Revision number: 4

Purchasing Agent: David Gill
Phone: (801) 538-3254
Email: d Gill@utah.gov

**Item: Medical, Hospital and Personal Care Items**

Vendor: 68453J  
Physicians Sales and Service  
3044 South 1030 West  
Salt Lake City, UT 84119

Internet Homepage:  
www.pssd.com

Contact:
Jeremy Mathews  
Telephone: 801-977-0848  
Fax number: 801-908-0562  
Email: j mathew s@p ssd.com

Reporting Type: Line-Item

Price: See Section 2.2 “Pricing”  
See Section 2.2.6 dollar limit

Terms: Net 30 days  
Effective dates: 7/01/06 – 6/30/2011  
Potential renewal options remaining:  
Days required for delivery: Usually 1-2 days (See Section 4.4 “Distribution”)  
Price guarantee period: Six months from 7/01/06  
Freight and minimum order: See Section 4.4 “Distribution”  
Other conditions: See other sections of the Summary Responses

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**Revision #4: Contract has been extended through 06/30/2011.**

BID NO. GL6041

This contract covers only those items listed in the price schedule. It is the responsibility of the agency to ensure that other items purchased are invoiced separately. State agencies will place orders directly with the vendor creating a PRC in Finet. Agencies will return to the vendor any invoice which reflects incorrect pricing.

This is a multiple award contract. Once each year users shall document their reasons for using MA477 or MA2013.
A Summary of PSS’s Responses and Commitments

Pricing 2.2
Ordering 3.3
Distribution 4.4
Returned Goods Policy 4.4.5
Sales Support 5.5
Disaster Relief Plan (12 page Disaster Contingency Plan is in Full Contract)

Definitions:
“PSS” is Physician Sales and Service
“MMCAP” is Minnesota Multi-state Contract Alliance for Pharmacy
“GPO” is a Group Purchasing Organization and is similar to a co-op. MMCAP is a GPO

Section 2.2 – Pricing

The scope of this contract covers medical and hospital supplies, and personal care items. It is not intended to cover major equipment, services, or other items available from MMCAP and PSS. Contact Dave Gill (801-538-3254) with questions about what this contract may include.

2.2.1 This contract is based on MMCAP pricing. PSS charges the state MMCAP prices plus a distribution fee of 8.9% set by a contract between PSS and MMCAP.

2.2.2 For items not available through MMCAP, PSS charges the state a discount against "List Price". The discount may vary, based on product line. In most cases, this discount will exceed 25%. Because the prices for each account will be set to such rule, this discount will be reflected in the price found online, or through their PSS Representative. These prices shall remain consistent, for any customers accessing the State contract. For Audit purposes, PSS will set up a master list for the State.

2.2.3 Net pricing to the state may be accessed at the PSS website <http://www.mypss.com/>.

Historical prices and transactions will be retained on the PSS website for each account.

2.2.4 MMCAP net/raw prices and historical prices may be verified at the MMCAP website www.mmcap.org.

2.2.5 All prices include delivery, sales representation, all costs, and all PSS services offered under the contract.

2.2.6 All items available through MMCAP which are within the scope of this contract are part of this contract as though they had been included in the bid. Items within the scope of this contract are “medical, hospital and personal care items” with an each-price value of $1,800.00 dollars or less. Items above that value must be bid separately.

2.2.7 Break-bulk quantities in the lowest unit of measure (LUM) packaged (safe and sterile) by the manufacturer is a requirement of the contract.

2.2.8 Pricing for packaging levels are/must be multiples of each other. For example, if an Item is packaged by EA, 10 EA per BX, and 10 BX per CS, the EA price is 1/100th of the CS price and a BX is 1/10th of the CS price.
2.2.9 Non-GPO items quoted are based on standard distribution cost. Mark-ups will not change unless standard cost changes usually cost increases from manufacturers occur January 1st or June 1st in any given calendar year. Non-GPO item rules apply for all products. The distribution fee will remain the same regardless of cost changes in increase or decrease and will be passed along accordingly.

2.2.10 PSS sales representatives will give verbal notice of all price changes roughly sixty days (60) before a price is changed on the web. A written notice will be given to the state purchasing agent. (David Gill at the date of contract award.)

2.2.11 All rebates are calculated into the net price at point of sale.

2.2.12 Additional .5% discounts will be given when the State total purchase volume reaches these levels in a given fiscal year (July to June).

$500,000> additional .5%
$600,000> additional .5%

These discounts will be included in the net prices on the PSS web.

2.2.13 A compliance percentage will not be required for either contracted or non-contracted products.

2.2.14 Pricing will remain the same under the distribution cost plus mark up when the State purchasing card is used.

Section 3.3 – On-line Catalog and Ordering

3.3.1 An on-line catalog and on-line ordering are available under this contract.

3.3.2 All pricing will reflect the contract and non-contract products under the cost plus automatically on the website

3.3.3 The web site easily shows the quantities available for each package level (EA, BX, CS, etc.) and corresponding prices.

3.3.4 The web site shows what is in stock at the warehouse(s) located in Utah and at other PSS warehouses close to Utah

3.3.5 PSS offers a personalized usage list.

3.3.6 Fill rates, in-stock Items, estimated delivery times for non-stock, etc. be seen on line.

3.3.7 Smart Scan bar-coding with scanners, inventory management, MSDS sheets and customized reporting are also offered.

3.3.8 Unused in this summary.

3.3.9 Orders may also be placed by phone, fax, local customer service and via sales representatives.

3.3.10 All needed education and training will be provided via sales representatives and local
management. A twenty four (24) customer support line exists for trouble shooting and training. The phone number is (888) 477-7342. Press 1 for "mypress.com" and press 2 for "Smartscan".

Section 4.4 – Distribution

4.4.1 No minimum order size exists unless the manufacturer of a special order item requires a minimum order size.

4.4.2 The cut off for next day delivery on standard orders will be 4:00pm that business day. Orders received after that time will be second day delivery.

4.4.3 Our fill rate is defined as core commodity (common to most customers) products stocked in the Salt Lake City distribution center including products exclusive to the State of Utah. PSS guarantees a fill rate of no less than 98% on these products.

4.4.4 Non-stock products will usually be delivered within two weeks from the date of purchase depending on the method of freight agreed upon.

4.4.5 A ninety (90) day return policy is standard for stocked Salt Lake City products assuming the product is returned in good condition and is resalable. Non-stock items may be subject to a restocking fee usually implemented by the manufacturer.

4.4.6 The emergency plan is a separate attachment.

4.4.7 All products will be delivered by company vehicle to locations within 100 miles of the Salt Lake City distribution center. Beyond that distance and drop-ship items will be delivered by rapid delivery common.

4.4.8 The status of each order to be sent to the ordering facility on the day the order is placed.

Section 5.5 – Sales Support

5.5.1 PSS will provide sales support that is prompt (same day) to answer questions/ resolve issues unless the answer requires manufacturer’s assistance and the time zone difference will not allow a same day response. In that case a next day response will be provided.

5.5.2 PSS will provide sales support with expertise in the workings of the PSS Utah warehouse facility, its operation, products offered, the application/use of those products and with the ability to consult with facilities on cost saving and efficiency measures.

5.5.3 PSS will provide sales support with experience in serving all sizes of facilities, large to small. All facilities will be treated equally as a State of Utah customer.

5.5.4 All facilities will either be visited by a representative weekly or bi-weekly base upon individual wants and needs.

5.5.6 PSS will monitor closely and provide extra people as needed to smooth the transition into a new Contract and provide individualized attention for each ordering facility.
FINET COMMODITY CODE(S): For Agency use only
46500000000 – HOSPITAL AND SURGICAL EQUIPMENT, INSTRUMENTS, AND SUPPLIES
47000000000 – HOSPITAL AND HANDICAP EQUIPMENT AND SUPPLIES: MOBILITY, SPEECH IMPAIRED, AND RESTRAINT ITEMS
47500000000 – HOSPITAL, SURGICAL, AND RELATED MEDICAL ACCESSORIES AND SUNDRY ITEMS

REVISION HISTORY:
Revision #1: Added: Multiple award language, Scope of contract language in 2.2.
Revision #2: Please note new contact with updated information.
Revision #3: Reflect the MMCAP contract extension date and extend this contract to 06/30/2010.
Revision #4: Extended until 06/30/2011.