

1 [Contract Amendment - Priority Healthcare Distribution, Inc. d/b/a CuraScript Specialty  
2 Distribution - Procurement of Specialty Drugs - Not to Exceed \$98,480,168]

3 **Resolution approving Amendment No. 1 to the agreement between the City and County**  
4 **of San Francisco, acting by and through the Department of Public Health (DPH), and**  
5 **Priority Healthcare Distribution, Inc. d/b/a CuraScript Specialty Distribution, for the**  
6 **procurement of specialty drugs, to extend the term by four years from November 30,**  
7 **2026, for a total term of December 1, 2023, through November 30, 2030, and to increase**  
8 **the amount by \$89,480,168 for a total not to exceed amount of \$98,480,168; and to**  
9 **authorize DPH to enter into amendments or modifications to the agreement that do not**  
10 **materially increase the obligations or liabilities to the City and are necessary to**  
11 **effectuate the purposes of the agreement or this Resolution.**

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13 WHEREAS, On August 25, 2022, the Department of Public Health (DPH) submitted a  
14 request in the amount of \$9,000,000 to waive the Administrative Code, Section 21.5(d)  
15 competitive solicitation requirements for the procurement of specialty drugs from Priority  
16 Healthcare Distribution, Inc., doing business as CuraScript Specialty Distribution (“Original  
17 Waiver”); and

18 WHEREAS, On September 8, 2022, the Office of Contract Administration (OCA)  
19 approved the Original Waiver pursuant to Administrative Code, Section 21.5(d) because the  
20 specialty drugs are propriety articles available only from one source; and

21 WHEREAS, On December 1, 2023, DPH entered into an agreement with Priority  
22 Healthcare Distribution, Inc. d/b/a CuraScript Specialty Distribution for the procurement of  
23 specialty drugs (“Original Agreement”); and

24 WHEREAS, The Original Agreement has a term of December 1, 2023, through  
25 November 30, 2026, and a not to exceed amount of \$9,000,000; and

1           WHEREAS, DPH wishes to amend the agreement by extending the term to November  
2 30, 2030, and increasing the maximum expenditure by \$89,480,168 to \$98,480,168 (the “First  
3 Amendment”); and

4           WHEREAS, On August 27, 2025, DPH submitted a request to modify the Original  
5 Waiver increasing the amount by \$89,480,168 for a total not to exceed amount of  
6 \$98,480,168 (the “First Modification”); and

7           WHEREAS, On October 23, 2025, the Office of Contract Administration (OCA)  
8 approved the First Modification pursuant to Administrative Code ,Section 21.5(d); and

9           WHEREAS, Charter, Section 9.118(b) requires Board of Supervisors’ approval by  
10 Resolution of any contract which, when entered into, extends over 10 years, and of any  
11 contract which, when entered into, costs the City \$10,000,000 or more; and

12           WHEREAS, The proposed amendment contained in File No. 251130, is substantially in  
13 final form, with all material terms and conditions included, and only remains to be executed by  
14 the parties upon approval of this Resolution; now, therefore, be it

15           RESOLVED, That the Board of Supervisors hereby approves the amendment in  
16 substantially the form contained in File No. 251130; and, be it

17           FURTHER RESOLVED, That the Board of Supervisors authorizes DPH to make any  
18 modifications to the amendment, prior to its final execution by all parties, that DPH  
19 determines, in consultation with the City Attorney, are consistent with this Resolution, in the  
20 best interest of the City, do not materially increase the obligations or liabilities of the City, are  
21 necessary or advisable to effectuate the purposes of the amendment, and are in compliance  
22 with all applicable laws, including City’s Charter; and, be it

23           FURTHER RESOLVED, That within 30 days of the amendment being fully executed by  
24 all parties, DPH shall submit to the Clerk of the Board of Supervisors a completely executed  
25 copy for inclusion in File No. 251130; this requirement and obligation resides with the

1 Department, and is for purposes of having a complete file only, and in no manner affects the  
2 validity of approved amendment.

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7 RECOMMENDED

8 /s/ Jenny Louie for \_\_\_\_\_

9 Daniel Tsai

10 Director of Health

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