

Amendment to Blanket Contract 47025072 with Cardinal Health Canada Inc. for Medical and Personal Care Supplies for Seniors Services and Long-Term Care

Date: November 24, 2025

To: General Government Committee

From: General Manager, Seniors Services and Long-Term Care and the Chief Procurement Officer

Wards: All

SUMMARY

The purpose of this report is to request authority to amend the Blanket Contract Number 47025072 issued to Cardinal Health Canada Inc. for the supply and delivery of medical and personal care supplies for Seniors Services and Long-Term Care.

The total value of the amendment that is being requested is \$2,789,516 net of all applicable taxes and charges (\$2,838,611 net of HST recoveries), revising the current value of the Blanket Contract from \$3,680,276 net of all applicable taxes and charges (\$3,745,049 net of HST recoveries) to \$6,469,792 net of applicable taxes and charges (\$6,583,660 net of HST recoveries).

The amendment is required to address increased consumption of medical supplies across Seniors Services and Long-Term Care's ten long-term care homes, which has resulted in spending exceeding the current contract value. The amended Blanket Contract will be utilized for the procurement of additional medical and personal care supplies to meet ongoing operational demands of Seniors Services and Long-Term Care's long-term care homes.

This amount will sustain procurement through the remainder of the contract term, including all optional extension years, ending March 31, 2028.

RECOMMENDATIONS

The General Manager, Seniors Services and Long-Term Care and the Chief Procurement Officer recommend that:

The General Government Committee, in accordance with Section 71-11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-Law), grant authority to amend the Blanket Contract Number 47025072 with Cardinal Health Canada Inc. for the supply and delivery of medical and personal care supplies for SSLTC in the amount of \$2,789,516 net of all applicable taxes and charges (\$2,838,611 net of HST recoveries), revising the current Blanket Contract 47025072 value from \$3,680,276 net of all applicable taxes and charges (\$ 3,745,049 net of HST recoveries) to \$6,469,792 net of applicable taxes and charges \$6,583,660 net of HST recoveries).

FINANCIAL IMPACT

The total value of amendment identified in this report is \$2,789,516 net of all applicable taxes and charges (\$2,838,611 net of HST recoveries). This amendment will increase the value of the Blanket Contract from \$3,680,276 net of all applicable taxes and charges (\$ 3,745,049 net of HST recoveries) to \$6,469,792 net of applicable taxes and charges (\$6,583,660 net of HST recoveries).

Funding of \$1,261,989 is included in the 2026 Operating Budget Submission as base budget for Seniors Services and Long-Term Care. Funding for 2027 and 2028 will be requested through the 2027-2028 Operating Budget Submissions for Seniors Services and Long-Term Care, as per the annual Operating budget review process.

Funding details are provided in the table below.

Table 1: Financial Impact Summary, net of Harmonized Sales Tax Recoveries

SSLTC	D3*144 / GL 2823, 2826, 2855	D3*175 / GL 3055	Total Amendment Value (Net of Harmonized Sales Tax Recoveries)
January 1, 2026 to December 31, 2026	\$1,135,790	\$126,199	\$1,261,989
January 1, 2027 to December 31, 2027	\$1,135,790	\$126,199	\$1,261,989
January 1, 2028 to March 31, 2028	\$283,170	\$31,463	\$314,633
Total	\$2,554,750	\$283,861	\$2,838,611

The Chief Financial Officer and Treasurer has been advised of the financial impacts associated with this amendment to be considered along with other priorities in future budget processes.

DECISION HISTORY

On April 26, 2023, the Bid Award Panel 2023.BA24.6 authorized the award of a contract to Cardinal Health Canada Inc., resulting from competitive procurement Request for Quotation Doc3734314805.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.BA24.6>

On January 7, 2025 the Blanket Contract 47025072 with Cardinal Health Canada Inc. was amended, increasing the target value of the contract by \$500,000 (from \$2,099,192.00 to \$2,599,192.00 net of all taxes and charges) to ensure the Division had sufficient funds to meet the growing needs for medical supplies and equipment across ten (10) Long-Term Care homes. All other terms and conditions remained unchanged.

COMMENTS

In April 2023, the Bid Award Panel granted authority for SSLTC to create a blanket contract with Cardinal Health Canada Inc. through a competitive Request for Quotation process, with an initial term of two (2) years (September 1, 2023 to March 31, 2025) and three (3) optional one-year extensions, for a total potential contract value of \$6.1 million.

This blanket contract supports the procurement of essential medical and personal care supplies, such as foam dressings, patient motion sensors and alarms, soaps, medical syringes, and fall prevention devices for the City's ten long-term care homes, supporting approximately 2,600 residents.

This contract plays a critical role in ensuring consistent delivery of safe, high-quality, person-centered care to residents, many of whom have complex medical needs.

In 2024, through ongoing contract monitoring and analysis, it became known that the rate of expenditure was outpacing initial projections. Several factors contributed to this trend:

- Evolving clinical practices have introduced new standards of care, requiring additional and more specialized medical supplies not accounted for in the original Request for Quotation estimates.
- Increase in resident medical complexities has led to higher demand for advanced medical supplies and equipment, including items such as fixation devices for post-hospitalization care.

- Aging infrastructure within the homes, particularly bed and chair alarm systems, has compelled replacement to maintain safety and quality of care.

To address the immediate funding shortfall, divisional staff sought and received approval from the Deputy City Manager to increase the contract value by \$500,000 — the maximum allowable under delegated authority. However, this increase has proven insufficient. As of November 2025, the contract is overspent by approximately \$125,000, and ongoing operational needs continue to influence further expenditures.

To ensure continuous access to critical medical supplies and equipment, Seniors Services and Long-Term Care's General Manager is seeking Council authority to amend the existing agreement with Cardinal Health Canada Inc. and increase the contract value by an additional \$2,838,611 net of HST recoveries. This amount will sustain procurement through the remainder of the contract term, including all optional extension years, ending March 31, 2028.

This amendment will enable the homes to maintain compliance with evolving care standards and replace aging equipment in a timely manner. Leveraging the existing contract with Cardinal Health Canada Inc. ensures continuity of supply, avoids procurement delays, and supports the City's commitment to delivering high-quality care in its long-term care homes.

Seniors Services and Long-Term Care is enhancing its forecasting methodology by incorporating evolving medical practices, higher resident acuity, and seasonal and episodic factors — such as outbreak-related surges — to better anticipate future demand.

To strengthen internal controls, real-time contract monitoring tools are being deployed using Tableau software, to enable improved oversight and timely decision-making.

Cardinal Health Canada Inc. has remained a responsive and cooperative partner since the Blanket Contract was created, supporting the division's efforts to manage increased demand and maintain continuity of supply.

DIVISION CONTACTS

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SIGNATURE

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