



**SUBMITTAL TO THE RIVERSIDE UNIVERSITY HEALTH
SYSTEM MEDICAL CENTER GOVERNING BOARD
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 18.1
(ID # 27570)

MEETING DATE:
Tuesday, May 06, 2025

FROM : RUHS-MEDICAL CENTER

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER: Ratify and Approve the Second Amendment to Enhancement Addendum #39 of the Pharmacy Distribution Agreement between the County of Riverside, Vizient Supply, LLC, and AmerisourceBergen Drug Corporation for Pharmacy Distribution Services to extend the contract period through June 30, 2025, All Districts. [Total Cost \$0]

RECOMMENDED MOTION: That the Board of Supervisors:

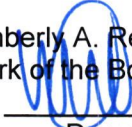
1. Ratify and approve the Second Amendment to Enhancement Addendum #39 to the Pharmacy Distribution Agreement between the County of Riverside, Vizient Supply, LLC, and AmerisourceBergen Drug Corporation for pharmacy distribution services to extend the contract period for an additional three months through June 30, 2025, with no increase to the previously approved aggregate spend amount of \$389,801,733, and authorize the Chair of the Board to sign the Amendment on behalf of the County; and
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of funding and as approved by County Counsel, to: (a) sign amendments that exercise the options of the agreement including modifications of the statement of work that stay within the intent of the agreement, (b) sign amendments to the compensation provisions that do not exceed the sum total of ten percent (10%) of the total annual cost of the Agreement, and (c) issue Purchase Orders for any goods and/or services rendered within the approved contract amount.

ACTION:Policy

MINUTES OF THE GOVERNING BOARD

On motion of Supervisor Washington, seconded by Supervisor Gutierrez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Medina, Spiegel, Washington, Perez and Gutierrez
Nays: None
Absent: None
Date: May 6, 2025
xc: RUHS-MC

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$0	\$0	\$0	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: N/A			Budget Adjustment: No	
			For Fiscal Year: 24/25	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The requested Board action will approve a Second Amendment to Enhancement Addendum #39 to the Pharmacy Distribution Agreement between the County of Riverside, Vizient Supply, LLC, and AmerisourceBergen Drug Corporation. The Second Amendment to Enhancement Addendum #39 will extend the previously approved contract and authorized aggregate spend for an additional three months through June 30, 2025. This extension will ensure uninterrupted pharmaceutical distribution services for Riverside University Health System (RUHS) while a competitive bid process is finalized for a new pharmaceutical wholesale distribution agreement. The three-month extension will provide adequate time to complete the procurement process and ensure a smooth transition to a new agreement.

AmerisourceBergen has been a key pharmaceutical distribution partner for RUHS, ensuring the reliable supply of critical medications across its healthcare network. The company has consistently provided enterprise-wide pharmaceutical distribution services, supporting RUHS Medical Center, Community Health Centers, Retail Pharmacies, the Public Health Department, and Correctional Health facilities. Through its extensive distribution network, AmerisourceBergen helps maintain a secure pharmaceutical supply chain, ensuring continuous access to essential medications, specialty drugs, and vaccines necessary for patient care. Its partnership has been instrumental in supporting RUHS's commitment to high-quality healthcare delivery, regulatory compliance, and cost-effective pharmaceutical procurement.

Impact on Residents and Businesses

These services are a component of RUHS's system of care aimed at improving the health and safety of its patients and the community. The three-month extension will ensure uninterrupted pharmaceutical services for patients across all RUHS facilities.

Additional Fiscal Information

This extension requires no additional funds beyond the previously approved aggregate spend amount of \$389,801,733.

Contract History and Price Reasonableness

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COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

On April 10, 2018, Agenda Item No. 3.25, the Board of Supervisors (Board) approved Enhancement Addendum #39 to the Pharmacy Distribution Agreement between the County of Riverside, Vizient Supply, LLC, and AmerisourceBergen Drug Corporation designating AmerisourceBergen as the Prime Vendor via Vizient Group Purchasing Organization (GPO) award for Pharmacy Distribution Services effective April 1, 2018 through March 31, 2023, and authorized a \$39,500,000 annual maximum spend for fiscal years FY17/18 – 22/23 (April 1, 2018 – March 31, 2023), for a total cost of \$197,500,000.

On November 02, 2021, Agenda Item No. 15.1, the Board ratified and approved an increase to the previously authorized spend amount under Enhancement Addendum #39 to the Pharmacy Distribution Agreement in the amount of \$36,299,021 for the period of July 1, 2020 through March 31, 2023, from \$197,500,000 total contract amount to an aggregate spend amount not to exceed \$233,799,021, and to extend the agreement and expend any of the remaining aggregate amount authorized above through March 31, 2025.

On June 08, 2023, a Restatement and Amendment of Enhancement Addendum #39 was executed under the Purchasing Agent's authority to amend the restated Addendum extending the term by two years through March 31, 2025.

On October 17, 2023, Agenda Item No. 15.2, the Board approved an increase to the previously authorized spend amount under Enhancement Addendum #39 to the Pharmacy Distribution Agreement in the amount of \$156,002,712 for the period of November 1, 2023, through March 31, 2025, from \$233,799,021 to an aggregate amount not to exceed \$389,801,733 allocated among multiple departments.

The proposed extension requires Board approval as it modifies the term previously approved by the Board on October 17, 2023 (Agenda Item No. 15.2). The Purchasing Agent does not have current authority to extend the contract term beyond the previously approved end date of March 31, 2025.

ATTACHMENTS:

ATTACHMENT A: Second Amendment to Enhancement Addendum #39


Melissa Curtis, Deputy Director of Purchasing and Fleet

4/2/2025


Jacqueline Ruiz, Principal Analyst

4/30/2025


Gregg Gu, Chief of Deputy County Counsel

4/30/2025

SECOND AMENDMENT TO ENHANCEMENT ADDENDUM #39

This Second Amendment ("Second Amendment") is entered into effective as of March 31, 2025 (the "Second Amendment Effective Date"), by and among Vizient Supply, LLC, f/k/a Novation, LLC, a Delaware limited liability company ("Vizient"), County of Riverside, a political subdivision of the State of California, on behalf of Riverside University Health System ("Member") and AmerisourceBergen Drug Corporation, a Delaware corporation ("Distributor"). Capitalized terms used herein and not otherwise defined herein shall have the respective meaning given to such terms in the Addendum (as defined below).

RECITALS

WHEREAS, Vizient, Member and Distributor entered into that certain Enhancement Addendum # 39 for pharmacy distribution services, effective April 1, 2018, and further identified as contract number DPABCGO, as may be amended from time-to-time (the "Addendum");

WHEREAS, the Addendum was an addendum to an agreement between Vizient and Distributor, dated May 1, 2015, and further identified as Vizient contract number DPABC (as amended, the "Previous Base Agreement");

WHEREAS, Vizient and Distributor entered into a new agreement dated July 1, 2024, also identified as Vizient contract number DPABC (the "Current Base Agreement"), under which the Addendum became attached as of July 1, 2024, as an addendum thereunder;

WHEREAS, any and all references to the Base Agreement in the Addendum refer to the Current Base Agreement (hereafter referred to as, the "Base Agreement");

WHEREAS, the Parties acknowledge and agree that while the Addendum expired April 1, 2025, Member continues to work in good faith to submit this Second Amendment for final execution at the next available Riverside County Board of Supervisors regular meeting, and the Parties desire to restate the Addendum in its entirety and extend the Addendum Term, effective March 31, 2025;

WHEREAS, the Parties acknowledge and agree the Addendum has remained in full force and effect since the Second Amendment Effective Date, and

WHEREAS, the Parties desire to amend the Addendum as set forth in this Second Amendment.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the Parties now wish to amend the Addendum as follows as of Second Amendment Effective Date:

1. Term. Section 3(a) of the Addendum is hereby deleted in its entirety and restated as follows:

- " a) This Addendum shall be effective beginning on the Effective Date and continue through June 30, 2025 (the "Addendum Term"), provided the Base Agreement or a Successor Agreement (as defined in the following Paragraph) remains in effect.

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In no event shall the Addendum Term continue beyond the term or earlier termination or expiration of the Base Agreement or a Successor Agreement.”

2. Miscellaneous.

- a. Authority. Each individual who is executing this Second Amendment represents and warrants that he or she is legally authorized to bind his or her respective entity to the terms and conditions set forth in this Second Amendment.
- b. Addendum in Full Force and Effect. Except as expressly set forth in this Second Amendment, the terms and conditions of the Addendum remain in all respects unmodified, and in full force and effect, and all references to the Addendum shall be to the Addendum as amended by this Second Amendment.
- c. Entire Agreement. The Addendum, as amended by this Second Amendment, together with any documents, instruments and certificates explicitly referred to in the Addendum, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes any and all prior discussions, negotiations, proposals, undertakings, understandings and agreements, whether written or oral, with respect thereto.
- d. Counterparts. This Second Amendment may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute but one and the same instrument. This Second Amendment will be effective as of the Second Amendment Effective Date.
- e. Severability. Any term or provision of this Second Amendment that is invalid or unenforceable in any situation in any jurisdiction will not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. In the event that any provision hereof would, under applicable law, be invalid or unenforceable in any respect, each Party hereto intends that such provision will be construed by modifying or limiting it so as to be valid and enforceable to the maximum extent compatible with, and possible under, applicable law.
- f. Headings. The headings contained in this Second Amendment are for convenience purposes only and will not in any way affect the meaning or interpretation hereof.

(Signature Page Follows)

IN WITNESS WHEREOF and intending to be legally bound hereby, the Parties have executed this Second Amendment to be effective as of the Second Amendment Effective Date.

VIZIENT SUPPLY, LLC

DocuSigned by:
By: *Mittal Sutaria*
76A8DF6655724BA...

Name: Mittal Sutaria
Title: SVP, Spend Management Solutions
Date: 4/14/2025 | 1:47 PM PDT

AMERISOURCEBERGEN DRUG CORPORATION

DocuSigned by:
By: *Colby Adams*
7CEF776AB9184C2...

Name: Colby Adams
Title: National Vice President
Date: 4/25/2025 | 7:29 AM CDT

**COUNTY OF RIVERSIDE, A POLITICAL
SUBDIVISION OF THE STATE OF
CALIFORNIA, ON BEHALF OF RIVERSIDE
UNIVERSITY HEALTH SYSTEM**

By: *V. Manuel Perez*

Name: **V. MANUEL PEREZ**
Title: **CHAIR, BOARD OF SUPERVISORS**
Date: **MAY 06 2025**

ATTEST:

By:

Name: Whitney Mayo for **KIMBERLY A. RECTOR**
Title: **Deputy Clerk of the Board**
Date: **MAY 06 2025**

APPROVED AS TO FORM:

By: *Esen Sainz*

Name: **Esen Sainz**
Title:
Date:

04/29/2025

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Riverside University Health System_CENCOR A_FLW_SECOND AMENDMENT TO EXTEND (1)

Final Audit Report

2025-04-29

Created:	2025-04-25
By:	Joel Ruvalcaba (J.Ruvalcaba@ruhealth.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAGRKVEpqr_-KqTEiFc1tKflnuc4bFErpe

"Riverside University Health System_CENCORA_FLW_SECON D AMENDMENT TO EXTEND (1)" History



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Signer esainz@rivco.org entered name at signing as Esen Sainz
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Document e-signed by Esen Sainz (esainz@rivco.org)
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