccines and ancillary supplies (2009) -Servicing 4 of the top-5 correctional facilities -Awarded distributor for BD Veritor analyzers and COVID-19 tests for nursing homes -Continued 10-year partnership with Massachusetts for medical, lab and vaccine supplies for all state and local agencies, supported by state-wide punchout order system.	*

Table 9: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
46	Do your warranties cover all products, parts, and labor?	MMSGs MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY PRODUCTS OR SERVICES PROVIDED BY MMSGs INCLUDING THE WARRANTY OF MERCHANTABILITY OR THE FITNESS FOR ANY PARTICULAR USE OR PURPOSE. SOURCEWELL AND SOURCEWELL PARTICIPATING ENTITIES SHALL LOOK TO THE MANUFACTURER OF PRODUCTS AND THE PROVIDER OF SERVICE FOR ANY WARRANTY THEREON. NO AGENT, EMPLOYEE, OR REPRESENTATIVE OF MMSGs HAS ANY AUTHORITY TO MAKE ANY AFFIRMATION, REPRESENTATION, OR WARRANTY CONCERNING PRODUCTS OR SERVICES NOT SET FORTH IN THE SOURCEWELL CONTRACT. In no event will MMSGs be liable to Sourcewell and Sourcewell Participating Entities under, in connection with, or related to this solicitation for any indirect, incidental, special, punitive, or consequential damages whether or not MMSGs is advised of the possibilities of those damages whether based on breach of contract, warranty, tort, product liability, or otherwise (including lost profits) from any cause.	*
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	See our response on #46.	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	See our response on #46.	*

49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	See our response on #46.	*
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	See our response on #46.	*
51	What are your proposed exchange and return programs and policies?	Subject to applicable law, MMSGs ("Seller") will process returns in accordance with its Returned Goods Policy currently in effect, or as otherwise agreed to by Seller and Sourcewell and Participating Entities ("Customer"). Seller's current Return Good Policy is as follows: -All requests for credits for Products must have a return authorization number issued by Seller's customer service department or Seller's automated customer service platform (e.g., McKesson SupplyManager™). Credit for Products not stocked in Seller's distribution center that are greater than \$500 require additional approval by Seller. -Seller will issue a full credit for any Product returned due to Seller error (i.e. shipping error, damage in transit) or due to a recall or defective condition. -The following Products are not eligible for a credit, unless the return is due to fault of Seller, recall, or defective condition: (i) special order Products; (ii) custom Products; (iii) Products identified as non-returnable in McKesson SupplyManager; (iv) Products not available for general or unrestricted distribution; (v) nonsellable Products. Nonsellable Products include, but are not limited to, Products that are open, damaged, past minimum expiration date for resell, cold chain, hazmat, controlled pharmaceuticals, or discontinued by the manufacturer, or that contain markings not made by Seller. -Seller will issue a credit as follows for McKesson brand products: if returned within 180 days – Full amount; if returned after 180 days – No Credit. Non-consumable McKesson brand products must be sent back to Seller to be eligible for a credit, and are subject to inspection by Seller before credit is issued to Customer. Consumable McKesson brand products should not be sent back to Seller's distribution center. -Seller will issue a credit as follows for all other eligible Products: - o Products stocked in Seller's distribution center that are less than \$15: if returned within 180 days – Full amount; if returned after 180 days – No Credit - o Products stocked in Seller's distribution center that are \$15 and greater: if returned within 30 days – Full amount; if returned between 30-180 days – Full amount, less a restocking fee; if returned after 180 days – No Credit - o Products NOT stocked in any of Seller's distribution centers that are less than \$100 – No Credit - o Products NOT stocked in any of Seller's distribution centers that are \$100 and greater: if returned within 180 days – Full amount, less Seller and vendor restocking fees; if returned after 180 days – No Credit -Products stocked in a Seller distribution center that are \$15 and greater and Products NOT stocked in a Seller distribution center that are \$100 and greater must be sent back to Seller to be eligible for a credit, and are subject to inspection by Seller before credit is issued to Customer. All other Products should not be sent back to Seller's distribution center.	*
52	Describe any service contract options for the items included in your proposal.	MMSGs may offer McKesson Biomedical Solutions to Participating Entities interested in the stocking, servicing, and tracking of equipment such as infusion devices, enteral pumps, ventilators, and more. Pricing and item availability will be provided to Sourcewell Participating Entities upon request.	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *	
53	Describe your payment terms and accepted payment methods.	MMSGS standard payment terms are net 30 days from the invoice date.	*
54	Describe any leasing or financing options available for use by educational or governmental entities.	None	*
55	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	Invoices are sent following orders. Here is a link to our terms and conditions on the invoice: https://mms.mckesson.com/content/terms-of-sale-primary-care	*
56	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcwell participating entities for using this process?	Yes, MMSGS does accept P-Card. We do not pass on any costs related to P-Card.	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcwell Price and Product Change Request Form.

Line Item	Question	Response *	
57	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcwell discounted price) on all of the items that you want Sourcwell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	MMSGS's pricing model will be a percent discount off MCK Government List Price ("GLP") for all products and services. MMSGS does not have a published list price. For the purposes of this RFP and the resulting Contract, MMSGS requests defining the term, "list price" as MMSGS's Internal (non-published) Government List Price which is a price for commercial items. Any discount offered in MMSGS's proposal does not apply to Controlled Substances. Controlled Substances may not be purchased through McKesson Medical-Surgical Government Solutions LLC (Tax ID #20-2046702). We have the option to subcontract these products through McKesson Medical-Surgical Inc. (Tax ID #94-2640465) upon approval of a controlled substance questionnaire and declaration as well as the opening of a controlled substance only account with McKesson Medical-Surgical Inc. If awarded, we will provide you with the link to complete the questionnaire and declaration. NOTE: In order to continue purchasing controlled substances, Customers must maintain a balanced purchase portfolio between controlled substances and non-controlled substances (for example, Rx and Medical supplies).	*
58	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	MMSGS will offer a 20% discount off MCK Government List Price ("GLP") for all products and services. MMSGS GLP is subject to change twice annually. This percentage does not include McKesson Biomedical Solutions products, fees, or services. Pricing and item availability for Biomedical Solutions products, fees or services will be provided to Sourcwell Participating Entities upon request. As mentioned in our response for #57, MMSGS does not have a published list price. For the purposes of this RFP and the resulting Contract, MMSGS requests defining the term, "list price" as MMSGS's Internal (non-published) Government List Price which is a price for commercial items. Any discount offered in MMSGS's proposal does not apply to Controlled Substances.	*
59	Describe any quantity or volume discounts or rebate programs that you offer.	MMSGS will provide at time of request.	*
60	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	Please see our response for #62.	*

61	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Additional delivery requirements are to be communicated on the order and may be subject to additional fees, which MMSGs will provide at time of request.	*
62	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	Standard delivery is FOB Destination. However; in addition to MMSGs's pricing, additional fees may apply such as air freight shipments, same day delivery, after-hours delivery services (note: emergency or expedited delivery is subject to warehouse and transportation availability at the time of request), and cold chain, hazmat, and/or drop-ship fees. Other fees that may apply are finance charges on past due balances, restocking fees on returns, and fuel surcharge. Fees that apply will be per MMSGs's policy in effect at the time of order.	*
63	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	MMSGs does not ship to Canada. We do ship to offshore points, but they are limited to US territories. Hazmat orders to Hawaii and Alaska are shipped via barge carrier. Below is the time and transit for each location. Time in Transit: -Anchorage, AK: 4-6 days -Southeast, AK: 4-7 days -Remote areas: 7-14 days Time in Transit: -Honolulu, HI: 6-7 days -Maui and Kauai, HI: 10-12 days -Kailua-Kona, HI: 10-12 days -Hilo, HI: 11-13 days Non-Hazmat typically shipped via a parcel carrier Freight is determined by the freight schedule the customer is set up on. The following could add extra fees to the freight: -Hazmat -Cold Chain -Special Services	*
64	Describe any unique distribution and/or delivery methods or options offered in your proposal.	We partner with regional and national carriers to support all shipping modes from Parcel to LTL, Truckloads and Couriers. We strive to deliver the best customer experience with an eye on cost.	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
65	d. other than what the Proposer typically offers (please describe).	Please see our response for #57 and #58.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *	
66	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	MMSGGS's process for ensuring contract compliance begins at the onboarding of the new award. Product pricing is confirmed and loaded per the contract terms. Reporting analysts are responsible for verifying sales and balancing administrative fees based on those sales. Compliance analysts perform routine audits to ensure not only the administrative fees are correctly and timely paid, but other contractual requirements are fulfilled.	*
67	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	MMSGGS can assist Sourcewell and Participating Entities with the following: -Usage reporting; -Conversion and substitution opportunities; -Contract utilization; -Order and backorder status; -Visibility to outstanding and paid invoices; -Visibility to credits and returns; -Visibility to packing slips; -Tracking UPS shipments and signatures, if applicable; -Pulling SDS; and -GL coding on invoices. Along with the standard reporting, MMSGGS also has internal reporting which can be completed as needed and can assist Sourcewell and Participating Entities with the following: -Compliance tracking; -Lost opportunity reporting; -Usage reporting; -Conversion opportunity analysis; and -Product category analysis.	*
68	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	Sourcewell will be eligible for an administrative fee of 1% of Net Purchases, excluding Specialty Rx Products, flu Products, vaccines, lab Products, BiPAP Products, and CPAP Products.	*

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *
69	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	MMSGGS is much more than just a distributor and takes the time to understand the unique needs of each customer. MMSGGS seeks out new and innovative products as they come on the market and helps identify which products are best for Participating Entities. Offering value, quality and choice, MMSGGS takes the best possible care of its customers, so the customer can take the best possible care of its patients. In addition, MMSGGS provides one-stop shopping with an impressive range of medical-surgical products and services. Participating Entities will benefit from the convenience of ordering all of its products from one place, receiving one invoice and remitting one payment. Products include: -Medical-surgical products and equipment; -Laboratory solutions; -Pharmaceuticals and vaccines; -Office products; and -McKesson Brands products. MMSGGS also excels in bringing its customers useful ways to compile, use, and analyze purchasing data. Transparency to backorders and price changes, as well as access to in-depth spending analysis will assist in improved efficiencies and savings for Participating Entities. Exclusive budgeting tools will provide controls and help promote fiscal responsibility, while being easy to use and highly customizable. Finally, Participating Entities will benefit from MMSGGS's dedicated and tenured sales team, which consistently delivers savings and provides exceptional service to its customers.
70	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Please refer to our response for #69.

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category	Offered *	Comments
71	Equipment, supplies, PPE, products, accessories, and kits	☒ Yes ☐ No	Please refer to MMSGGS's catalog uploaded with submission.
72	Instruments, tools, devices, and furniture	☒ Yes ☐ No	Please refer to MMSGGS's catalog uploaded with submission.
73	Technology, hardware, and software designed for the delivery of services described in 71-72 above	☐ Yes ☒ No	Please refer to MMSGGS's catalog uploaded with submission.
74	Training, consultation, technical support, and services related to the offering of the solutions in 71-73 above	☒ Yes ☐ No	Please refer to our response for #40.

Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

Ensure y our submission document(s) conforms to the following :

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
 2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
 3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
 4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."
- [Pricing](#) - Product Catalog - Sourcewell RFP 022422 Medical Supply Solutions.csv - Wednesday February 23, 2022 09: 6:02
 - Financial Strength and Stability (optional)
 - Marketing Plan/Samples (optional)
 - WMBE/MBE/SBE or Related Certificates (optional)
 - Warranty Information (optional)
 - Standard Transaction Document Samples (optional)
 - Upload Additional Document (optional)

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
 3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☒ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Bryan Figura, Government Contract Manager, McKesson Medical-Surgical Government Solutions LLC

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

☒ Yes ☐ No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_11_Medical_Supplies_RFP_022422 Thu February 17 2022 12:57 PM	☒	1
Addendum_10_Medical_Supplies_RFP_022422 Fri February 11 2022 02:00 PM	☒	1
Addendum_9_Medical_Supplies_RFP_022422 Wed February 9 2022 08:21 AM	☒	2
Addendum_8_Medical_Supplies_RFP_022422 Tue February 8 2022 08:48 AM	☒	1
Addendum_7_Medical_Supplies_RFP_022422 Thu February 3 2022 04:30 PM	☒	1
Addendum_6_Medical_Supplies_RFP_022422 Wed February 2 2022 04:06 PM	☒	1
Addendum_5_Medical_Supplies_RFP_022422 Tue February 1 2022 07:47 PM	☒	1
Addendum_4_Medical_Supplies_RFP_022422 Tue February 1 2022 02:29 PM	☒	1
Addendum_3_Medical_Supplies_RFP_022422 Mon January 31 2022 04:21 PM	☒	2
Addendum_2_Medical_Supplies_RFP_022422 Wed January 19 2022 02:14 PM	☒	2
Addendum_1_Medical_Supplies_RFP_022422 Wed January 12 2022 01:47 PM	☒	3