

Express Scripts

By EVERNORTH



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PBM Agreement Service Addendum

Date of PBM Agreement: December 7, 2022

Client Name: Employees Retirement System of Texas ("ERS")

Carrier: 93x6 **BPL/Contract:** n/a **Group:** n/a

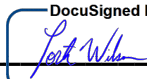
Effective Date of Addendum: January 1, 2025

ERS hereby directs Express Scripts to implement the Medicare Prescription Payment Plan as of the Effective Date. ERS agrees to pay the applicable fees in accordance with the payment provisions of the PBM Agreement. Upon execution by ERS, this Addendum shall become part of and incorporated into the PBM Agreement between ERS and Express Scripts identified above as of the Effective Date.

By signing below, ERS agrees to the prices and terms set forth in this PBM Agreement Service Addendum.

If this Form was communicated to ERS as an attachment to an electronic communication (i.e. email), then any response to such email from ERS indicating ERS' approval shall constitute ERS' electronic signature to implement the changes set forth.

AUTHORIZED SIGNATURE:

DocuSigned by:


88EC8BA45AC04F3
(Signatory must have authority to legally bind ERS)

TITLE: Executive Director

DATE SIGNED: 11/4/2024



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EXPRESS SCRIPTS MEDICARE PRESCRIPTION PAYMENT PLAN (EGWP ASO) ADDENDUM TO THE PHARMACY BENEFIT MANAGEMENT AGREEMENT

1. M3P Program:

Express Scripts Medicare Prescription Payment Plan (“M3P Program”) is ESI’s program designed to assist Part D sponsors in meeting the Inflation Reduction Act requirements that allow Medicare Part D beneficiaries the option to pay out-of-pocket prescription drug costs in the form of monthly payments over the course of the plan year, instead of paying in full at the pharmacy.

2. Definitions:

- a. “Participant” means an individual who has a timeline of participation in the M3P Program during the applicable month, or an individual who carries a balance after being terminated and continues to be invoiced.
- b. “PPPM” means per Participant per month
- c. “Supplier” means a third-party vendor that enters into an agreement with ESI to provide services for the M3P Program.
- d. “M3P Transaction” means a transaction, submitted by the pharmacy to the PBM subsequent to the submission of the Medicare Part D and any applicable other payer claims, used to capture the final Participant responsibility amount after all other payers have paid and which will be applied to the M3P program per CMS requirements. This transaction allows ERS to pay the pharmacy for the amount the Participant would otherwise have paid at Point of Service (“POS”) to obtain the prescription. The M3P Transaction is not considered a Claim under the Agreement.

3. Terms and Conditions:

- a. ESI shall modify the program if additional changes are required by Centers for Medicare and Medicaid Services (“CMS”) guidance, subject to an agreed-upon adjustment in the Fee PPPM, if necessary, to compensate ESI for program modification.
- b. After the first year of operation, ESI may update or modify the program upon mutual written agreement between ESI and ERS, subject to an agreed-upon adjustment in the Fee PPPM, if necessary, to compensate ESI for program modification.
- c. ESI shall provide ERS with a minimum of thirty (30) calendar days written notice prior to effecting any material modifications or changes to the pricing structure of the M3P program.
- d. ERS acknowledges and agrees that in providing the M3P Program, ESI will collaborate with a third-party Supplier as determined by ESI. The current Supplier is Pay-tient, however ESI retains the right to change Supplier as needed to maintain compliance with CMS guidance. This Supplier will have access to Participant specific information, including protected health information, and will be subject to execution of an appropriate business associate agreement. If for any reason ESI’s third party supplier

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cannot perform the services described herein, ERS shall provide ESI with a ninety  (90) day transition period to allow for other arrangements to perform the services.

Upon ERS election of the M3P Program, ERS agrees that ESI may contact ERS' Participants as well as eligible plan participants, those who have not yet enrolled but have been identified as likely to benefit, (including via electronic means) to discuss the M3P Program and educate and assist Participants as well as eligible plan participants on enrollment into the related ESI digital communication initiatives.

- e. ERS agrees that ESI may share ERS' Participants and eligible plan participants, those who have not yet enrolled but have been identified as likely to benefit, contact information (including electronic addresses) with Supplier, allowing Supplier to contact them regarding election support in M3P Programs and to otherwise communicate regarding the M3P Program's services.
- f. ESI may obtain additional information to enable and operate M3P including, but not limited to, data associated with Participant contact data and payment information, eligibility, election/termination, Platform interaction, and information obtained or other criteria that is needed of ERS. ESI may use information or data collected for participation in M3P including information collected from third parties, to administer the program, to contact Participants in the program to support their participation, for the purpose of performing outcomes and/or opportunity analyses, pharmacy benefit plan administration, and administration of other programs that ERS may enroll in.
- g. ERS agrees to use ESI M3P program member terms and conditions for member election communications. Available upon request.
- h. ERS agrees to provide ESI with information requested by ESI that is required for ESI to perform the M3P Program as required by CMS.
- i. Grievance processing related to the M3P Program will be included.
- j. Audit support will be provided according to the terms of the Agreement.
- k. ERS acknowledges and agrees to use the M3P Program system and processes, developed by Express Scripts pursuant to CMS' M3P final guidance.
- l. ERS has sole responsibility to identify and notify Express Scripts if any of their plans should be excluded from the M3P program in accordance with CMS requirements

4. M3P Program Service(s) included in Fee PPPM:

- a. ESI, or Supplier, shall provide the following services in accordance with final guidance set forth by the CMS to support aspects of the M3P Program, including:
 - i. PBM Services
 - 1. M3P Transaction Adjudication
 - 2. Process data Feeds of M3P Transactions
 - 3. Reporting required by CMS in relation to the M3P Program supported by ESI will be submitted to CMS on behalf of ERS
 - 4. Population of M3P related information on the Prescription Drug Event (PDE)
 - 5. Inclusion of CMS required messaging on the Explanation of Benefit (EOB)
 - ii. Participant Invoicing Services

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1. Participant invoicing
2. Participant payment processing
3. Process data feeds of Participant payment information
- iii. Elections/Terminations Services
 1. Participant election and termination/ opt-out support
 2. Process data feeds of Elections/Termination information
- iv. Communication Services
 1. Participant communications will include:
 - a. Invoice/billing statement
 - b. Notice of failure to make payments
 - c. M3P Termination notification for failure to pay
 - d. Election approval notice
 - e. Request for additional information
 - f. Denial letter
 - g. Notification of voluntary removal from M3P
 - h. Likely to Benefit messaging at point of sale (starting 1/1/25) provided through ESI's network of pharmacies
 - i. Prior to plan year Likely to Benefit Letters (hard copy/electronic letters available)
 - j. Likely to Benefit education information will be included in coverage review communications.
 2. Ad-hoc communications as required to support the services
 3. Returned mail support for M3P Communications
- v. M3P Designated Call Center
 1. Invoicing, payment, and election/termination related calls
- b. ERS Invoice and Reimbursement:
 - v. Once a Participant elects the M3P Program, ERS will be responsible for any Participant cost share at the point of sale.
 - vi. ESI/Supplier will calculate the appropriate Participant's payment in accordance with CMS requirements and invoice the Participant accordingly.
 - vii. Payments received from the Participants will be credited to ERS' claims invoice per the existing schedule already agreed upon between ESI and ERS.
 - viii. Any Credit Card/ACH/Lockbox fees related to M3P for Participant payments will be passed through to ERS.
 - ix. ERS is responsible for any unpaid Participant balances.

5. Implementation Requirements:

ERS and ESI will update Participant communications/websites as needed with Express Scripts information to ensure that M3P related calls and any Election Request forms received are routed to ESI.

6. Pricing: [See pricing sheet]

