PHARMACEUTICAL SERVICES AGREEMENT

THIS AGREEMENT, made and entered into by and between the **City of Joplin, Missouri**, a Municipal Corporation, hereinafter referred to as "City", and **Pharm Joplin Acquisition, LLC, a MO LLC, dba The Medicine Shoppe**, a Missouri corporation, hereinafter referred to as "Medicine Shoppe" on this _____ day of _____, 20___.

W I T N E S S E T H

WHEREAS, City through its Health Department provides pharmaceutical services to certain eligible residents of the City of Joplin, Missouri; and

WHEREAS, Medicine Shoppe operates a full service pharmaceutical operation at 2131 E. 32nd St., Joplin, Missouri; and

WHEREAS after competitive bids, Medicine Shoppe, in the opinion of City, submitted the best proposal to act as the City's pharmaceutical provider.

NOW, THEREFORE, in exchange for valuable consideration, each received from the other, the parties do hereby agree as follows:

1. **Term.** The term of this Agreement shall be for one (1) year commencing on or about November 1, 2016 and continuing to and until October 31, 2017. It shall be extended, one year at a time up to a maximum of three (3) years unless either party shall give sixty (60) days prior written notice of termination, or, unless Medicine Shoppe is in breach of this Agreement pursuant to the provisions of Paragraph 6 herein.

2. **Compensation.** As and for compensation for the services provided herein, City will reimburse Medicine Shoppe for prescriptions filled in accordance with

the Bid Specifications For Pharmaceutical Services and the Bid Response Form BID 2016-RFP-11; Pharmacy Services, submitted by Medicine Shoppe for pharmaceuticals set forth on said Bid Response Form, or as may be amended by formulary lists, provided by City, provided to Medicine Shoppe, from time-to time, during the term of this Agreement.

3. **Billing and Payment Procedure.** Medicine Shoppe shall submit a billing invoice at the end of each month for all prescriptions dispensed during that month for the Community Clinic Account. Each invoice shall list the name of the patient, the name of the prescription, the amount/dosage of the prescription, the gross price, the co-pay if any, and the net price charged to the City after reduced by the co-pay amount.

4. **Formulary Products and Price**. The products and prices listed on the BID Response Form BID 2016-RFP-11; Pharmacy Services, attached hereto as "Exhibit A" and incorporated herein by reference, shall be binding on both parties during the term of this Agreement. Any product or price changes to the formulary list that are to take effect in any extension term must be submitted to the City ninety (90) days before the start of any extension term, and are subject to approval by the City before such term is extended.

5. **Scope of Work.** Medicine Shoppe shall fill only prescriptions that have been authorized by the Joplin Health Department or the Joplin residents referred by the Community Clinic and which are accompanied by the proper documentation of the same. Medicine Shoppe shall pursue the use of generic substitution whenever possible.

6. **Termination of Agreement.** This Agreement shall immediately be terminated, if Medicine Shoppe is no longer licensed by the State of Missouri to dispense

pharmaceutical services, fails to operate a full-service pharmacy at its present location or fails to perform to the satisfaction of the City. In these cases the City may terminate the Agreement, upon ten (10) days written notice.

7. **Agreement Subject to Ratification by Council and Annual Appropriation.** This Agreement is binding upon the City of Joplin only upon acceptance by its City Council. This Agreement is subject to the normal budgetary process of the City of Joplin, and, in the event the City of Joplin shall fail to appropriate sufficient funds to pay for the services provided by this contract, this contract shall immediately be terminated without recourse.

8. **Hold Harmless.** Each party shall hold the other harmless from any and all claims and assessments pursuant to this Agreement. The parties intend to create an independent contractor relationship and neither party may control the actions of the other.

9. **Prohibition on Assignment.** This contract and the rights granted herein may not be assigned by Medicine Shoppe without the express written consent of the City being first obtained.

10. **Choice of Law**. This Agreement has been made, and its validity, performance and effect shall be determined, in accordance with the laws of the State of Missouri and venue for litigation between the parties shall be solely and exclusively in Jasper County, Missouri, or the United States District Court for the Western District of Missouri.

11. **Headings**. The headings of paragraphs in this Agreement are for convenience only. The headings form no part of this Agreement and shall not affect its interpretation.

12. **Entire Agreement**. This Agreement (including any Exhibits) contains the entire understanding of the parties with respect to the subject matter hereof. It may not be altered or amended except by an agreement in writing signed by both parties.

13. **Waiver or Breach**. Waiver of any provision of this Agreement or breach of this Agreement shall not thereafter be deemed to be a consent by the waiving party to any further waiver, modification or breach by the other party, whether new or continuing, of the same or any other covenant, condition or provision of this Agreement. Failure by one of the parties to this Agreement to assert its rights for any breach of this Agreement shall not be deemed a waiver of such rights. Should City be required to institute legal action to enforce any of its rights set forth in this Agreement, then City shall be entitled to reimbursement for all reasonable attorneys' fees and costs incurred as determined by the Court in any such cause of action.

14. **Severability**. If any of the provisions of this Agreement shall be construed to be invalid or illegal, the legality or validity of the other provisions of this Agreement shall not be affected thereby. Any illegal or invalid provision of this Agreement shall be severable and any other provisions shall remain in full force and effect.

15. **Representations.** The signatories hereto represent and warrant that they have read this Agreement, that they are fully authorized in the capacities shown, that they understand the terms of this Agreement, and that they are executing the same voluntarily and solely for the consideration described herein. Medicine Shoppe represents and warrants that it is a Missouri corporation in good standing with the State of Missouri.

16. **Record Confidentiality.** Medicine Shoppe shall maintain strict confidentiality of all patient and client information or records supplied to it by the City or the Community Clinic, pursuant to the provisions of HIPAA (Health Insurance Portability and Accountability Act). The protected information shall include, but not be limited to all Individually Identifiable Health Information, and this shall mean information that is a subset of health information, including demographic information collected from an individual, and (i) is created or received by a health care provider, health plan, employer or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual, and (1) that identifies the individual; or (2) with respect to which there is a reasonable basis to believe the information can be used to identify the individual. Individually Identifiable Health Information includes many common identifiers (e.g. name, address, birth date, social security number). The contents of such records shall not be disclosed to anyone other than the City and the patient/client or the parent or legal guardian unless such disclosure is required by law.

17. **Work Authorization:** If the Contractor meets the definition of a business entity, as defined in Section 285.525, RSMo pertaining to Section 285.530, RSMo, the Contractor shall maintain enrollment and participation in the E-Verify federal work authorization program with respect to the employees hired after enrollment in the program who are proposed to work in connection with the contracted services herein.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

CITY OF JOPLIN, MISSOURI

A Municipal Corporation

By: _____

City Manager of the City of Joplin

ATTEST:

_____

City Clerk

THE MEDICINE SHOPPE,

A Missouri Corporation

By: _____

Date: _____