
*The Grady Memorial Hospital Corporation d/b/a Grady Health System
Request for Proposal*

The Grady Memorial Hospital Corporation
d/b/a

GRADY HEALTH SYSTEM



Remarkable Service Exceptional Care

GRADY HEALTH SYSTEM

**REQUEST FOR PROPOSAL
(RFP)**

**FOR
Pharmacy Distributor**

RFP# 25008TM

**Request for Proposal Posted: *July 18, 2025*
Proposal Due: *August 19, 2025***

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SECTION 1: GRADY HEALTH SYSTEM BACKGROUND

Grady Health System (GHS) is one of the largest safety net health systems in the nation. Grady consists of the 953-bed Grady Memorial Hospital, six neighborhood health centers, Crestview Health & Rehabilitation Center, and Children's Healthcare of Atlanta at Hughes Spalding, which is operated as a Children's affiliate.

With its nationally acclaimed emergency services, Grady is Atlanta's premier Level 1 trauma center – the metro area's only nationally verified Level 1 center. Grady EMS serves as the 911 ambulance provider for the city of Atlanta, South Fulton County communities, and numerous counties across Georgia. It also operates the state's first Mobile Stroke Unit, taking cutting-edge pre-hospital care directly to patients. Grady's American Burn Association/American College of Surgeons verified Burn Center is one of only two in the state. And the Marcus Stroke and Neuroscience Center is a Joint Commission designated Advanced Comprehensive Stroke Center.

Other key services/distinctions include Grady's Regional Perinatal Center with its Neonatal Intensive Care Unit, Georgia's first Cancer Center for Excellence, The Avon Comprehensive Breast Center, the Georgia Comprehensive Sickle Cell Center, and the Ponce de Leon Center - one of the top HIV/AIDS outpatient clinics in the country. Grady is one of an elite group of hospitals to earn the Baby-Friendly USA international recognition as a Baby-Friendly Designated birth facility. Grady has earned the prestigious Stage 7 on the HIMSS Analytics Electronic Medical Record Adoption Model - Georgia's first adult acute care hospital to earn the highest rating for improving patient care and safety through health information technology.

SECTION 2: OVERVIEW, QUALIFICATIONS & EXPERTISE

Grady Healthcare System (GHS) is seeking qualified pharmacy distributors to provide comprehensive pharmaceutical distribution services to Grady Healthcare. This document outlines the scope of work expected from the selected distributor.

Vendor Registration

All vendors are required to complete a Vendor Registration Application through the GHS electronic vendor registration process once awarded a contract and all representatives must register prior to visiting any location or department of the health system. All fees due are the responsibility of the awarded Vendor and their associates. The registration allows GHS to manage the vendors supplying critical services to the health system, profile of the vendors and all representatives that visit the health system. The electronic Vendor Registration Application can be completed on the GHS website at www.gradyhealth.org/suppliers.

Qualifications & Expertise

GHS requires the successful Offeror to exhibit the highest standards of integrity and work ethics (e.g. confidentiality, diligence and professionalism) and possess specialized experience in providing the proposed service.

Within all responses to this RFP the Offeror must provide the following details:

1. Provide a brief history of the organization with emphasis on any corporate reorganization that has occurred in the last three (3) years, office locations, and information documenting the company's financial position (i.e. financial statements, annual reports).
2. Indicate name and the business address of the entity, or individual that will be the party to the proposed contract and the Offeror's business telephone number, fax number, and e-mail address.
3. Indicate the type of ownership (sole proprietorship, partnership, corporation, joint venture, or limited liability company—list state in which incorporated) and parent company, if any.

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4. Provide the name, address, and telephone number of the point of contact that will serve as the authorized negotiator(s) for the Offeror. The authorized negotiator shall have the authority to act on behalf of the Offeror and make binding commitments for the Offeror and any sub-consultants concerning this RFP.
5. Please disclose any ownership and/or relationships with Grady Health System and /or the Grady Memorial Hospital Corporation d/b/a Grady Health System.
6. Disclose whether the proposing entity, or any shareholder, member, partner, officer or employee thereof, is presently a party to any pending litigation, or has received notice of any threatened litigation or claim directly or indirectly bearing on Grady Health System or The Fulton-DeKalb Hospital Authority.
7. Disclose the name and title of any of Grady Health System's and/or The Fulton-DeKalb Hospital Authority board members, officers, administration, employees, contracted employees or independent contractors that are employed by or affiliated with the Offeror's organization. This includes but is not limited to the Offeror's board members, committee members and advisors to the Offeror's organization, holding company or any owned subsidiary. This disclosure will apply to anyone affiliated with Grady Health System per its description in Section 1 above.
8. Please provide three (3) references of similar size and scope of implementation.

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SECTION 3: PROPOSAL EVALUATION, SELECTION PROCESS, AND SCHEDULE

Questions Due: July 30, 2025

***GHS response to questions will be emailed to all responders: August 4, 2025**

Response Due Date: August 19, 2025

***Presentations and Interviews: TBD**

***Award Recommendation: TBD**

Vendor to start TBD

** Date(s) are subject to change*

SECTION 4: SPECIFICATIONS / DESCRIPTION

§ 4-A Scope of Services: Grady Health System (hereafter referred to as “Grady”) is soliciting proposals from qualified vendors to provide **bulk pharmacy distribution services**. The awarded vendor will serve as a primary distributor for pharmaceutical products, including but not limited to brand-name drugs, generic medications, OTC products, injectables, vaccines, IV solutions, and controlled substances. The distributor shall deliver products in a timely, cost-effective, and compliant manner to support Grady’s hospital and outpatient operations

§ 4-B Requirements / Specifications:

Product Categories to be Supplied

- Brand-name pharmaceuticals
- Generic pharmaceuticals
- Over-the-counter (OTC) medications
- Intravenous (IV) solutions and admixtures
- Injectable medications
- Vaccines and biologics
- Controlled substances (CII–CV)
- Compounded medications (as applicable)

Service Requirements

- Inventory Availability: Maintain a robust inventory and ability to fill 98%+ of all orders on first delivery attempt.
- Next-Day Delivery: Provide next-business-day delivery for orders placed by Grady’s cutoff time (TBD).
- Emergency Orders: Capability to support emergency or STAT orders within 4–6 hours.
- Returns and Credits: Accept returns for overstock, recalls, or discontinued items with no restocking fee.
- Provide a timeframe between purchase date and when returns for full refund allowed.
- Product Recalls: Provide proactive and real-time notifications of all FDA or manufacturer-issued recalls.
- Order Accuracy: Maintain ≥99% order accuracy rate.
- Customer Service: Dedicated customer support representative and access to a 24/7 customer service line.
- Reporting: Provide monthly usage, spend, forecasting and backorder reports; access to real-time reporting via online portal or dashboard.
- Integrate with GHS current ERP (Workday, EPIC) or pharmacy management systems (BD Logistics)
- Online Ordering System: Easy-to-navigate, HIPAA-compliant online ordering platform.
- Provide contingency plans for supply chain disruptions.
- Provide prioritized deliveries during Public Health emergencies or natural disasters.

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- Provide surge supply support in case of demand spikes.
- Compliance: Vendor must comply with all applicable FDA, DEA, state pharmacy board, and 340B regulations.
- Licensing: Maintain valid and current state and federal licenses (e.g., DEA registration, VAWD or NABP accreditation).
- Pricing transparency for generics and brand drugs.

Customer Service & Account Management

- Assign a dedicated account manager
- Provide escalation process for urgent issues
- List of standard customer service hours and response times
- Provide periodic performance reviews or business review meetings.

Service Delivery

- Overview of fulfillment capabilities, delivery schedules, and emergency ordering process
- Price Models offered (e.g., cost – plus, fixed pricing, volume-based discounts)
- Description of your ordering system/technology
- Average fill rate and order accuracy rate over the past 12 months
- Sample reports available to clients (usage, spend, etc.)
- Reverse distribution of expired drug return services
- Manage excess or obsolete stock

§ 4-C Pricing and Discounts

- Detailed pricing proposal including:
 - Product markup or discount off WAC/AWP
 - Volume-based discount structures
 - Freight/shipping charges (if any)
- Description of rebate or incentive programs
- Rebates, incentives, or tiered pricing based on purchasing volume.

§ 4-D Compliance and Licensing

- Copies of current DEA license, state distribution licenses, and any accreditations
- Confirmation of compliance with applicable local, state, and federal laws, including DEA and FDA requirements

§ 4-E Formulary & Product Availability

- Detailed description of formulary management and product substitutions
- Provide resolution of drug shortages, with product substitutions
- Biosimilars or alternatives for specialty drugs

§ 4-C Specialty and 340B Program Support

- Provide list of services that support 340B program compliance and optimization
- Offer split billing and virtual inventory systems for 340B
- Provide specialty handling of specific drug distribution and patient shipments
- List specialty therapies or biologics that are included in your network

§ 4-C Term: Three (3) years, with two (2) one (1) year renewals.

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SECTION 5: EVALUATION CRITERIA AND PROCESS

The selection of the awardee to be engaged by GHS to accomplish the scope of work will be based on the following criteria that are utilized by the Technical Evaluation Team. The Technical Evaluation Team is comprised of members of the GHS staff.

§ 5-A Technical Proposal/Demonstrating an Understanding of the Services/Products Requested/Technical Modules

Proposals submitted must demonstrate the capability to comply with all requirements and specifications contained in this RFP. Failure to demonstrate the ability to meet specifications may result in non-consideration.

§ 5-B Previous Experience on Projects of a Similar Nature/References

GHS will review and evaluate the information submitted related to the scope of services and similar sized projects your firm has successfully completed in the past. Particular attention will be paid to the capability, quality, timeliness, cost controls and references.

§ 5-C Management Plan/Implementation/On Going Support

GHS will review and evaluate an overview of the proposed project management team and plan. In this overview, please identify the consultants and other key staff who would be assigned to the project and involved in providing goods/services as specified in the RFP. Provide biographical data on these individuals, the roles that each will play, and indicate which senior level staff member(s) will represent your firm at meetings with GHS. It is also requested that you provide biographies of other key members in your firm whom you regard as key to the firm's governance or to a relationship with GHS.

§ 5-D Cost Proposal Requirements:

Vendors must submit a comprehensive cost proposal that clearly outlines all pricing structures, fees, discounts, and incentives associated with the provision of bulk pharmaceutical products to Grady Health System. The cost proposal must be submitted as a separate document, clearly labeled "**Cost Proposal – [Vendor Name]**".

50. Pricing Structure

Vendors must detail their proposed pricing model, including but not limited to:

- **Discounts on Wholesale Acquisition Cost (WAC) or Average Wholesale Price (AWP) for:**
 - Brand-name drugs
 - Generic drugs
 - OTC products
 - IV solutions
 - Controlled substances
- **Fixed pricing or markup** for specific product categories, if applicable
- **Unit cost pricing** for commonly ordered high-volume items (in Exhibit A)

2. Delivery and Freight Charges

- Detail any delivery, freight, or handling fees
- Specify if next-day and/or emergency deliveries incur additional charges

3. Returns and Restocking Fees

- Clearly state return policies and any associated restocking fees
- Indicate whether expired or damaged goods can be returned for full credit

4. Rebate and Incentive Programs

- Outline available rebate structures based on volume, spend tiers, or contract length
- Describe any manufacturer or group purchasing organization (GPO) rebate pass-throughs

5. 340B Pricing (if applicable)

- Confirm whether the vendor can support 340B drug pricing for eligible covered entities
- Describe the process for maintaining 340B compliance and tracking

6. Additional Fees

- Disclose any and all additional or miscellaneous fees not already listed (e.g., account setup, technology access, reporting services)

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§ 5-E Cost Proposal Evaluation: Grady Health System reserves the right to evaluate cost proposals based on overall value, including but not limited to:

- Unit cost competitiveness
- Transparency of pricing
- Flexibility of pricing model
- Rebate and incentive offerings
- Long-term cost savings potential

Vendors are encouraged to propose creative pricing structures that result in cost savings and improved value for Grady while maintaining quality and service levels.

SECTION 6: REPRESENTATIONS AND INSTRUCTIONS

§ 6-A-1 Response Guidelines

The information required by this RFP is comprehensive and necessary for accurate Offeror selection. Please be concise with your answers. Each applicable question must be answered. For questions deemed not applicable, please state “not applicable”. The response to this RFP must be submitted **electronically**. **No hard copy proposals will be accepted**

Proposals must be completed and returned in the same format. Your RFP response, in its entirety, will be included in the subsequent contract negotiated between GHS and the selected Offeror. All documents shall be submitted electronically to gradyfyp@gmh.edu. All emails must indicate **RFP#25008TM** and the name of the company submitting the Proposal in the subject line. All responses to the RFP must be emailed to **Tenesha McGraw, Senior Resource Specialist** no later than **August 19, 2025, by 3:00pm**. All forms in Appendices A, B and C must be signed by an officer of the firm having the authority to make such offers, verifying that the Proposal is valid and will remain valid.

Any cost incurred in the preparation and presentation of this response is to be absorbed by the Offeror. All documents submitted will become the property of GHS unless otherwise requested in writing by the Offeror at the time of submission. Further, any materials submitted by Offeror that should be considered “**CONFIDENTIAL**” must be clearly marked as such. Submission of any materials, confidential or otherwise, will implicitly grant the right of use by the Corporation. All portions of the Proposal that are not designated as confidential will become part of the public record immediately following an award. Documents designated as confidential will be treated as such to the extent permitted by law, including but not limited to the Georgia Open Records Act.

§ 6-A-2 Submission Guidelines

Offerors are forbidden to contact anyone other than **Tenesha McGraw, Senior Resource Specialist**. **Tenesha McGraw** is the sole point of contact for this RFP during the RFP process. Contact with any person other than **Tenesha McGraw** is grounds for disqualification from this process. Offerors are also strictly forbidden to attempt to influence, through internal or external third-party sources the outcome of this RFP. Your submission to this RFP serves as your confirmation that you, your firm and anyone acting as an agent, representative or influencer on behalf of your firm has not engaged in any action that may be construed as an attempt to influence the outcome of this RFP.

Failure to comply with any of the above stated guidelines may result in immediate disqualification. If you have any questions regarding this RFP, email your questions/concerns to **Tenesha McGraw, Senior Resource Specialist** at gradyrfp@gmh.edu

§6-A-3 RFP Terms and Conditions: See Attachment B (GHS Terms and Conditions)

Compliance with GHS terms and conditions are required for any Offeror selected to provide goods, equipment, or services by the awarding of any RFP.

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§ 6-A-4 RFP Completion Instructions:

Acceptance of Offerors Proposals: GHS reserves the right to accept or reject any Proposal, change these specifications or waive any formalities. Should it be necessary to modify an application to fulfill the needs of GHS, GHS will retain exclusive rights of ownership and use of all design documents, programs, and documentation developed. The Proposals, as submitted, will be the basis for contract negotiations and will be included in any contract between GHS and the selected Offeror. Representations made within the Proposals will be binding on responding Offeror. Offerors responses should be written in a concise and forthright manner. Offerors may be excluded from further consideration for failure to fully comply with the specifications of this RFP, including the failure to return ALL required documents, as well as, not using the forms and files as included. GHS will not be responsible for any costs associated with Proposals as submitted.

Offeror Selection: GHS reserves the right to make an award based solely on the Proposals as submitted, or any other basis, or to negotiate further with one or more Offerors. The Offeror(s) selected will be chosen on the basis of greatest benefit to GHS, as determined by GHS, and not necessarily on the basis of the lowest price. Award of a contract, if any, resulting from this RFP, will be subject to the terms and conditions of GHS purchasing policies. Upon completion of the initial review and evaluation of the Proposals, selected Offerors may be invited to participate in oral presentations.

Full Right of Selection and Rejection: The right to reject in its entirety or to select an Offeror providing other than the lowest cost product is reserved. GHS reserves the right to select and award, at its option, the runner-up's Proposal in the event the selected offer for award or Offeror receiving the award, upon further review and solely in the opinion of GHS, fails to meet all qualifications or specifications or proves to be a selection not in the best interest of GHS.

Proposal Open Record: If a request to inspect the Proposal, or any portion thereof, is made by a third party, GHS will endeavor to treat all materials requested to be kept confidential and non-disclosed to the extent provided by the Georgia Open Records Act. The Offeror understands that GHS may be subject to the provisions of such Act together with the Uniform Trade Secrets Act. GHS will endeavor to inform the Offeror of any third party request for disclosure of such information pursuant to the Georgia Open Records Act or as may be otherwise made to GHS.

If the Offeror requests that such information be held confidential and not disclosed by GHS, the Offeror will assume the defense of such position, up to and including litigation, and will indemnify, save and hold harmless GHS, its officers and employees, from any expense, fees, costs or liability associated with such third party request or such litigation. If the Offeror does consider the Proposal or any portion thereof to contain confidential information, it shall submit a letter on the Offeror's letterhead signed by the owner or Chief Executive Officer, requesting that GHS treat the Proposal confidential and private information to the extent possible under Georgia law. Otherwise, the Offeror agrees that its' submission may be deemed as public information.

Regulatory and Ethical Compliance: No Proposal shall be accepted from, and no contract will be awarded to, any person, firm or corporation that, within the past five years, has been found in non-compliance with Georgia statutes or the standards and rules set by the Ethics Commission of the State of Georgia. (<http://www.ethics.state.ga.us>).

Prior to any contract award, GHS will verify that the prospective Offeror's company, officers and/or principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from transactions by any Federal department or agency. This will be verified through the Office of Inspector General (OIG). If the Offeror and/or its principles appear on the OIG list, GHS reserves the right to reject the Offeror's Proposal and refuse award of a contract.

Notice of Award: The notice of award is issued by the Resource Management Department. Unsuccessful Offerors shall be notified in writing, after award has been made.

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SECTION 7: SUPPLIER DIVERSITY

It is an overall objective of GHS to encourage involvement by Diverse Business Enterprises as contractors and suppliers in business activities generated by GHS, while assuring that such activities will be conducted in accordance with all applicable laws. It is the declared policy and intent of GHS to strive to maximize participation of Diverse Business Enterprises through all business contracting opportunities. GHS is committed to ensuring that Diverse Business Enterprises are given every opportunity to participate in contracting opportunities.

In adherence to GHS's commitment to Supplier Diversity, Solicitors of a GHS contract must clearly as defined by GHS herein, demonstrate good faith effort to achieve the Supplier Diversity goal set forth. By the documentation of Direct and/or Indirect Tier II goods and/or services to be purchased from Diverse Business Enterprises certified by one (1) or more of the third party certification agencies recognized by GHS. Such spend with Diverse Business Enterprises will be monitored. In connection with such monitoring, Contracted GHS Suppliers will be required to report Diverse Supplier Spend to GHS monthly in a manner in GHS's sole discretion. In addition, a copy of reported Diverse Supplier spend, must be attached with the submission of any invoices to GHS. Failure to demonstrate the defined Good Faith Effort to achieve GHS's Supplier Diversity goal, objectives, or to report in a manner prescribed by GHS, shall be a material breach of any controlling contract between GHS and Contractor or vendor.

GHS prohibits discrimination on the basis of race, color, gender, sex, religion, sexual orientation, national origin, or disability in connection with employment of any person, or the award of any contract. GHS will provide equal opportunities without regard to race, color, gender, sex, religion, sexual orientation, national origin, or disability, by requiring that any vendor doing business with GHS provide equal opportunity to persons and businesses employed by, or contracting with the supplier of products and services to GHS. GHS expects that the policies, programs and practices of its vendors/Contractors are implemented in an equitable fashion and that Certified Diverse Business Enterprises are afforded an equitable opportunity to share in contract/subcontract opportunities.

The Supplier Diversity Goal for this Solicitation is 20% of the contract value

GHS® expects that the policies, programs and practices of its vendors/Contractors are carried out in an equitable fashion and that Certified Diverse Business Enterprises are afforded an equitable opportunity to share in contract/subcontract opportunities.

Vendors interested in doing business with GHS® are required to sign the Certification below and complete the Supplier Diversity Section in its entirety and submit it with their bid response.

Past Performance: Offeror shall (1) summarize in writing its past performance for client healthcare institutions in actively fostering the participation of Diverse Business Enterprises utilized by the institution, (2) provide three (3) or more client references for this purpose for whom it has provided applicable service to within the past two (2) years, with the name, phone number and e-mail of a specific knowledgeable contact person for each such client reference.

Present Commitment: Offeror shall submit in writing its present commitment and business plan to facilitate and promote the participation of Diverse Suppliers by completion of the attached Diverse Supplier Subcontracting Plan (DSSP). Diverse Business Enterprises utilized as Tier II contractors and suppliers must be certified by one or more of the 3rd Party Certification Agencies recognized by GHS.

Post-award performance: The specific, measurable performance criteria included in the Proposal for present commitment to Diverse Suppliers shall, subject to negotiation and mutual consent, become part of the awarded contract as specific, measurable requirements of vendor performance for the duration of the contract. Such spend with Diverse Business Enterprises will be monitored. In connection with such monitoring Vendor will be required to report to GHS monthly, in a manner in GHS's sole discretion, all direct and/or indirect certified spend with Diverse Business Enterprises.

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Definition: Diverse Business Enterprises

(MBE) National Minority Supplier Development Council: A minority-owned business is a for-profit enterprise, regardless of size, physically located in the United States or its trust territories, which is 51% owned, operated and controlled by minority group members, defined from the following:

Asian-Indian – A U.S. citizen whose origins are from India, Pakistan or Bangladesh.

Asian-Pacific -A U.S. citizen whose origins are from Japan, China, Indonesia, Malaysia, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Thailand, Samoa, Guam, the U.S. Trust Territories of the Pacific or the Northern Marianas.

African American – A U.S. citizen having origins in any of the Black racial groups of Africa.

Hispanic – A U.S. citizen of Hispanic heritage, from any of the Spanish-speaking areas of the following regions: Mexico, Central America, South America or the Caribbean Basin only.

Native American – A person who is an American Indian, Eskimo, Aleut or Native Hawaiian, and regarded as such by the community of which the person claims to be a part.

(WBE) Women’s Business Enterprise National Council: A Woman-Owned Business Enterprise is an independent business concern that is at least 51% owned and controlled by one or more women who are U.S. citizens or Legal Resident Aliens; whose business formation and principal place of business are in the US or its territories; and whose management and daily operation is controlled by one or more of the women owners.

(LGBT) National Gay and Lesbian Chamber of Commerce: A Lesbian, Gay, Bi-Sexual or Transgender Business Enterprise is a business that is at least 51% owned, operated, managed, and controlled by a LGBT person or persons who are either U.S. citizens or lawful permanent residents; who exercises independence from any non-LGBT business enterprise; has its principal place of business (headquarters) in the United States; and has been formed as a legal entity in the United States.

(DOBE) DisabilityIN: A disability-owned business enterprise (DOBE) is a for-profit business that is at least 51% owned, managed and controlled by a person with a disability regardless of whether or not that business owner employs person(s) with a disability.

Veteran Business Enterprise:

(VBE) Veteran-Owned Business – A small business that is at least 51% owned, operated and controlled by one or more veterans.

(DVBE or SDV) Service-Disabled Veteran-Owned Business – A small business that is at least 51% owned, operated and controlled by one or more veterans with a service-connected disability.

(DVE) Disadvantaged Veteran Enterprise – A business that is at least 51% owned by, and whose management and daily business operations are controlled by one or more veterans.

U.S. Small Business Administration: As defined by the Small Business Act, a small business concern is “one that is independently owned and operated and which is not dominant in its field of operation.” *Small Business* – Depending on the industry, ‘small’ is defined by either the number of employees or average annual receipts of a business concern. Website reference for size standards by NAICS code is www.sba.gov/services/contractingopportunities/sizestandardstopics/index.html.

(SDB) Small Disadvantaged Business – A small business that is at least 51 percent owned, operated and controlled by one or more individuals who are both socially and economically disadvantaged.

(SBE) Small Business Enterprise – Includes businesses physically located in the United States or its trust territories that are independently owned and operated, not dominant in its field of operation, with 500 or fewer employees (maximum allowable employees to qualify as a Small Business Enterprise may be greater than 500, depending on your industry).

HUB Zone Business – A small business operating in a “Historically Underutilized Business Zone.” HUB zones are defined at <http://map.sba.gov/hubzone/init.asp>

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BUSINESS IDENTIFICATION AND NONDISCRIMINATION

(TO BE SUBMITTED WITH BID)

	Yes	No												
Small Business as defined by the US. Small Business Administration (SDB, SBE, Hub Zone)														
Minority Business Enterprise (MBE) If yes, please indicate the percentage of minorities who own, control or operate your company:														
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African American	%	Asian American	%											
Hispanic/Latino	%	Pacific Islander	%											
Native American	%	Other	%											
WOMAN-OWNED BUSINESS ENTERPRISE (WBE)														
LESBIAN, GAY, BISEXUAL, TRANSGENDER BUSINESS ENTERPRISE (LGBTE)														
DISABLED-OWNED BUSINESS ENTERPRISE (DOBE)														
DISABLED VETERAN BUSINESS ENTERPRISE OR VETERAN BUSINESS ENTERPRISE (DVBE, VBE, SDV)														
IS YOUR COMPANY CERTIFIED AS ONE OF THE BUSINESS DESIGNATIONS ABOVE? If yes, please give the certifying agency and include a copy of your current certification with your bid response. The 3 rd party certifying agencies recognized and accepted by GHS are included.														
LOCAL SMALL BUSINESS If yes, please indicate in which county your company is located? Please include a copy of business license with address. ____DeKalb ____Fulton ____Business location in both counties ____Other														

PART II – NONDISCRIMINATION POLICIES AND PROCEDURES

	Yes	No
Are you an individual and do not employ anyone? If yes, you do not need to complete the remainder of the questions.		
Does your company have an Equal Employment Opportunity/Affirmative Action statement posted on company bulletin boards?		
Do you notify all recruitment sources in writing of your company's Equal Employment Opportunity/Affirmative Action employment policy?		
Do your company advertisements contain a written statement that you are an Equal Employment Opportunity/Affirmative Action employer?		
Do you belong to any unions? If yes, have you notified each union in writing of your commitments to non-discrimination?		
Does your company have a collective bargaining agreement with workers? If yes, do the collective bargaining agreements contain non-discrimination clauses and/or your Equal Employment Opportunity policy covering all workers?		
Does your company, at least annually, maintain a written record of and review the Equal Employment Opportunity policy and Affirmation Action obligations with all employees including those having any responsibility for employment decisions?		
Do you conduct, at least annually, an inventory and evaluation of minority and female personnel for promotional opportunities and encourage these employees to seek, train and prepare for such opportunities?		
Do you conduct, at least annually, a review, of all supervisors' adherence to and performance under the vendors, and Contractor's Equal Employment Opportunity policies and Affirmative Action obligations?		
Is there a person in your company who is responsible for Equal Employment Opportunity? If yes, please give name, phone and email address.		

Please explain any no answers, use additional paper as necessary:

Authorized Representative Signature: _____

Date: _____

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DIVERSE SUPPLIER SUBCONTRACTING PLAN (PROGRAM MANAGEMENT)
(TO BE SUBMITTED WITH BID)- SUPPLIER DIVERSITY

The following are questions concerning the efforts your company will make to ensure that Diverse Supplier’s will have an equitable opportunity to compete for lower tier subcontracts associated with the Grady Health System agreement:

What product/service areas do you envision the inclusion of Diverse Suppliers and how is this determined? _____

How are Diverse Supplier capabilities determined by your company? _____

How will you ensure the maximum possible inclusion of Diverse Suppliers in all of your purchasing solicitations (i.e. Request for Proposals, Request for Information, and Request for Quotes, etc.)? _____

How will your company ensure that Diverse Suppliers are made aware of upcoming subcontracting opportunities and how will you prepare them to respond appropriately? _____

How will you monitor your company’s Diverse Supplier subcontracting performance to this agreement and make any adjustments to achieve the subcontracting plan goals? _____

Will your Diverse Supplier subcontracting administrator:

Yes / No

- _____ Develop and maintain bidders’ lists of Diverse Suppliers from all possible sources
- _____ Oversee the establishment and maintenance of your company’s contract and subcontract award records associated with this Grady Health System agreement?
- _____ Conduct or arrange the training of your company’s purchasing personnel on the Grady Health System agreement goals and processes to achieve this goal?
- _____ Review purchasing solicitation documents to remove statements, clauses, etc. which may tend to prohibit Diverse Supplier participation
- _____ Screen proposed purchasing solicitation documents for subcontracting opportunities and implement appropriate procurement policies and procedures to improve and increase opportunities to Diverse Suppliers
- _____ Introduce Diverse Suppliers to company purchasing personnel based on commodity or service in which these vendors may have a mutual or potential concern
- _____ Maintain records demonstrating that procedures have been adopted and implemented to comply with the reporting requirements and supplier diversity goals within the Grady Health System
- _____ Prepare and submit monthly, required Diverse Supplier reports to Grady Health System?

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DIVERSE SUPPLIER SUBCONTRACTING PLAN (DSSP) PG.2
(DIRECT SUPPLIER DIVERSITY REPORTING – TO BE SUBMITTED WITH BID)

In adherence to GHS’s commitment to Supplier Diversity, GHS suppliers must clearly as defined herein demonstrate good faith effort, for Tier II direct goods and/or services to be purchased from Diverse Business Enterprises certified by one or more of the 3rd party certification agencies recognized by GHS. Such spend with Diverse Business Enterprises will be monitored. In connection with such monitoring Contracted GHS Suppliers will be required to report to GHS monthly, in a manner in GHS’s sole discretion, all direct spend with Certified Diverse Business Enterprises. The Supplier Diversity Goal for this Solicitation is 20% of the total contract value.

Company Name: _____ Agreement Term: _____
GHS Business Unit: _____ GHS Business Unit Contact Name: _____
Phone Number: _____ Vendor Contact e-mail: _____

Description of goods/services provided under this primary agreement (include name of project if applicable):

Who will be responsible for coordinating your company’s Diverse Supplier subcontracting activities during the period of this contract?

Name/Title: _____ Company: _____
Address: _____ Phone: _____
Fax: _____ E-Mail Address: _____

State the total dollar value planned to be subcontracted associated with this GHS agreement:

Please list all of the GHS Accepted 3rd Party Certified Diverse Suppliers you have identified that will serve as Direct Tier 2 Subcontractors associated with this GHS project and the projected spend amounts with each company:

Vendor Name	Address	Contact	Phone	E-Mail	Certification Type	Business Classification (Product/Service)	Direct Projected Spend in Dollars	Direct Projected Spend by Percentage

Submitted by:

Authorized Representative Signature
Date

Title

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CERTIFICATION OF EFFORTS
(TO BE SUBMITTED WITH BID) – SUPPLIER DIVERSITY

Vendor: _____

Solicitation Name: _____ **Solicitation Number:** _____

I certify that the following efforts were made to achieve Certified Diverse Supplier participation.

- a) Provided written notices to certified diverse business enterprises who have the capability to perform the work of the contract or to provide the service **__Yes __No**
- b) Direct mailing, electronic mailing, facsimile or telephone requests **__Yes __No**
- c) Provided interested certified diverse business enterprises with adequate information about plans, requirements and specifications of the contract in a timely manner to assist them in responding to a solicitation **__Yes __No**
- d) Allowed certified diverse business enterprises the opportunity to review specifications and all other solicitation related items at no charge, and allowed sufficient time for review prior to the bid deadline **__Yes __No**
- e) Acted in good faith with interested certified diverse business enterprises, and did not reject certified diverse business enterprises as unqualified or unacceptable without sound reasons based on a thorough investigation of their capabilities **__Yes __No**
- f) Did not impose unrealistic conditions of performance on certified diverse business enterprises seeking subcontracting opportunities **__Yes __No**
- g) Additionally, I contacted the referenced certified diverse business enterprises and requested a bid. The responses I received were as follows:

Name and Address of certified diverse business enterprises	Type of work and Contract Items, Supplies or Services to be Performed	Response	Reason for Not Accepting Bid

(If additional space is required this form may be duplicated)

If applicable, please complete the following:

I hereby certify that certified diverse business enterprises were “Unavailable” or “Unqualified” to submit bids to provide goods and services for this Solicitation response. I further certify that efforts have been made to establish “Joint Ventures”, and said entities were also unavailable at this time.

Reasons for the “Unavailability” or being determined “Unqualified”;

Submitted by:

Authorized Representative Signature

Title

Date

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STATEMENT OF INTENT

TO BE COMPLETED BY ALL KNOWN JOINT VENTURE PARTNERS/ SUBCONTRACTORS/CONSULTANTS
(TO BE SUBMITTED WITH BID)- SUPPLIER DIVERSITY

Vendor: _____

Solicitation Name: _____ **Solicitation Number:** _____

_____ agrees to enter into a contractual agreement with
Prime Supplier
_____, who will provide the following goods/services
Joint Venture Partner/Subcontractor/Consultant

in connection with the above referenced Solicitation as a certified diverse business enterprises:

for an estimated amount of \$_____ or _____% of the total contract value.

_____ Prime Supplier _____ Joint Venture Partner /Subcontractor/Consultant

Intend to work together in accordance with this Contract Compliance Section of the bid, contingent upon award and execution of a contract with Grady Health System with to the aforementioned Prime Supplier.

I hereby certify that this statement is true and correct:

Prime Supplier Signature:

Joint Venture/Subcontractor/Consultant Signature:

Print Name:

Print Name, Title and Date:

Title:

Address:

Date:

Phone :

Fax:

SUPPLIER DIVERSITY CERTIFICATION:

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I certify that the statements made by me in this Supplier Diversity Section are complete and true to the best of my knowledge and belief, and are made in good faith. I understand that if I knowingly make any misstatements of facts, I am subject to disqualification and debarment from participation in future GHS contracting opportunities, held liable for breach of contract and subject to the enforcement of any remedies available under the contract or as a matter of contract law. I agree that no changes shall be made to this section without the written consent of GHS.

Authorized Representative Signature

Title

Date

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APPENDIX A: REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF OFFERORS

****REQUIRED INPUT WITH SUBMISSION****

CERTIFICATION

The undersigned certifies that he/she has read, understands, and agrees to be bound by the terms and conditions of the Request for Proposal (**RFP#XXXX**). The undersigned further certifies that he/she is legally authorized by the Offeror to make the statements and representations on this form, and that said statements and representations are true and accurate to the best of his/her knowledge and belief. The undersigned understands and agrees that if the Offeror makes any knowingly false statements, or if there is a failure of the successful Offeror (i.e., contractor) to implement any of the stated agreements, intentions, objectives, goals, and commitments set forth herein without the prior approval of GHS, then the Offeror’s act or omission shall constitute a material breach of the contract. The right to terminate shall be in addition to and not in lieu of any other rights and remedies GHS may have for defaults under the contract. Additionally, the Offeror may be prohibited from obtaining future contracts awarded by GHS. GHS reserves the right to terminate any contract where a material breach has occurred.

NAME: _____

TITLE: _____

COMPANY: _____

ADDRESS: _____

TELEPHONE: _____

FACSIMILE: _____

E-MAIL: _____

(SIGNATURE)

(DATE)

Offeror's Name: _____

**This figure is the figure that will be used in the evaluation. _____

(Date Signed)

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APPENDIX C: SOLICITATION/CONTRACT FORM

REQUEST FOR PROPOSAL NUMBER: RFP#25008TM

RFP DESCRIPTION: Pharmacy Distributor

PROPOSAL RESPONSES MUST ARRIVE NO LATER THAN **3:00pm August 19, 2025**

NOTE: Mark the outside lower-left corner of your submission with the RFP number shown above.

This document contains 32 pages. Questions regarding RFP#25008TM should be directed to **Tenesha McGraw** no later than **COB July 30, 2025**

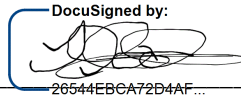
You are invited to submit your Proposal for the services listed within this RFP. Responses must arrive at:

<u>DELIVERY ADDRESS</u>	<u>MAILING ADDRESS</u>
Grady Health System Procurement Department 50 Hurt Plaza, Suite 1300 Atlanta, GA 30303	Grady Health System Procurement Department 50 Hurt Plaza, Suite 1300 Atlanta, GA 30303

***NOTE: FAXED RESPONSES WILL NOT BE ACCEPTED.**

Executive Director

Procurement & Strategic Sourcing: _____

DocuSigned by:

26544EBCA72D4AF...

DATE: 7/18/2025

PLEASE BE ADVISED:

Offerors must **complete and return all pages** required with Proposal submission. Failure to return these completed pages with responses may result in non-consideration of Proposal submission.

Please acknowledge receipt of the following Addenda to the solicitation documents below by entering the number and the date of each:

Addendum No.: _____ Date: _____

Addendum No.: _____ Date: _____

NAME OF RESPONDING FIRM: _____

NAME OF COMPANY OFFICER: _____

(Company officer must have authority to legally bind the company)

TITLE: _____

DATE: _____

(MANDATORY) SIGNATURE OF COMPANY OFFICER ABOVE (Certifying agreement with specifications, terms and conditions unless otherwise noted).

Signature

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***ATTACHMENT A: SPECIFICATIONS
(Excel Document)***



RFP25008TM%20Pri
cing%20Sheet.xlsx

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ATTACHMENT B: TERMS AND CONDITIONS

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Terms and Conditions.

- A. This Agreement shall become effective on Effective Date and shall remain in effect for a period of 3 years (the “Initial Term”). After the Initial Term, the Agreement may be renewed for additional one (1) year terms (each a “Renewal Term”) by the mutual written consent of the Parties.
- B. This Agreement may be renewed or amended at any time and from time to time by mutual written consent of the Parties.
- C. This Agreement may be terminated, without cause, by either Party upon not less than 30-days written notice to the other Party. The “Termination Period” is defined as the date of the written notice until the termination date. During the Termination Period, each Party will continue to fully honor its obligations under this Agreement.

Termination and Bankruptcy

- A. Immediate Termination. Notwithstanding anything to the contrary herein, GHS shall have the option to immediately terminate this Agreement if Vendor fails to meet any of the requirements of Section IV herein.
- B. Bankruptcy. In addition to all other rights or remedies provided for in this Agreement or by law, GHS may immediately terminate this Agreement if:
 - 1. Vendor becomes insolvent or make a general assignment for the benefit or creditors;
 - 2. Vendor admits in writing the inability to pay debts as they mature;
 - 3. Any court appoints a trustee or receiver with respect to Vendor or any substantial part of Vendor’s assets; or
 - 4. Any action is taken by or against Vendor under any bankruptcy or insolvency law or laws relating to the relief of debtors, including the Federal Bankruptcy Act.

III. Compensation

- A. GHS shall pay Vendor for the Services at the rates set forth in the Statement of Work.
- B. GHS shall pay Vendor sixty (60) days of the receipt of an invoice from Vendor. Vendor shall not charge interest on past due payments. Vendor shall send invoices to:
Grady Health System
Accounts Payable
[address]
ap@gmh.edu
- C. The Parties acknowledge that GHS is a tax-exempt entity.
- D. Vendor Registration- All vendors are required to complete a Vendor Registration Application through the GHS electronic vendor registration process. All fees due are the responsibility of the Vendor and associates. The registration allows GHS to manage the supplying of critical services to the health system, profile of the Vendor and all representatives that visit. The electronic Vendor Registration Application can be completed on GHS website www.gradyhealth.org/suppliers or <https://registersupplier.ghx.com>

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IV. Licensure, Certification, Regulatory and Corporate Compliance.

- A. Each of Vendor and GHS warrants, represents, covenants and agrees that it is duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization and is duly authorized and in good standing to conduct business in the State of Georgia, that it has all necessary power and has received all necessary approvals to execute and deliver this Agreement, and that the individual executing the Agreement on its behalf has been duly authorized to act for and bind it.
- B. Throughout the term of this Agreement, each of Vendor and GHS (as applicable) must:
 - 1. be appropriately licensed by the Georgia Department of Public Health;
 - 2. be appropriately certified by the Centers for Medicare & Medicaid Services as a Medicare and Medicaid Vendor;
 - 3. be operational at least two (2) years from the date of initial licensure; and
 - 4. if applicable, be accredited by The Joint Commission.
- C. Each of Vendor and GHS represents and warrants that it and any of its directors, officers, employees, or agents providing services under this Agreement are not, and shall not become:
 - 1. “sanctioned persons” under any federal or state program or law;
 - 2. listed in the current Cumulative Sanction List of the Office of Inspector General for the United States Department of Health and Human Services for currently sanctioned or excluded individuals or entities;
 - 3. listed on the General Services Administration’s List of Parties Excluded individuals or entities;
 - 4. listed on the General Services Administration’s List of Parties Excluded from Federal Programs;
 - 5. convicted of a criminal offense related to health care; and
 - 6. investigated, under investigation, or found guilty of any act by the Office of the Inspector General of the United States.
- D. Each of Vendor and GHS agrees that, before execution of this Agreement, it will provide proof that its employees and staff are adequately trained in Corporate Compliance and Ethics and that each employee has been cleared by a criminal background check and is not barred or excluded from participating in a federal healthcare program.
- E. Each of Vendor and GHS shall notify the other immediately of the lapse, nonrenewal, suspension, or revocation of any required license or certification or of its inability to make the representations contained in this Section.
- F. If either Party fails to maintain, loses, or becomes ineligible for any required certification or license, the other Party shall have the option to immediately terminate this Agreement.
- G. GHS shall have the option to immediately terminate this Agreement if Vendor solicits GHS staff, physicians, or patients for patient referrals, or solicits patient referrals from another entity as prohibited by law.

V. Insurance and Indemnification.

A. Vendor Coverage.

Vendor shall secure and maintain, at all times during the Initial Term and any Renewal Term, at Vendor’s sole expense, with a carrier licensed and authorized to do business in the State, insurance of the following types and limits listed below. Such policies shall not be cancelable except upon thirty (30) days’ prior written notice. Vendor shall annually provide

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GHS a certificate of insurance evidencing such coverage and coverage extensions via Grady's vendor registration system as described in Section VIII(R) herein.

Vendor shall name GHS, its affiliates, employees, officers, directors, and agents as an additional insured by endorsement, where applicable, on all insurance required by this Agreement. Additional Insured status may be conferred by reference to the underlying primary policy, or by endorsement, either specific to GHS or via a "blanket" or "automatic" endorsement addressing any person or entity as required by contract for ongoing operations and completed operations. Vendor's insurance shall be primary and non-contributory be primary and non-contributory with respect to any insurance or self-insurance that is maintained by GHS, regardless of whether such insurance maintained by GHS is designated as primary or excess. Vendor shall include a waiver of subrogation on all applicable policies to the fullest extent permitted by law.

1. Commercial General Liability Insurance covering bodily injury and property damage to third parties and including Products/Completed Operations, Blanket Contractual Liability, and Personal/Advertising Injury:

Per Occurrence	\$1,000,000
General Aggregate	\$3,000,000
Personal/Advertising Injury	\$1,000,000 per occurrence
Products/Completed Operations	\$1,000,000 aggregate

2. Workers' compensation and employers' liability insurance covering Vendor's employees and Vendor staff:

Workers' Compensation	Statutory Limits
Statutory limits Employers' Liability	\$1,000,000 each accident \$1,000,000 disease policy limit \$1,000,000 disease each employee

Such coverage shall be placed as an actual Workers' Compensation policy, not as a health benefits policy, and shall be endorsed to include (1) a waiver of subrogation in favor of the other Party, and (2) a thirty (30) day notice of cancellation.

3. Comprehensive Auto Liability covering Vendor, all Vendor Staff and all of Vendors' employees, and any owned, hired, or non-owned vehicle which will be used in connection with this Agreement, or which will be brought onto GHS property:

Comprehensive Auto	\$1,000,000 per occurrence \$3,000,000 aggregate or \$3,000,000 Combined Single Limit
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Policy shall include Physical Damage (Comprehensive/Collision) on all vehicles as well with a deductible no higher than \$500/claim or occurrence.

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4. Professional liability insurance on either an occurrence basis or on a claims-made basis covering Vendor, all Vendor Staff, all of Vendors' employees, and any contractors or subcontractors employed or utilized in connection with this Agreement:

Professional Liability	\$3,000,000 per claim/occurrence and \$6,000,000 aggregate
------------------------	---

Professional liability insurance may be through Vendor's self-insurance program. If covered through self-insurance, Vendor must have Umbrella/Excess Liability insurance as described below, with a carrier or carriers licensed and authorized to do business in the State and having at least an "A" BEST rating.

5. Technology/Cyber Professional Liability or Technology/Cyber Errors and Omissions insurance covering Vendor and all Vendor staff, employees, and agents:

Cyber Liability	No less than \$2,000,000 per claim/occurrence \$2,000,000 annual aggregate
-----------------	--

Such insurance shall include coverage for privacy liability, identity theft, network security liability and network extortion threats.

6. Umbrella/Excess Liability

Umbrella/Excess Liability	\$5,000.000 per claim/occurrence
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Umbrella/Excess Liability insurance must have terms and conditions at least as broad as (or following the form of) the underlying Commercial General Liability, Comprehensive Auto Liability, Professional Liability and Employers Liability policies.

- B. GHS Coverage.** GHS shall maintain general and professional liability insurance consistent with insurance coverage typically maintained by facilities of similar size in the State of Georgia and provide evidence of such coverage to Vendor at Vendor's reasonable request.
- C. Vendor Indemnification.** Vendor agrees to indemnify and hold GHS, its subsidiaries/affiliates, officers, directors, employees and physicians harmless from and against all claims, liabilities, damages, losses and expenses (including, without limitation, reasonable attorneys' fees) relating to or arising out of or in connection with, in whole or in part, directly or indirectly: (i) any breach of Vendor, its agents, directors, officers, employees, and contractors of this Agreement or (ii) the negligent or willful acts or omissions of Vendor, its agents, directors, officers, employees, or contractors.
- D. GHS Indemnification.** GHS agrees to indemnify and hold Vendor, its officers, directors, and employees harmless from and against all claims, liabilities, damages, losses and expenses (including, without limitation, reasonable attorneys' fees) relating to or arising out of or in connection with, in whole or in part, directly or indirectly: (i) any breach of GHS or its agents, directors, officers, employees, or contractors of this Agreement or (ii) the solely grossly negligent or willful acts or omissions of GHS, its agents, directors, officers, employees, or contractors.

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- E. **Mutual Understandings.** Neither Party assumes any liability or responsibility for the sole negligence of the other. Each Party understands and agrees that this indemnity provision is in no way intended to reduce or eliminate any insurance coverage maintained by either Party.
- F. **Settlement or Compromise of Claims.** Notwithstanding the foregoing, neither Party shall enter into any settlement or compromise of any claim (pending or threatened), suit, or other action that would result in the admission of any liability by the other Party, any financial liability on the part of the other Party or would subject the other Party to injunctive relief without first obtaining the other Party's prior written consent.

VI. Confidential Information and HIPAA Compliance.

- A. For the purposes of this Agreement, confidential information ("Confidential Information") shall mean all proprietary, secret, or confidential information or data, in whatever form (including on paper, electronically, on magnetic media, orally or otherwise), relating to GHS and Vendor and their respective operations, employees, services, patients. Each Party will treat the terms of this Agreement and the other Party's written, proprietary business information as confidential if marked as confidential or proprietary.
- B. Vendor and GHS acknowledge that they may disclose Confidential Information to each other in connection with this Agreement. If Vendor or GHS receives Confidential Information of the other Party, it shall: (a) maintain the Confidential Information in confidence; (b) use at least the same degree of care in maintaining the confidentiality of the Confidential Information as it uses in maintaining the confidentiality of its own confidential information, but in no event less than a reasonable degree of care; (c) use Confidential Information only to fulfill its obligations under this Agreement; and (d) return or destroy all documents, copies, notes, or other materials containing any portion of the Confidential Information upon the request of the Party disclosing the Confidential Information.
- C. Neither GHS nor Vendor shall disclose the terms of this Agreement to any other person or entity outside its organization and affiliates other than as required by law, except as may be reasonably necessary to carry out their respective obligations in connection with this Agreement, provided such third parties agree in writing to the same level of confidentiality as described herein. Notwithstanding the foregoing, the Parties may agree to publish information or issue press releases regarding the existence of a post-acute collaborative partnership. The Parties may also share information among other post-acute collaborative partners as necessary to improve transitions and continuity of patient care, effect better patient outcomes and enhance quality of care.
- D. Vendor and GHS shall have no obligation concerning any portion of the Confidential Information which: (a) was known to it before receipt, directly or indirectly, from the disclosing Party; (b) is lawfully obtained, directly or indirectly, by it from a non-party which was under no obligation of confidentiality; (c) is or becomes publicly available other than as a result of an act or failure to act by the receiving Party; (d) is required to be disclosed by the receiving Party by applicable law or legal process; or (e) is developed by the receiving Party independent of the Confidential Information disclosed by the disclosing Party. The receiving Party shall not disclose any portion of the Confidential Information to any person except those of its employees and affiliates having a need to know such portion to accomplish the purposes contemplated by this Agreement.

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- E. The foregoing confidentiality obligations and use restrictions shall survive the termination or expiration of this Agreement for twenty-four (24) months thereafter, provided that any Confidential Information of a Party that is a trade secret of such Party shall continue to be subject to such confidentiality obligations and use restrictions set forth above in this Article 5 after such twenty-four (24) month post termination/expiration period has lapsed.
- F. GHS and Vendor acknowledge and agree that during the course of this Agreement it may have access to or be provided with the other Party's "Protected Health Information" ("PHI"), as that term is defined in Section 164.501 of the Privacy Regulations, as well as the Security Regulations, issued by the Department of Health and Human Services under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and GHS and Vendor each agree to comply with the applicable requirements thereof. The Parties will execute a Business Associate Agreement ("BAA"), attached hereto as Exhibit "B" and incorporated by reference.

VII. Compliance with Federal and State Law; Inspection of Books and Records.

- A. Each Party shall observe, perform, and comply with or require compliance with all federal, state, and local laws, ordinances and regulations and all amendments thereto which in any manner may affect the services provided by Vendor pursuant to this Agreement.
- B. Neither Party shall discriminate because of race, color, religion, gender, age, national origin, sexual orientation, disability, or status as a veteran, as defined and prohibited by applicable law, in the recruitment, selection, training, utilization, promotion, termination or other employment-related activities of its employees. Each Party affirms that it is an equal opportunity employer and shall comply with all applicable federal, state, and local laws and regulations relating to non-discrimination.
- C. Each Party shall render services to patients hereunder without regard to race, color, religion, gender, age, national origin, sexual orientation, disability, or status as a veteran.
- D. To the extent applicable to the work hereunder, the Parties hereby certify pursuant to the Drug-Free Workplace Act (O.C.G.A. § 50-24-1 through 50-24-6), that:
 - 1. A drug-free workplace will be provided for its employees during the performance of this Agreement; and
 - 2. A written certificate shall be secured from each subcontractor hired by it stating that: "As part of the subcontract, subcontractor certifies that a drug-free workplace will be provided for subcontractor's employees during the performance of this subcontract pursuant to paragraph (7) of subsection (b) of Code Section 50-24-3."
- E. **Non-Solicitation.** Neither Party shall solicit the services of, nor employ or procure on behalf of another, the employment of any individual currently employed by the other Party or under a service contract with said Party; nor shall either Party or either Party's staff engage in any other activity which would conflict with its respective obligations hereunder. Each Party shall cause its employees to comply with the terms and conditions of this Agreement.
- F. **Request to Inspect.** If a request to inspect this Agreement, or any portion thereof, is made by a third party, GHS will endeavor to treat all materials requested to be kept confidential and non-disclosable to the extent provided by the Georgia Open Records Act. Vendor understands that GHS may be subject to the provisions of such Act together with the

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Uniform Trade Secrets Act. GHS will endeavor to inform Vendor of any third-party request for disclosure of such information pursuant to the Georgia Open Records Act or as may be otherwise made to GHS.

- G.** If this Agreement is determined to be subject to the provisions of Section 952 of P.L. 96-449, then the following provisions of this Section 6.6 shall be effective. Until the expiration of four (4) years after the furnishing of any service pursuant to this Agreement, Vendor shall make available upon the written request of the Secretary of Health and Human Services or the Comptroller General of the United States, or any of their duly authorized representatives, copies of this Agreement and any books, documents, records and other data that are necessary to certify the nature and extent of costs incurred by Vendor for such services. If Vendor carries out any of its duties under this Agreement through a subcontract with a related organization involving a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve (12) month period, Vendor shall cause such related organization furnishing of any service pursuant to said contract, to make available upon the written request of the Secretary of Health and Human Services or the Comptroller General of the United States, or any of their duly authorized representatives, copies of records of said related organization that are necessary to certify the nature and extent of cost incurred by Vendor for such service.
- H.** Each Party shall comply with all applicable local, state, and federal licensing, accreditation, and registration requirements/standards, necessary in the performance of this Agreement. In addition, Vendor will reasonably assist GHS in its regulatory and accreditation requirements.
- I.** **Compliance with Anti-Kickback and Stark Requirements.** The Parties acknowledge that this Agreement provides for the Vendor to provide services to GHS and/or GHS' patients. Nevertheless, except as specifically required by duties hereunder, nothing in this Agreement shall be construed to require GHS to refer patients to Vendor or utilize Vendor to provide inpatient, outpatient or other services to patients or to otherwise generate business for Vendor or any other Vendor-affiliated entity. Notwithstanding any unanticipated effect of any of the provisions herein, the parties intend to comply with 42 U.S.C. §1320a-7b(b), commonly known as the federal Anti-Kickback Statute, 42 U.S.C. §1395nn, commonly known as Stark, and any federal or state law provision governing fraud and abuse or self-referrals under the Medicare or Medicaid programs, or any other federal or state health care program, as such provisions may be amended from time to time. The parties intend that this Agreement comply with: (i) as many as reasonably practicable of the conditions for meeting the Anti-Kickback Statute personal services and management contract safe harbor set forth in 42 C.F.R. §1001.952(d); and, (ii) the requirements of the personal services arrangement exception to Stark, 42 U.S.C. §1395nn(e)(3) as interpreted in §411.357(d), and the final regulations promulgated thereto, as such regulations may be amended. This Agreement shall be construed in a manner consistent with compliance with such statutes and regulations, and the parties hereto agree to take such actions as are necessary to construe and administer this Agreement consistent therewith. The purpose of this Agreement is to provide services to GHS' patients. The Parties further intend that the compensation paid hereunder shall be fair market value for the services rendered based on arm's length bargaining and the value of similar services in the community. In the event any court or administrative agency of competent jurisdiction determines this Agreement violates any of such statutes or

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regulations, or that the compensation hereunder exceeds reasonable compensation for purposes of any limitations applicable to tax-exempt entities, then the parties hereto agree to take such actions as necessary to amend this Agreement to comply with the applicable statutes or regulations, as provided herein.

J. Conflict of Interest. GHS is committed to doing business according to the highest standards of business ethics and expects the same conduct from its vendors. Accordingly, Vendor represents and warrants that it has not offered or provided to GHS, or to any employee or agent, any gifts, benefits, or unusual hospitality that may have influenced or appeared to influence GHS or its employees or agents in selecting Vendor to provide the Services hereunder. Furthermore, Vendor agree not to offer or provide to GHS, or to any employee or agent, any gifts, benefits, or unusual hospitality that may in any way influence or appear to influence GHS or its employees or agents in the performance of their duties hereunder.

K. Security; Electronic Communications.

1. GHS reserves the right, but does not have the obligation, to conduct, for security reasons, a background investigation on the Vendor and its principal parties or personnel. Vendor shall cooperate with GHS in this endeavor and shall provide any necessary information. Vendor acknowledges that GHS is under no obligation to provide a copy of the background investigation to Vendor, and Vendor waives all rights it may have in any information it provides to GHS.
2. In fulfilling the obligations under this Section, Vendor shall comply with all laws, rules, and regulations regarding making investigative reports and the disclosure of the information contained therein. Vendor shall indemnify, defend, and hold GHS harmless against any wrongful disclosure by Vendor, their employees, and/or their agents of said reports and the information contained therein.
3. With respect to the Services under this Agreement, GHS and/or Vendor may wish to communicate or deliver documents electronically, via facsimile, electronic mail, or similar methods (collectively, "E-mail"). However, the Parties recognize that the electronic transmission of information, including attachments to E-mail and access to E-mail systems, cannot be guaranteed to be secure from third-party interception, error-free or free from viruses or other damaging computer code, and that such information could be intercepted, corrupted, infected, lost, destroyed, delayed or incomplete, or otherwise be adversely affected during transmission or harmful to the recipient's computer system. Each of GHS and Vendor have taken steps within their organizations to reduce the foregoing risk, consistent with the industry practices; however, there can be no assurance that outgoing E-mail is free of the foregoing faults or that use of E-mail will not create any harm to electronic systems. Unless Vendor notifies GHS otherwise in writing, GHS shall regard Vendor's acceptance of this Agreement as including Vendor's consent to accept and use E-mail for all means of communication under the Agreement except Notice required under Section VIII(F).

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VIII. Diverse Supplier Sub-Contracting Plan.

A. Supplier Diversity.

1. It is an overall objective of GHS to encourage involvement by Diverse Business Enterprises as contractors and suppliers in business activities generated by GHS, while assuring that such activities will be conducted in accordance with all applicable laws. It is the declared policy and intent of GHS to strive to maximize participation of Diverse Business Enterprises through all business contracting opportunities. GHS is committed to ensuring that Diverse Business Enterprises are given every opportunity to participate in contracting opportunities.
2. In adherence to GHS' commitment to Supplier Diversity, Vendor must clearly, as defined by GHS, demonstrate good faith effort to achieve the Supplier Diversity goal set forth by reporting to GHS Direct Tier II goods and/or services purchased from Diverse Business Enterprises certified by one (1) or more of the third-party certification agencies recognized by GHS. Such spend with Diverse Business Enterprises will be monitored. In connection with such monitoring, Contractor will be required to report Diverse Supplier Spend to GHS quarterly in a manner to GHS' sole discretion. Failure to meet the GHS Supplier Diversity objectives or to report in the manner prescribed by GHS shall be a material breach of any controlling contract between GHS and Contractor or vendor.
3. GHS prohibits discrimination on the basis of race, color, gender, religion, national origin, or disability in connection with employment of any person, or the award of any contract. GHS will provide equal opportunities without regard to race, color, gender, religion, national origin, or disability, by requiring that any vendor doing business with GHS provide equal opportunity to persons and businesses employed by or contracting with the supplier of products and services to GHS. GHS expects that the policies, programs, and practices of its vendors/Contractors are carried out in an equitable fashion and that Certified Diverse Business Enterprises are afforded an equitable opportunity to share in contract/subcontract opportunities.
4. The Supplier Diversity Goal for this contract is 20 percent of the total contract value.

B. Relationship of the Parties

1. The Parties to this Agreement understand and agree that the Parties are independent contractors, and that no agency, employment partnership, or joint venture relationship is created by this Agreement. The Parties further agree that neither Party will have the authority to act for the other in any manner, nor to create obligations or debts that would be binding up on the other except as specifically provided herein.
2. The Parties hereto acknowledge that each is solely responsible for payment of all state and federal taxes required to be levied on wages of its employees, including but not limited to FICA and unemployment taxes.

C. Headings. The descriptive headings of the sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any provision hereof. Parties acknowledge that they participated equally in the negotiation and drafting of this Agreement and that, accordingly, no court shall construe this Agreement more stringently against one Party than the other.

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- D. No Assignment; Successors.** Neither Party may assign any rights or obligations in connection with this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld or denied. Any attempted assignment without such consent shall be of no force or effect. Notwithstanding, either Party may assign without obtaining consent from the other Party, its rights and obligations under this Agreement, (a) to any entity which is an Affiliate of the assigning Party, and (b) to a successor entity of the Party as part of an internal reorganization of that Party which results in the Party being organized in a different legal entity or corporate form, whether through conversion or merger. Subject to the foregoing, all terms, conditions, covenants, and agreements contained herein shall inure to the benefit of, and be binding upon, any successor and any permitted assignees of the respective Parties hereto. It is further understood and agreed that consent by either Party to such assignment in one instance shall not constitute consent by the Party to any other assignment.
- E. Severability.** If any term or provision of this Agreement shall be held to be invalid, illegal or unenforceable, the remaining terms and provisions of this Agreement shall remain in full force and effect, and such invalid, illegal or unenforceable provision shall be deemed not to be a part of this Agreement.
- F. Force Majeure.** Each Party shall be excused from performing its obligations arising from any delay or default caused by events beyond its reasonable control including, but not limited to, acts of God, acts of third parties, acts of the other Party, acts of any civil or military authority, fire, floods, pandemic, endemic, war, terrorism, embargoes, labor disputes, acts of sabotage, riots, accidents, delays of carriers, subcontractors or suppliers, voluntary or mandatory compliance with any government act, regulation or request, shortage of labor materials or manufacturing facilities.
- G. Notice.** Any notice required to be given pursuant to the terms and provisions hereof shall be in writing, postage and delivery charges pre-paid, and shall be sent by facsimile, hand delivery, overnight mail service, first-class mail or certified mail, return receipt requested, to the Party at the following address:
- | | |
|--|--|
| <p>If to GHS:
 Grady Health System
 Attn:

 Telephone:
 Email:
 With Copy To: General Counsel
 Office of Legal Affairs
 80 Jesse Hill Jr. Drive
 P.O. Box 26145
 Atlanta, Georgia 30303</p> | <p>If to Vendor:
 [Vendor]
 Attn: [Vendor Representative]
 [Address for Notice]
 Telephone:
 Email:</p> |
|--|--|
- H. Modification and Waiver.** No modification of this Agreement shall be deemed effective unless in writing and signed by each of the Parties hereto. Any waiver of a breach of any provision(s) of this Agreement shall not be deemed effective unless in writing and signed by the Party against whom enforcement of the waiver is sought.

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No waiver or breach of this Agreement shall constitute a waiver of any other breach of such provision, and no such waiver shall be construed as a continuing waiver.

- I. **Counterparts.** This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes constitute part of one original.
- J. **Survival.** The terms and provisions of this Agreement which by their nature require performance by either party after termination or expiration of this Agreement (specifically including but not limited to the provisions regarding indemnification and insurance) will be and remain enforceable notwithstanding such termination or expiration for any reason whatsoever.
- K. **Governing Law.** This Agreement shall be governed by and construed, interpreted, and enforced according to the laws of the State of Georgia, without regard to its conflicts or choice of law principles. The exclusive venue for disputes arising under this Agreement shall be in the state and federal courts located in Fulton County, Georgia.
- L. **Entire Agreement.** This Agreement, including all Exhibits attached, embodies the entire understanding between Vendor and GHS and supersedes all written or oral agreements, if any, which directly relates to the subject matter of this Agreement.
- M. **No Third Party Beneficiaries.** This Agreement is not intended to confer any rights or remedies upon any person other than the Parties hereto.
- N. **Licenses.** Except as otherwise provided in this Agreement, GHS grants no licenses, express or implied, to Vendor under any patents, copyrights, trademarks, trade secrets or any other intellectual property.
- O. **Warranty for Services.** Vendor warrants to GHS that the Services provided under this Agreement shall be performed in a professional manner to GHS's satisfaction and in accordance with the specifications set forth in the applicable Statement of Work. The GHS Contact designated herein shall have sole discretion to determine the quality and acceptability of the Services performed pursuant to this Agreement.
- P. **Non-exclusive Rights.** This Agreement does not grant Vendor an exclusive privilege to provide to GHS any or all Services that GHS may require. GHS at its option may obtain comparable Services from other suppliers. In addition, GHS, at its sole discretion, shall determine the extent of GHS's efforts to market, advertise, promote, or support the Services.
- Q. **Publicity; Use of Marks.** Vendor agrees to submit to GHS all advertising, sales promotion, press releases, and other publicity matters relating to this Agreement or mentioning or implying the trade names, logos, trademarks or service marks (hereinafter "Marks") of GHS or language from which the connection of said Marks therewith may be inferred or implied or mentioning or implying the names of any personnel of GHS. Vendor further agrees not to publish or use such advertising, sales promotion, press releases, or publicity matters without GHS's prior written consent.
- R. **Vendor Registration.** Vendor is required to complete an annual Vendor Registration Application through the GHS electronic vendor registration process prior to visiting any location or department of the health system. The registration allows GHS to have a complete profile of the vendors and all representatives that visit GHS to solicit products and services to GHS. The electronic Vendor Registration Application can be completed on the GHS website at <https://www.gradyhealth.org/suppliers/>.