

32 *pk*



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION FOR CHILDREN, YOUTH & FAMILIES

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-4451 1-800-852-3345 Ext. 4451
FAX: 603-271-4729 TDD Access: 1-800-735-2964

Nicholas A. Toumpas
Commissioner

Maggie Bishop
Director

April 11, 2013

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

100% general

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Children, Youth and Families to exercise a renewal option (Purchase Order # 1008936) with MAO Pharmacy, Inc. (DBA Westwood Pharmacy), 5823 Patterson Avenue, Richmond, VA 23226 (Vendor #208530 B001) for the provision of pharmaceutical services to the John H. Sununu Youth Services Center by increasing the price limitation by \$103,241.00 from \$612,464.00 to \$715,705.00 and extending the completion date from June 30, 2013 to December 31, 2013, effective July 1, 2013 or Governor and Executive Council approval, whichever is later. Governor and Executive Council approved the original agreement on June 23, 2010 (Item #91) and subsequent renewal request on June 6, 2012, (Item #47).

Funds to support this request are anticipated to be available in the following account in SFY 2014 upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and amend the related terms of the contract without further approval from Governor and Executive Council.

05-95-42-421510-79150000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: HUMAN SERVICES, SUNUNU YOUTH SERVICE CENTER, HEALTH SERVICES

Class/Object	Title	Activity Code	State Fiscal Year	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
100-500726	Prescription Drug Expenses	41111130	2011	\$199,500.00	\$0.00	\$199,500.00
100-500726	Prescription Drug Expenses	41111130	2012	\$206,482.00	\$0.00	\$206,482.00
100-500726	Prescription Drug Expenses	41111130	2013	\$206,482.00	\$0.00	\$206,482.00
100-500726	Prescription Drug Expenses	41111130	2014	\$0.00	\$103,241.00	\$103,241.00
Total				\$612,464.00	\$103,241.00	\$715,705.00

EXPLANATION

The original request approved by Governor and Executive Council June 23, 2010 (Item #91), as well as the agreement itself, included a provision for the renewal of this contract for up to two additional years. Governor and Executive Council approved a subsequent one-year renewal request on June 6, 2012, (Item #47).

At this time the Division is requesting that the Governor and Executive Council approve a six-month renewal of this contract to ensure services are not interrupted while it completes a thorough needs study and develops an new Request for Proposals. The Department intends to release a Request for Proposals for these services before the end of the calendar year. The services will be competitively bid.

The purpose of this agreement is to provide necessary prescribed medications to youth residing in the John H. Sununu Youth Services Center. Additional services to be provided by the vendor include in-service training to Center staff on new medication and new drug regimens. On average 190 prescriptions are dispensed each month, including those to residents, individuals on furloughs and individuals being discharged. Because the Division does not anticipate an increase in population at the Center in the first half of State Fiscal Year 2014, the requested amount is half of the amount that had been approved in State Fiscal Year 2013.

Westwood Pharmacy has provided excellent service to the Division over the past three years. The Division determined to request renewal of this contract only after determining that immediate consolidation of these services under New Hampshire Hospital's Pharmaceutical contract was not cost effective. As a result continuation of the agreement with Westwood Pharmacy results in lower medications cost to the Division.

Under this agreement for prescription medications Westwood Pharmacy will continue to charge the Average Wholesale Price minus 16.4% for Brand Name prescriptions and the Average Wholesale Price minus 71% for Generics. In addition, unused and returned medications will be credited to the Division representing additional savings.

A contract management team comprised of financial, programmatic, and medical staff will monitor the agreement to assure that the vendor:

- Charges the Division the accurate prices negotiated in the contract;
- Offers Center staff multiple pharmaceutical options for the needs of each youth;
- Delivers medications in a timely fashion;
- Refunds the Division for unused medications; and
- Provides in-service training to Center staff.

Performance that does not meet expectations may result in financial penalty or termination of the contract as provided for in the agreement.

Should Governor and Executive Council not authorize this request, the Center would be unable to provide appropriate medication to manage the needs of the Center's population. This could result in significant safety risks for both the youth and staff located at the Center, who would no longer have the ability to use medications as an element to treat mental illness. It would also no longer allow the youth at the center to receive treatment for acute and chronic medical conditions.

This contract was awarded to Westwood Pharmacy through a competitive bidding process. Proposals were submitted from Westwood Pharmacy, Diamond Drugs, Inc., and PharMerica Corp. The proposals were reviewed by an evaluation team to ensure that they met the requirements of the Center. Westwood Pharmacy was

Her Excellency, Governor Margaret Wood Hassan
And the Honorable Council
April 11, 2013
Page 3 of 3

selected because they met the needs of the Center and provided the lowest cost for brand name and generic medications.

Area Served: Statewide.

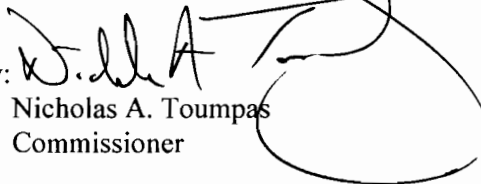
Source of Funds: 100% General Funds.

Respectfully submitted,



Maggie Bishop
Director

Approved by:



Nicholas A. Toumpas
Commissioner

CERTIFICATE OF VOTE
(Corporation without Seal)

I, CELESTE OLEY, do hereby certify that:
(Name of Clerk of the Corporation; cannot be contract signatory)

1. I am a duly elected Clerk of MAO Pharmacy Inc.
(Corporation Name)
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the Corporation duly held on April 8th 2013:
(Date)

RESOLVED: That this Corporation enter into a contract with the State of New Hampshire, acting through its Department of Health and Human Services, VA, for the provision of

Pharmacy services.

RESOLVED: That the Vice President
(Title of Contract Signatory)

is hereby authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of the 8th day of April, 2013.
(Date Contract Signed)

4. Mark Oley is the duly elected Vice President
(Name of Contract Signatory) (Title of Contract Signatory)

of the Corporation.

Celeste Oley

(Signature of Clerk of the Corporation)

VIRGINIA
STATE OF ~~NEW HAMPSHIRE~~

City
County of RICHMOND

The forgoing instrument was acknowledged before me this 8th day of APRIL, 2013.

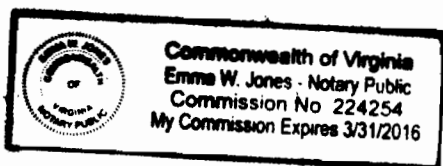
By CELESTE OLEY
(Name of Clerk of the Corporation)

Emma W. Jones

(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: 03-31-2016



New Hampshire Sununu Youth Services Center- Pharmacy Services



**State of New Hampshire
Department of Health and Human Services
Amendment #2 to the Sununu Youth Services Center Pharmacy Services Contract**

This 2nd Amendment to the Sununu Youth Services Center Pharmacy Services Contract (hereinafter referred to as "Amendment #2") dated this 29th day of March 2013, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and MAO Pharmacy, Inc., DBA Westwood Pharmacy (hereinafter referred to as "the Contractor"), a Corporation, with a place of business at 5823 Patterson Avenue, Richmond, VA 23226.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 23, 2010 (Item #91) and June 6, 2012 (Item #47), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, the State and the Contractor have agreed to make changes to the scope of work, payment schedules and terms and conditions of the contract; and

WHEREAS, pursuant to the General Provisions, Paragraph 18 and Special Provisions, Paragraph 1, the State may, renew or extend this contract for up to two years;

WHEREAS, the State and the Contractor agree that a six-month extension of the contract is agreeable to the parties;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree as follows:

To amend as follows:

- Form P-37, Item 1.7, Completion Date, shall be amended to read "December 31, 2013";
- Form P-37, Item 1.8, Price Limitation, shall be amended to read "\$715,705.00";
- Exhibit A, Scope of Services, shall be amended to read "to December 31, 2013"
- Exhibit B, Purchase of Services, shall be amended to read: "thru December 31, 2013";
- Exhibit B, Purchase of Services, Section 1.1 shall be amended to read: "The maximum total payment for year four of the contract shall be \$103,241.00"

Except as specifically amended and modified by the terms and conditions of this Amendment, and the previous amendment approved by Governor and Executive Council on June 6, 2012 (Item #47) the Agreement, and the obligations of the parties there under, shall remain in full force and effect in accordance with the terms and conditions set forth herein.

New Hampshire Sununu Youth Services Center- Pharmacy Services



This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

4/29/13
Date

State of New Hampshire
Department of Health and Human Services
Nicholas A. Toumpas
Nicholas A. Toumpas
Commissioner

APRIL 8, 2013
Date

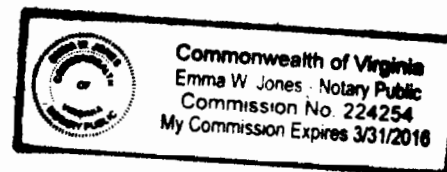
MAO Pharmacy, Inc.
Mark Olen
NAME Mark Olen
TITLE Vice President

Acknowledgement:

State of VIRGINIA, County of City RICHMOND on 4-8-2013, before the undersigned officer, personally appeared the person identified above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Emma W. Jones
Name and Title of Notary or Justice of the Peace
Notary Public



New Hampshire Sununu Youth Services Center- Pharmacy Services



The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

22 April 2013
Date

Jeane P. Herrick
Name: Jeane P. Herrick
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:



Nicholas A. Toumpas
Commissioner

Maggie Bishop
Director

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION FOR CHILDREN, YOUTH & FAMILIES

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-4451 1-800-852-3345 Ext. 4451
FAX: 603-271-4729 TDD Access: 1-800-735-2964

May 2, 2012

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

G&C Approved

Date June 6, 2012
Item # 47

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Children, Youth and Families to exercise a renewal option (Purchase Order # 1008936) with MAO Pharmacy, Inc. (DBA Westwood Pharmacy), 5823 Patterson Avenue, Richmond, VA 23226 (Vendor #208530 B001) for the provision of pharmaceutical services to the Sununu Youth Services Center by increasing the price limitation by \$206,482.00 from \$405,982.00 to \$612,464.00 and extending the completion date from June 30, 2012 to June 30, 2013, effective July 1, 2013 or Governor and Executive Council approval, whichever is later. Governor and Executive Council approved the original agreement on June 23, 2010, Item #91. Funds to support this request are available in the following account in SFY 2013.

05-95-41-411010-5813 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS:
JUVENILE JUSTICE SERV, OFFICE OF THE DIRECTOR, HEALTH SERVICES

Class/Object	Title	Activity Code	State Fiscal Year	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
100-500726	Prescription Drug Expenses	41111130	2011	\$199,500.00	\$0.00	\$199,500.00
100-500726	Prescription Drug Expenses	41111130	2012	\$206,482.00	\$0.00	\$206,482.00
100-500726	Prescription Drug Expenses	41111130	2013	\$0.00	\$206,482.00	\$206,482.00
Total				\$405,982.00	\$206,482.00	\$612,464.00

EXPLANATION

The primary purpose of this agreement is to provide necessary prescribed medications to youth residing in the John H. Sununu Youth Services Center. Additional services to be provided by the vendor include in-service training to Center staff on new medication and new drug regimens. On average 280 prescriptions are dispensed each month, including those to residents, individuals on furloughs and individuals being discharged. Because the Division does not anticipate an increase in population at the Center in State Fiscal Year 2013, the requested amount is the same as had been approved in State Fiscal Year 2012. This is an estimated amount based on annual projections for expenses in State Fiscal Year 2012.

Westwood Pharmacy has provided excellent service to the Division during State Fiscal Years 2011 and 2012. They offer competitive prices, convenient ordering and delivery, and customer service for Center staff. The Division determined to request renewal of this contract only after determining that immediate consolidation of these services under New Hampshire Hospital's Pharmaceutical contract was not cost effective. As a result continuation of the agreement with Westwood Pharmacy results in lower medications cost to the Division.

The Division does anticipate that costs savings would be possible by collaborating with New Hampshire Hospital and potentially the Department of Corrections on a joint Request for Proposals for consolidated contracts. Determining the scope of this cross Departmental initiative and how it can save costs and best serve different populations will require thorough exploration and coordination. In turn, the Division is requesting this one-year renewal with Westwood to continue this analysis and either produce a Request For Proposals for consolidated services or services solely for the Sununu Center during State Fiscal Year 2014.

Under this agreement for prescription medications Westwood Pharmacy will continue to charge the Average Wholesale Price minus 16.4% for Brand Name prescriptions and the Average Wholesale Price minus 71% for Generics. In addition, unused and returned medications will be credited to the Division representing additional savings.

A contract management team comprised of financial, programmatic, and medical staff will monitor the agreement to assure that the vendor:

- Charges the Division the accurate prices negotiated in the contract;
- Offers Center staff multiple pharmaceutical options for the needs of each youth;
- Delivers medications in a timely fashion;
- Refunds the Division for unused medications; and
- Provides in-service training to Center staff.

Performance that does not meet expectations may result in financial penalty or termination of the contract as provided for in the agreement.

Should Governor and Executive Council not authorize this request, the Center would be unable to provide appropriate medication to manage the needs of the Center's population. This could result in significant safety risks for both the youth and staff located at the Center, who would no longer have the ability to use medications as an element to treat mental illness. It would also no longer allow the Youth at the center to receive treatment for acute and chronic conditions.

This contract was awarded to Westwood Pharmacy through a competitive bidding process. Proposals were submitted from Westwood Pharmacy, Diamond Drugs, Inc., and PharMerica Corp. The proposals were reviewed by an evaluation team to ensure that they met the requirements of the Center. Westwood Pharmacy was selected because they met the needs of the Center and provided the lowest cost for brand name and generic medications. A bid summary worksheet is attached.

His Excellency, Governor John H. Lynch
And the Honorable Executive Council
May 2, 2012
Page 3

The original Request approved by Governor and Executive Council June 23, 2010, Item #91 as well as the agreement itself, included a provision for the renewal of this contract for up to two additional years. At this time the Division is requesting that the Governor and Executive Council approve a one-year extension of this contract, while the Division creates a new Request for Proposals for this service.

Area Served: Statewide.

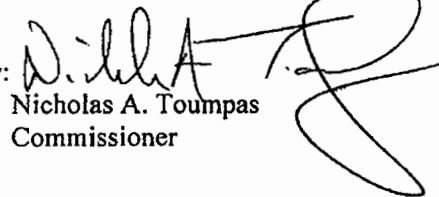
Source of Funds: 100% General Funds.

Respectfully submitted,


(KEB)

Maggie Bishop
Director

Approved by:


Nicholas A. Toumpas
Commissioner

AMENDMENT #1

This Agreement (hereinafter called the "Amendment") dated this 14th day of April 2012, by and between the State of New Hampshire, acting by and through its Division for Juvenile Justice Services of the Department of Health and Human Services (herein after referred to as ("the Department")) and MAO Pharmacy, Inc. (DBA Westwood Pharmacy,) Richmond, VA (herein after referred to as the "Provider").

WHEREAS, pursuant to an Agreement (hereinafter called the "Agreement") dated May 13, 2010 and approved by the Governor and Executive Council on June 23, 2010 (Item #91), the Provider agreed to perform certain services upon the terms and conditions specified in the Agreement and in consideration of payment by the Department of certain sums as specified therein; and WHEREAS, pursuant to the provisions of Section 17 of the Agreement, the Agreement may be amended, waived or discharged only by a written instrument executed by the parties thereto; and WHEREAS, the Provider and the Department have agreed to amend the Agreement in certain respects;

1. Amendment and Modification of Agreement:

The Agreement is hereby amended as follows:

- Form P-37, Item 1.7, Completion Date, shall be amended to read, "06/30/2013";
- Form P-37, Item 1.8, Price Limitation, shall be amended to read, "\$612,464.00";
- Form P-37, Item 1.15, Name and Title of State Agency Signatory, shall be amended to read, "Maggie Bishop, Director";
- Exhibit A, Scope of Services, Page 1, Contract period shall be amended to read, "G&C approval or 7/1/10 (whichever is later) to 6/30/13";
- Exhibit A, Scope of Services, Page 3, Section 3.1 Special Provisions shall be amended to read, "The contractor will begin providing services effective the date of the contract approval by Governor and Council or July 1, 2010 (whichever is later) and will continue to provide services until June 30, 2013.";
- Exhibit B, Method, Schedule, and Conditions Precedent to Payment, Page 1, Contract period shall be amended to read, "G&C approval or 7/1/10 (whichever is later) thru 6/30/13";
- Exhibit B, Method, Schedule, and Conditions Precedent to Payment, Section 1.1 shall be amended to read: "Subject to the Provider's compliance with the terms and conditions of this agreement, and for services provided to eligible individuals, the Office of the Commissioner shall reimburse the provider up to a maximum total payment of \$199,500.00 for year one of the contract, a maximum total payment of \$206,482.00 for year two of the contract, and a maximum total payment of \$206,482.00 for year three of the contract.";
- Exhibit B, Method, Schedule, and Conditions Precedent to Payment, Section 1.3 shall read: "The provider shall provide brand name prescriptions at a cost of 19.7% less than the Average Wholesale Price (AWP), equivalent to AWP-16.4% with the 2009 Average Wholesale Price Settlement.";
- Exhibit B, Method, Schedule, and Conditions Precedent to Payment, Section 1.4 shall read: "The provider shall provide generic prescriptions at a cost of 71% less than the Average Wholesale Price."

2. Effective Date of Amendment:

This Amendment shall be effective July 1, 2012.

Contractor Initials: JP

Date: 4/18/12

3. Continuance of Agreement:

Except as specifically amended and modified by the terms and conditions of this Amendment, the Agreement, and the obligations of the parties there under, shall remain in full force and effect in accordance with the terms and conditions set forth herein.

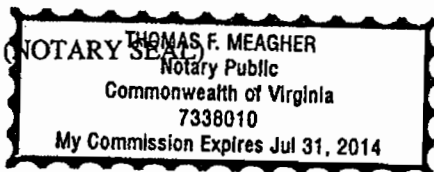
IN WITNESS WHEREOF, the parties have here unto set their hands as of the date and year first above written.

MAO Pharmacy, Inc. DBA Westwood Pharmacy

By: [Signature]
Signature
Jake Pasternak, CFO
Signor Name and Title

Virginia
STATE OF ~~NEW HAMPSHIRE~~
County of Hennepin

The forgoing instrument was acknowledged before me this 18th day of April, 2012.



[Signature]
(Notary Public/Justice of the Peace)

Commission Expires: 07/31/2014

THE STATE OF NEW HAMPSHIRE
Division for Juvenile Justice Services

By: Maggie Bishop (JSS)
Maggie Bishop, Director

Approved by the Attorney General (Form, Substance and Execution) this

24th day of April, 2012.

By: [Signature]
Attorney General Janet P. Herrera

Approved by the Governor and Executive Council this

_____ day of _____, 2012.

Contractor Initials: JP

Date: 4/18/12



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION FOR JUVENILE JUSTICE SERVICES

1056 NORTH RIVER ROAD, MANCHESTER, NH 03104
603-625-5471 FAX: 603-624-0512 TDD Access: 1-800-735-2964

Nicholas A. Toumpas
Commissioner

William W. Fenniman, Jr.
Director

May 13, 2010

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

APPROVED BY _____
DATE 6/23/10
PAGE 12
ITEM # 91

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Juvenile Justice Services (DJJS) to enter into an agreement with MAO Pharmacy, Inc. (DBA Westwood Pharmacy), 5823 Patterson Avenue, Richmond, VA 23226, vendor code 208530, to provide pharmaceutical services to the Sununu Youth Services Center (SYSC) in an amount not to exceed \$405,982.00, effective upon Governor and Council approval through June 30, 2012. Funds are available in the following account for SFY 2011 and are anticipated to be available in SFY 2012, depending upon the availability and continued appropriation of funds in the future operating budgets.

05-95-41-411010-5813 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS,
HHS: JUVENILE JUSTICE SERV, OFFICE OF THE DIRECTOR, HEALTH SERVICES

<u>Fiscal Year</u>	<u>Class/Object</u>	<u>Job Number</u>	<u>Class Title</u>	<u>Amount</u>
2011	100-500726	41111130	Prescription Drug Expenses	\$199,500.00
2012	100-500726	41111130	Prescription Drug Expenses	\$206,482.00
			Total	\$405,982.00

EXPLANATION

This contract is for the purpose of providing necessary prescribed medications to the DJJS for individuals served by the John H. Sununu Youth Services Center and other services, including in-service training to the DJJS staff on new medication and new drug regimens. On average 210 monthly prescriptions are dispensed including those to resident individuals, individuals on furloughs and individuals being discharged.

A Request for Proposals (RFP) seeking qualified professionals was posted on the websites of the Department of Health and Human Services and the Department of Administrative Services, Bureau of Purchase and Property from February 22, 2010 through March 8, 2010. In response, three proposals were received. The proposals were reviewed by Division personnel to ensure that they met the requirements of the RFP. All three met the RFP requirements with Westwood Pharmacy also being the lowest bidder. A bid summary worksheet is attached for review. The reviewers were Scott MacLean, Manager of Health Services and Richelle Swanson, Business Administrator. Scott MacLean has been with the Division for 21 years. Richelle Swanson has been with the Division for 13 years overseeing contracts and other fiscally related items.

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
May 13, 2010
Page 2

Under this agreement for prescription medications Westwood Pharmacy will charge the Average Wholesale Price (AWP) minus 16.4% for Brand Name prescriptions and the AWP minus 71% for Generics. These charges are 1.4% less than the DJJS is currently paying for Brand Name prescriptions and 16% less than it is paying for Generics with its current contracted vendor. In addition, unused and returned non-narcotic medications will be credited to the DJJS account, thereby enabling DJJS to realize additional savings. In whole, the Division looks to reduce its prescription medications costs by 10% of current year expenditures.

This is the first time that the DJJS has entered into an agreement with Westwood Pharmacy. The contract includes a provision to renew for up to an additional two years subject to the continued availability of funds, satisfactory performance of services, and approval by the Governor and Executive Council.

Area served: Statewide

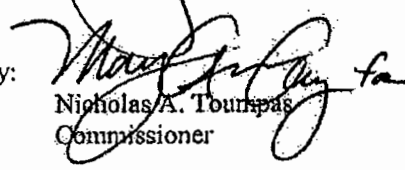
The source of funds is 100% General Funds.

Your favorable consideration of this request would be greatly appreciated.

Respectfully submitted,


William W. Fenniman, Jr.
Director

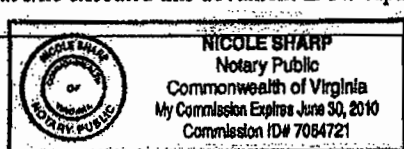
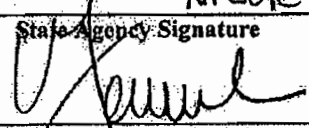
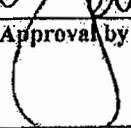
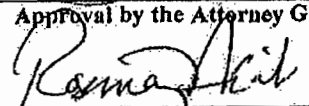
Approved by:


Nicholas A. Tounis
Commissioner

Subject: Pharmaceutical Services - MAO Pharmacy, Inc. dba Westwood Pharmacy**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS**1. IDENTIFICATION.**

1.1 State Agency Name DHHS - Division for Juvenile Justice Services		1.2 State Agency Address 1056 North River Road Manchester, NH 03104	
1.3 Contractor Name MAO Pharmacy, Inc. dba Westwood Pharmacy		1.4 Contractor Address 5823 Patterson Avenue Richmond, VA 23226	
1.5 Contractor Phone Number 804-288-1933	1.6 Account Number 010-041-5813-500100 41111130	1.7 Completion Date June 30, 2012	1.8 Price Limitation 405,982.00
1.9 Contracting Officer for State Agency Richelle Swanson		1.10 State Agency Telephone Number 603-625-5471, ext. 342	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Jake Pasternak, CFO	
1.13 Acknowledgement: State of <u>Virginia</u> County of <u>Henrico</u> On <u>5/10/10</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal] 			
1.13.2 Name and Title of Notary or Justice of the Peace Nicole Sharp, Notary Public			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory William W. Fenniman, Jr., Director	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By:  Director, On:			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Rosemary Wiant On: <u>5-25-10</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

- 8.1.1 failure to perform the Services satisfactorily or on schedule;
- 8.1.2 failure to submit any report required hereunder; and/or
- 8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

- 8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;
- 8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
- 8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
- 8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination

Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

NH Department of Health and Human Services

STANDARD EXHIBIT A

SCOPE OF SERVICES

DATE: April 5, 2010

CONTRACT PERIOD: G&C approval or 7/1/10(whichever is later) to 06/30/12

CONTRACTOR:

NAME: MAO Pharmacy, Inc. dba Westwood Pharmacy

ADDRESS: 5823 Patterson Avenue

Richmond, VA 23226

TELEPHONE: 804-288-1933

FAX: 804-288-1508

EMAIL: jake.pasternak@westwoodpharmacy.com

EXECUTIVE DIRECTOR: CFO - Jake Pasternak Chris Morris

1. Provisions Applicable To All Services

Chris Morris

1.1 The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or Federal or State court orders may have an impact on the Service(s) described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Contract so as to achieve compliance therewith, in which event the price limitations for such Service(s) will be renegotiated.

2. Services To Be Provided

2.1 Vendor will provide the necessary prescribed medications for all units at the Sununu Youth Services Center, 1056 North River Road, Manchester, NH 03104 as ordered by physicians/dentists/ARNP/PA under the following terms:

- A) Maximum number of beds: 144; Average daily census: 75; Average monthly furloughs with medication: 10; Average monthly discharges with medication: 15; Total average monthly prescriptions: 185.

- B) Individual prescriptions dispensed for a period of thirty (30) days for both Detention juveniles and committed juveniles, unless mutually agreed upon and delivered at a different amount, except where prohibited by law, or the physicians/dentists/ARNP/PA's order.
- C) All solid dosage medications shall be in blister packs. Schedule III and IV drugs will be dispensed in the same manner as all other prescription medications but stored as required by applicable laws and regulations. Any changes in packaging must be mutually agreed upon and delivered at the same or lesser cost.
- D) All liquid medications shall be filled in the least expensive method of individual packaging or bulk packaging unless specified otherwise by the DJJS. Except that the cost of any unusual packaging required by the DJJS not included in the Average Wholesale Price (AWP) of a product be invoiced at cost to the DJJS.
- E) Vendor shall provide, when available, generic drugs approved by the federal government that fall into the "A" generic drug category. Generic drug substitution shall not occur when the physicians/dentists/ARNP/PA's order specifically states not to utilize a generic substance.
- F) Over the counter drugs will be provided in bulk as stock at actual cost rather than dispensed as individual prescriptions if mutually agreed upon by both parties.
- G) Vendor shall provide, for the length of the contract, two medication carts set up for blister packs distribution.

2.2 The Vendor shall also provide the following services:

- H) All services provided shall be in accordance with the rules and regulations of the NH State Board of Pharmacy especially those pertaining to Ph 706 Pharmaceutical Care Standards. Prospective drug reviews will therefore be done in accordance with Ph 706.02.
- I) Prescriptions, over the counter (OTC) products, an Emergency Drug Kit and an after-hours drug box shall be delivered to DJJS in a mutually agreed upon manner (eg. courier, express mail, etc.) in accordance to NH State Board of Pharmacy regulations.
- J) Medication orders will be written on physician's order sheets to be faxed to the Vendor for each DJJS resident as agreed upon by the both parties. Prescription shall include all special instructions for the proper administration of the medication or substance such as "after meals," "with food," etc. Proof of use sheet for controlled substances shall also be provided.
- K) Vendor pharmacy coverage shall be provided Monday through Friday from 7:00 AM until 4:00 PM, including weekday holidays. After hours coverage shall be provided by an after hours drug box, the contents mutually agreed upon by both parties in accordance with the rules and regulations of the NH State Board of Pharmacy. A pharmacist shall be available by electronic pager (with a maximum one hour telephone response) for phone consultation only, twenty-four hours per day 365 days per year.
- L) The DJJS will be billed for the number of prescriptions dispensed at the end of the billing period, not for the expected usage.
- M) The vendor will provide biannual in-service education to the DJJS staff on new medication and new drug regimens, and answer questions on how to properly administer and dispose of

medications. The date and time of these in-service training sessions will be determined as agreed upon by the DJJS Manager of Health Services and the vendor.

- N) The "Relabeling" process has been defined according to NH State Board of Pharmacy regulations and a mutually acceptable system has been implemented. Both parties agree that the current prescription label must reflect the intent of the order. Turn around time must not exceed twenty-four (24) hours. It is expected that all reordering and relabeling will be done during "regular" business hours of 7:00 AM – 4:00 PM Monday through Friday.
- O) The vendor will provide electronically generated medication administration logs once a month or as mutually agreed upon by both parties.
- P) Furlough and discharge medications will be dispensed in child resistant containers when sufficient advance notice is given to vendor.
- Q) Disposal of unused medications (those that can't be returned for credit to vendor) will be the responsibility of the vendor. The vendor will provide containers for the purpose of medication disposal.
- R) Medications returned to the vendor in unopened unit dose packaging will be credited to the DJJS in accordance with NH State Board of Pharmacy regulations.

3. Special Provisions

- 1. The contractor will begin providing services effective the date of contract approval by Governor and Council or July 1, 2010 whichever is later) and will continue to provide services until June 30, 2012.
- 2. The Division reserves the right to renew the contract for up to an additional two year period subject to continued availability of funds, satisfactory performance of services, and approval by the Governor and Executive Council.
- 3. Either party may terminate this contract without cause upon ninety (90) days written notice.
- 4. The vendor, acting on behalf of any of its employees who might have access to DJJS census information, agrees to abide by all currently established resident confidentiality guidelines. The vendor shall obtain signed confidentiality statements from the appropriate vendor staff as a prerequisite to the implementation of the contract.
- 5. The vendor shall submit to the DJJS monthly-itemized invoices, which will have the following items and a summary total to include itemized costs of individual OTCs.

Patient name

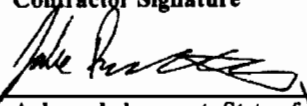
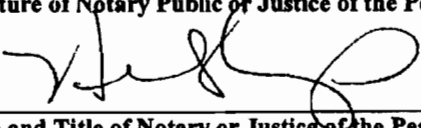
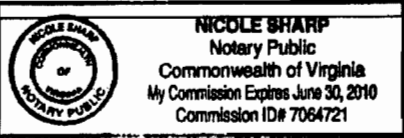
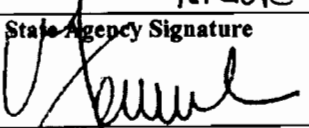
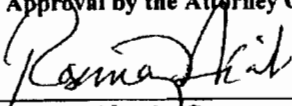
Date
RX#
NDC#
Price
Doctor

Rx dispensed
Name of Drug
Qty dispensed
MFG

Subject: Pharmaceutical Services - MAO Pharmacy, Inc. dba Westwood Pharmacy**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS**1. IDENTIFICATION.**

1.1 State Agency Name DHHS - Division for Juvenile Justice Services		1.2 State Agency Address 1056 North River Road Manchester, NH 03104	
1.3 Contractor Name MAO Pharmacy, Inc. dba Westwood Pharmacy		1.4 Contractor Address 5823 Patterson Avenue Richmond, VA 23226	
1.5 Contractor Phone Number 804-288-1933	1.6 Account Number 010-041-5813-500100 41111130	1.7 Completion Date June 30, 2012	1.8 Price Limitation 405,982.00
1.9 Contracting Officer for State Agency Richelle Swanson		1.10 State Agency Telephone Number 603-625-5471, ext. 342	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Jake Pasternak, CFO	
1.13 Acknowledgement: State of <u>Virginia</u> County of <u>Henrico</u> On <u>5/11/10</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]			
1.13.2 Name and Title of Notary or Justice of the Peace Nicole Sharp, Notary Public			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory William W. Fenniman, Jr., Director	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (If applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  Rosemary Wiant On: <u>5-25-10</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.
7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination

Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("Workers' Compensation").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

NH Department of Health and Human Services

STANDARD EXHIBIT A

SCOPE OF SERVICES

DATE: April 5, 2010

CONTRACT PERIOD: G&C approval or 7/1/10(whichever is later) to 06/30/12

CONTRACTOR:

NAME: MAO Pharmacy, Inc. dba Westwood Pharmacy

ADDRESS: 5823 Patterson Avenue

Richmond, VA 23226

TELEPHONE: 804-288-1933

FAX: 804-288-1508

EMAIL: jake.pasternak@westwoodpharmacy.com

EXECUTIVE DIRECTOR: CFO - Jake Pasternak

1. Provisions Applicable To All Services

1.1 The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or Federal or State court orders may have an impact on the Service(s) described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Contract so as to achieve compliance therewith, in which event the price limitations for such Service(s) will be renegotiated.

2. Services To Be Provided

2.1 Vendor will provide the necessary prescribed medications for all units at the Sununu Youth Services Center, 1056 North River Road, Manchester, NH 03104 as ordered by physicians/dentists/ARNP/PA under the following terms:

- A) Maximum number of beds: 144; Average daily census: 75; Average monthly furloughs with medication: 10; Average monthly discharges with medication: 15; Total average monthly prescriptions: 185.

- B) Individual prescriptions dispensed for a period of thirty (30) days for both Detention juveniles and committed juveniles, unless mutually agreed upon and delivered at a different amount, except where prohibited by law, or the physicians/dentists/ARNP/PA's order.
- C) All solid dosage medications shall be in blister packs. Schedule III and IV drugs will be dispensed in the same manner as all other prescription medications but stored as required by applicable laws and regulations. Any changes in packaging must be mutually agreed upon and delivered at the same or lesser cost.
- D) All liquid medications shall be filled in the least expensive method of individual packaging or bulk packaging unless specified otherwise by the DJJS. Except that the cost of any unusual packaging required by the DJJS not included in the Average Wholesale Price (AWP) of a product be invoiced at cost to the DJJS.
- E) Vendor shall provide, when available, generic drugs approved by the federal government that fall into the "A" generic drug category. Generic drug substitution shall not occur when the physicians/dentists/ARNP/PA's order specifically states not to utilize a generic substance.
- F) Over the counter drugs will be provided in bulk as stock at actual cost rather than dispensed as individual prescriptions if mutually agreed upon by both parties.
- G) Vendor shall provide, for the length of the contract, two medication carts set up for blister packs distribution.

2.2 The Vendor shall also provide the following services:

- H) All services provided shall be in accordance with the rules and regulations of the NH State Board of Pharmacy especially those pertaining to Ph 706 Pharmaceutical Care Standards. Prospective drug reviews will therefore be done in accordance with Ph 706.02.
- I) Prescriptions, over the counter (OTC) products, an Emergency Drug Kit and an after-hours drug box shall be delivered to DJJS in a mutually agreed upon manner (eg. courier, express mail, etc.) in accordance to NH State Board of Pharmacy regulations.
- J) Medication orders will be written on physician's order sheets to be faxed to the Vendor for each DJJS resident as agreed upon by the both parties. Prescription shall include all special instructions for the proper administration of the medication or substance such as "after meals," "with food," etc. Proof of use sheet for controlled substances shall also be provided.
- K) Vendor pharmacy coverage shall be provided Monday through Friday from 7:00 AM until 4:00 PM, including weekday holidays. After hours coverage shall be provided by an after hours drug box, the contents mutually agreed upon by both parties in accordance with the rules and regulations of the NH State Board of Pharmacy. A pharmacist shall be available by electronic pager (with a maximum one hour telephone response) for phone consultation only, twenty-four hours per day 365 days per year.
- L) The DJJS will be billed for the number of prescriptions dispensed at the end of the billing period, not for the expected usage.
- M) The vendor will provide biannual in-service education to the DJJS staff on new medication and new drug regimens, and answer questions on how to properly administer and dispose of

medications. The date and time of these in-service training sessions will be determined as agreed upon by the DJJS Manager of Health Services and the vendor.

- N) The "Relabeling" process has been defined according to NH State Board of Pharmacy regulations and a mutually acceptable system has been implemented. Both parties agree that the current prescription label must reflect the intent of the order. Turn around time must not exceed twenty-four (24) hours. It is expected that all reordering and relabeling will be done during "regular" business hours of 7:00 AM – 4:00 PM Monday through Friday.
- O) The vendor will provide electronically generated medication administration logs once a month or as mutually agreed upon by both parties.
- P) Furlough and discharge medications will be dispensed in child resistant containers when sufficient advance notice is given to vendor.
- Q) Disposal of unused medications (those that can't be returned for credit to vendor) will be the responsibility of the vendor. The vendor will provide containers for the purpose of medication disposal.
- R) Medications returned to the vendor in unopened unit dose packaging will be credited to the DJJS in accordance with NH State Board of Pharmacy regulations.

3. Special Provisions

- 1. The contractor will begin providing services effective the date of contract approval by Governor and Council or July 1, 2010 whichever is later) and will continue to provide services until June 30, 2012.
- 2. The Division reserves the right to renew the contract for up to an additional two year period subject to continued availability of funds, satisfactory performance of services, and approval by the Governor and Executive Council.
- 3. Either party may terminate this contract without cause upon ninety (90) days written notice.
- 4. The vendor, acting on behalf of any of its employees who might have access to DJJS census information, agrees to abide by all currently established resident confidentiality guidelines. The vendor shall obtain signed confidentiality statements from the appropriate vendor staff as a prerequisite to the implementation of the contract.
- 5. The vendor shall submit to the DJJS monthly-itemized invoices, which will have the following items and a summary total to include itemized costs of individual OTCs.

Patient name

Date	Rx dispensed
RX#	Name of Drug
NDC#	Qty dispensed
Price	MFG
Doctor	

State of New Hampshire

BOARD OF PHARMACY



Non-Resident Pharmacy Permit

This is to certify that the pharmacy known as:

WESTWOOD PHARMACY CLINICAL SERVICES

5823 PATTERSON AVENUE, SUITE A

RICHMOND, VA 23226

Is duly registered according to the provisions of New Hampshire RSA 318:37.

Permit No. NR0652

Expires: March 31, 2013

A handwritten signature in cursive script, appearing to read "John W. Freeman".

State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Westwood Pharmacy is a New Hampshire trade name registered on May 19, 2010 and that MAO Pharmacy, Inc. presently own(s) this trade name. I further certify that it is in good standing as far as this office is concerned, having paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 5th day of April, A.D. 2013

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State



CERTIFICATE OF LIABILITY INSURANCE

WESTPHA-01

MARAP

DATE (MM/DD/YYYY)

1/8/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Morgan-Marlow Company 21 Manhattan Square Hampton, VA 23666	CONTACT NAME: Mara S. Powell	
	PHONE (A/C, No, Ext): (757) 865-1900 FAX (A/C, No): (757) 865-1478	
	E-MAIL ADDRESS: MaraP@morganmarlow.com	
INSURED Westwood Pharmacy, MAO Pharmacy t/a 5823 Patterson Avenue Richmond, VA 23226	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: Assurance Company of America	19305
	INSURER B: Hartford Casualty Insurance Company	29424
	INSURER C: Travelers Casualty and Surety Company of America	31194
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADD'L INSR	INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			PAS004598845	1/1/2013	1/1/2014	EACH OCCURRENCE \$ 1,000,000
	☒ COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
	☐ CLAIMS-MADE ☒ OCCUR						MED EXP (Any one person) \$ 10,000
	☒ Professional Liab.						PERSONAL & ADV INJURY \$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$ 2,000,000
	☒ POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COM/OP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY			PAS004598845	1/1/2013	1/1/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	☒ ANY AUTO						BODILY INJURY (Per person) \$
	☐ ALL OWNED AUTOS	☐ SCHEDULED AUTOS					BODILY INJURY (Per accident) \$
	☒ HIRED AUTOS	☒ NON-OWNED AUTOS					PROPERTY DAMAGE (PER ACCIDENT) \$
A	☒ UMBRELLA LIAB			PAS004598845	1/1/2013	1/1/2014	EACH OCCURRENCE \$ 5,000,000
	☐ EXCESS LIAB						AGGREGATE \$ 5,000,000
	☐ DED ☒ RETENTION \$						
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			14WECLH5577	1/1/2013	1/1/2014	☒ WC STATUTORY LIMITS ☐ OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N					E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Crime			0105619299BZ	5/23/2011	5/23/2014	ERISA 80,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

New Hampshire Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 1988-2010 ACORD CORPORATION. All rights reserved.